

Taxation Committee 5.13.25

My name is Louise Rosen. I am the Co-President of the Maine Film Association and have lived in Brunswick, Maine for 20 years. I have been working in international film & television distribution for over 30 years, beginning at WGBH, the Boston PBS station that produces the majority of what is seen on PBS nationally. I have operated my own companies in Boston, Los Angeles, London, and Maine. For more than 25 years I've also raised production finance for film & television projects and served as a producer, focused on documentaries, on numerous projects. My projects have been nominated for and won major awards such as Best Documentary at the Sundance Film Festival, and the International Emmy, Emmy, and Oscar. I speak at conferences and film festivals and teach/train internationally, working with filmmakers to develop, finance and market their projects.

Since 2017 I have worked alongside my Maine colleagues to seek enhancements to the existing incentives, knowing that improving the incentives and the infrastructure to manage them will be of enormous benefit to the state. How do I know this? Because just as Maine has proven to be an incredible wellhead of globally recognized talent in fine art, craft, theater, design, architecture, food, farming, and other sectors important to the state's economic wellbeing, I know it already has many of the key components to make the media production sector a major driver of economic success.

To produce media to the high standard that enables it to succeed nationally and internationally requires staff, equipment, and a budget that is most often beyond the reach of the media makers here in Maine. There are a few exceptions. We do have talent and capacity that can contribute to productions coming from out of state. And we also have the locations, the natural beauty, and the hospitality and service businesses – from building supplies to vehicle rental, to makeup, to costuming, carpentry, electrical, etc. Moving the needle on incentives will bring more production to the state that will help grow opportunity for those who live here.

In 2022 the Maine Film Association published an economic impact survey that was led by Professor Todd Gabe, University of Maine School of Economics. The MFA collected 2019 industry revenue and expense data from a total of 128 Maine-based film and production entities: 38 companies and 90 freelance production professionals/independent filmmakers.

Based on that data, the report showed that the Maine film and video production industry had a direct economic impact of \$29.25million in revenue, supported 312 full- and part-time jobs, and generates \$16.1 million in direct labor income. Including multiplier effects, Maine's film and video production industry generates an annual economic impact of **\$64.3 million in revenue**, 609 full- and part-time jobs, and generates \$28.7 million in labor income. Reminder, this data is from 2019. I've spoken with Ryan Wallace, an economic consultant who authored the recent Maine Department of Economic and Community Development report "Why People Move to Maine", who advised me that an appropriate multiplier of 1.8 applied to the annual turnover of a company such as South Portland's Lone Wolf Media, with \$10 million in annual turnover, means an \$18 million economic impact. With another three companies of Lone Wolf's size, the impact of our industry on the Maine economy would exceed \$100 million per year.

Now, for some comparison I want to share information from the Maine Aquaculture Association.

Since 2007, the total economic impact of aquaculture has nearly tripled from \$50 to over \$137 million. It employs over 700 people full-time at nearly 200 farms along the coast, with more opportunities for different roles in the sector being created all the time.

I don't have any information on the amount of incentives that have been provided to the aquaculture industry but I'm sure it's been significant. I've read the Maine Investment and Incentives Guide and I see aquaculture qualifies for up to \$2 million per company annually in tax credits and that up to \$500,000 per year can be refundable.

The time is now. Maine needs to recognize and support the potential that media production can have to the economic development of the state and support an enhanced incentives program.

I will close with an important point.

We all talk about the flight of Maine graduates to other states. Here's something to consider...

The cost of a K-12 public school education in Maine is estimated at \$204,000 per student. Add another approximately \$12,000 for two years at Southern Maine Community College and you can see the total cost exceeds \$210,000 per student. SMCC has graduated a significant number of students, more than 12, who have been accepted into two of the premiere film programs in the country at USC in Los Angeles and Emerson College in Boston. They typically do not come back to Maine because there's no work, no career for them here. This means Maine has already lost at least \$2.5 million in education investment and at that rate of \$210,000 per student, that loss will continue unless incentives are enhanced, creating jobs for them to return to.