



TESTIMONY of Megan Diver
Vice President
Maine Energy Marketers Association

**BEFORE THE JOINT STANDING COMMITTEE ON
TAXATION**

**IN SUPPORT OF LD 2044
“An Act to Allow for the Transferability of the Biofuel
Production and Renewable Chemicals Tax Credits”**

Senator Grohoski, Representative Sayre, and members of the Joint Standing Committee on Taxation my name is Megan Diver, I am the Vice President of the Maine Energy Marketers Association (MEMA).

The Maine Energy Marketers Association represents energy marketers across the State of Maine who deliver essential fuels — including propane, heating oil, biofuels, and motor fuels — to more than 400,000 households and businesses. Our members are committed to safe, reliable, and cost-effective energy delivery for all Mainers.

Thank you for the opportunity to testify in strong support of LD 2044, *An Act to Allow for the Transferability of the Biofuel Production and Renewable Chemicals Tax Credits*.

LD 2044 would strengthen Maine’s alternative fuel economy. Biofuels and renewable chemical industries are emerging domestic sources of energy that can reduce dependence on global fuel markets. Facilitating the transferability of production tax credits increases their economic value and improves the financial viability of Maine producers and suppliers. Allowing credits to be sold or transferred makes them accessible even to producers without sufficient tax liability to use the credit directly.

Smaller producers of biofuel and renewable chemicals frequently face challenges securing investment or capital due to limited credit use. Transferability enables these producers to monetize their credits earlier and more predictably, making investment dollars more accessible and strengthening rural economic development. This, in turn, broadens market participation and increases competition — ultimately benefitting Maine consumers. LD 2044 improves access to capital and market competitiveness.

This policy change does not broaden the credit, increase the rate, or create additional fiscal exposure for the State. Instead, it enhances the flexibility and effectiveness of an existing incentive, encouraging Mainers to produce and use cleaner fuels and innovative energy products. LD 2044 supports the State energy goals without increasing the tax burden.

Maine’s clean-energy goals include expanding alternatives that reduce greenhouse gas emissions while

maintaining affordability and reliability. By enhancing the utility of tax credits that support renewable fuels and chemicals, this bill helps align economic incentives with environmental priorities in a pragmatic and cost-effective way.

For these reasons, MEMA respectfully urges the Committee to support LD 2044. Allowing the transferability of biofuel and renewable chemicals tax credits will strengthen Maine's energy economy, support producers, expand market participation, and further the State's energy policy goals without increasing net costs to the public.

Thank you for your consideration.