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TESTIMONY BEFORE THE JOINT COMMITTEE ON HOUSING AND
ECONOMIC DEVELOPMENT
IN OPPOSITION TO 1664

An Act to Repeal the Dirigo Business Incentives Program

April 24, 2025

Senator Curry, Representative Gere, and distinguished members of the Joint Standing Committee on Housing and Economic Development, my name is Emily Horton. I am the Director of Policy and Community Engagement at the Department of Agriculture, Conservation and Forestry (DACF). I am speaking on behalf of DACF in opposition to LD 1664, *An Act to Repeal the Dirigo Business Incentives Program*.

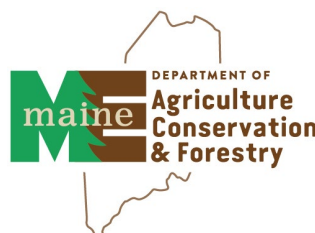
LD 1664 would eliminate the Dirigo Business Incentives Program (DBIP), a program we expect to be vital to our agricultural sector and rural communities. DBIP is a cornerstone economic development tool administered by DECD that specifically benefits Maine's farms and agricultural enterprises. Without it, our agricultural businesses would be left with only minimal support options like rooftop solar credits. This is particularly concerning given Maine's challenging business climate, where our agricultural sector faces high utility costs and significant tax burdens.

Let me highlight several critical benefits of this program:

- A 10% tax credit for capital expenditures, which enables our farmers to invest in essential infrastructure, including barns and processing facilities
- A \$2,000 worker training credit through community colleges that helps develop our agricultural workforce
- Refundable credits up to \$500,000, making them especially valuable to our farming community

The program's significance is evident in this year's application data: approximately 30% of current applicants - 10 out of 31 - are Maine farms. Many of these are substantial operations in Aroostook County, where high utility costs pose particular challenges.

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As the agency tasked with supporting Maine's agricultural sector, we strongly urge this committee to preserve DBIP. Its elimination would severely hamper our farming communities' ability to invest, grow, and maintain their competitive edge.

Thank you for your consideration of our position. DACF would be happy to have staff attend the work session to answer questions.