



### **Testimony in Opposition to LD 307:**

“Resolve, to Establish the Maine Artificial Intelligence Data Center Coordination Council”

Senator Lawrence, Representative Sachs, and distinguished members of the committee on Energy, Utilities, and Technology, my name is Montana Towers, and I serve as policy analyst for Maine Policy Institute. Maine Policy is a free market think tank, a nonpartisan, nonprofit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to submit testimony in opposition to LD 307, “Resolve, to Establish the Maine Artificial Intelligence Data Center Coordination Council.”

While the stated goals of evaluating the growth of artificial intelligence (AI) data centers in Maine may appear benign, the underlying mechanism proposed in LD 307 poses significant risks to Maine’s economic competitiveness and undermines the very innovation it purports to support.

### **Another Government Council is Not the Answer**

LD 307 would create yet another state-level planning council, empowering unelected bureaucrats to shape the future of a cutting-edge industry. The council’s sweeping mandate includes defining AI data centers, guiding local zoning and siting decisions, recommending rate design changes, proposing impact fees, and more. This commitment to more top-down control is not the answer to this complex and evolving industry.

Private innovation in AI and digital infrastructure thrives when the government gets out of the way and allows the free market to work, not when it inserts itself as a barrier to private-sector growth. As we have seen in other areas of energy and infrastructure policy, regulatory overreach and “coordinated” planning often lead to burdensome red tape, delays, and disincentives to invest.

### **More Top Down Energy Planning**

The council’s requirement to align its recommendations with Maine’s Renewable Portfolio Standard and climate mandates under Maine statutes further entrench costly and inflexible energy policies. Maine ratepayers already pay some of the highest electricity rates in the nation, in part due to government mandates that prioritize carbon goals over affordability and reliability.

AI data centers are, by nature, energy-intensive. If Maine wants to attract them, we must offer not only reliable infrastructure, but also competitive energy pricing.



Burdening data centers with additional costs through impact fees, or requirements to purchase “clean” but costly energy, will send a clear message to prospective investors that Maine is not serious about competing for digital infrastructure jobs.

## **No Private Sector Representation**

Furthermore, the proposed council includes representation from every corner of government bureaucracy, labor unions, utilities, and even environmental advocates, but noticeably omits seats for industry, technology entrepreneurs, or anyone representing the market perspective. A council tasked with assessing the role of private investment in Maine’s economy ought to include voices from those actually driving that investment.

## **Conclusion**

LD 307 rests on the assumption that economic development should be centrally planned, coordinated, and monitored by the state. But Maine needs precisely the opposite, a decentralized, and competitive environment where the free market determines what kinds of infrastructure succeed, not bureaucratic panels or political priorities.

For these reasons, Maine Policy Institute strongly urges this committee to vote “Ought Not to Pass” on LD 307. Thank you for your time and consideration.