

132nd Maine Legislature's Committee on Education & Cultural Affairs

LD1664: An Act to Repeal the Dirigo Business Incentives Program

Testimony in Opposition of LD 1664

Chair Curry, Chair Gere and esteemed members of the Housing & Economic Development Committee:

My name is Jenni Tilton-Flood and I am an owner and manger at Flood Brothers, LLC in Clinton, Maine, as well as a Mainer and Mum. Our family dairy farm is operated and owned by a 3 generation family that represents 15 family members, and 5 households. Our operation is home to 4,200 cows, 2,200 of which we milk everyday and produce 18,000 gallons of milk which finds it way onto our neighbours' tables within 24-48 hours after it leaves our farm. As a part of Maine agriculture our farm provides more than just an economic impact for our State-we are an integral part of the food system providing fresh, high quality food and sustainable nutrition and truly impacting the triple bottom line of sustainability: community, environment and economy. Because of all of this it is important to our business, sector and family that Maine's workforce, people and economy are supported and invested in and the Dirge Business Incentives Program is a means to that end so I urge Ought Not to Pass for LD 1664.

Just recently the [Maine Dairy Task Force](#) concluded its work and submitted its findings and [final report](#) to the ACF Committee. Among the recommendations in the report was the finding of benefit for Maine's Dairy Farmers of the availability and utilization of the Dirigo Business Incentives Program ([Final Report of the Task Force to Support Commercial Dairy Farms in the State, page 18](#)):

Establish and Utilize Tax Credit Programs

Based on a review of tax incentive programs in Maine and other northeastern states, the Dairy Task Force recommends supporting farmers in benefiting from a recently established Maine program as well as creating a new tax credit program modeled after a successful New York initiative. Both programs can benefit Maine's dairy farms as well as the rest of the state's agricultural sector:

- *Dirigo Business Incentives Program. This new Maine program, which will launch in January 2025, will provide a 10% capital investment credit (5% in some counties) for businesses investing in eligible equipment, machinery, and building construction. Eligible sectors include agriculture, with a \$50,000 annual minimum capital expenditure required to claim the credit. The credit is capped at \$2 million per year, and up to \$500,000 of the credit is refundable per year for up to five years. New York has instituted a comparable program that provides a higher tax credit (20%) for certain eligible farmers, and Maine could consider this specific program modification for its agricultural sector.*

I know of at least one family dairy farm that has utilized this program with the support and encouragement of their financial consultant and just last week at a benchmark meeting with family dairy farms throughout the state, family farm owners like myself discussed the benefit and assistance this program provides businesses here in Maine, especially as we continue to compete with businesses outside of Maine who have many competitive advantages over us.

I realize there is some perception that the beneficiaries of this program do not represent Maine's small businesses and family businesses but that is not true...this program is a very important,

meaningful, impactful and accessible way for agricultural businesses throughout the state to invest sustainably in their companies, communities and workforce.

I urge you to vote against this bill and I welcome any questions. Thank you for your time today and for your service as citizen legislators.

With Gratitude,
Jenni Tilton-Flood
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