



**Testimony in Opposition to LD 2216:**  
“An Act to Establish the Maine Blue Economy Center”

Senator Curry, Representative Gere, and distinguished members of the Joint Standing Committee on Housing and Economic Development, 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 2216, “An Act to Establish the Maine Blue Economy Center.”

While this bill may have good intentions, LD 2216 creates a new quasi-governmental entity with broad financial powers, limited accountability, and the ability to direct taxpayer resources toward selected industries. Rather than strengthening Maine’s economy, this proposal risks expanding government bureaucracy, distorting markets, and encouraging politically directed investment.

**The bill creates another government bureaucracy**

LD 2216 establishes the Maine Blue Economy Center as a “body corporate and politic and a public instrumentality of the State” tasked with coordinating economic development in marine-related industries.

While the center is technically described as independent, the structure outlined in the bill demonstrates clear public involvement. This includes state officials serving on the governing board, including the Commissioner of Economic and Community Development, the president of Maine Technology Institute (another publicly funded entity), and the Chancellor of the University of Maine System. Under this bill, the center also has the authority to hire staff, establish programs, and coordinate state economic initiatives.

This structure effectively creates another publicly connected bureaucracy layered on top of Maine’s existing economic development apparatus. Maine already operates multiple programs aimed at business attraction and industry development through agencies such as the Department of Economic and Community Development, the Finance Authority of Maine, and the Maine Technology Institute. Creating another entity to perform overlapping tasks risks redundancy, mission creep, and inefficient use of state funds and resources.



## **Government directed investment in private industry**

The bill establishes a Maine Blue Economy Fund that may provide investments, grants, loans, and incentives to “certified blue economy businesses.” This raises several policy concerns. The largest one being that the state should not be in the business of picking winners and losers in the marketplace. When the government directs investment toward politically favored sectors, it can crowd out private investment and distort market signals. The bill also allows the center to determine which businesses qualify as “certified” recipients of funding. This creates the potential for favoritism, political influence, and cronyism in the allocation of resources.

## **Taxpayer-funded economic development programs often fail to deliver promised results**

Programs that direct public resources into specific sectors frequently overpromise and underdeliver. These programs are often designed with the intention of stimulating growth, but government planners rarely possess the same level of information as private investors when determining which technologies, companies, or industries are most likely to succeed. As a result, policymakers can easily direct public funding toward projects that appear promising but fail to prove sustainable in the marketplace.

When the government attempts to engineer economic outcomes, it often substitutes political decision-making for market competition. Instead of flowing to the most productive uses through voluntary investment, capital will flow toward projects that secure political approval. Over time, this dynamic can reduce innovation, discourage private investment, and slow economic growth rather than accelerate it.

## **Maine’s economy grows when government removes barriers, not when it adds new programs**

Maine’s blue economy including fishing, boatbuilding, marine research, and more are already vital components of our state’s economy. These industries have developed largely through private initiative, entrepreneurship, and community expertise, but the approach outlined in LD 2216 moves the state in the opposite direction.

By establishing a new quasi-governmental center with broad powers the bill will expand bureaucracy and distort the very markets it intends to support. Rather than establishing new government structures, policymakers should focus on removing the barriers that make it difficult for these industries to grow. These barriers include excessive regulatory burdens, permitting delays, high energy costs, and workforce shortages driven by



restrictive licensing and housing shortages. Addressing these systemic challenges would do far more to support the blue economy than creating another publicly backed development organization.

For these reasons, Maine Policy Institute strongly urges this committee to vote “Ought Not to Pass” on LD 2216. Thank you for your time and consideration.