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**Testimony in Opposition to Part O of LD 2212 (Governor's Supplemental Budget)
Relating to the Elimination of the Business Equipment Tax Reimbursement (BETR) Program
Presented by: Kimberly N. Lindlof, IOM, President & CEO, Mid-Maine Chamber of Commerce**

Date: March 9, 2026

Senator Rotundo, Representative Gattine, and distinguished members of the Committee on Appropriations and Financial Affairs:

My name is Kim Lindlof, and I am writing today representing the Mid-Maine Chamber of Commerce. Our Chamber serves a diverse membership that includes several of the state's largest and most innovative manufacturers. I am writing to express our **strong opposition to Part O** of the Governor's Supplemental Budget, which proposes to sunset the **Business Equipment Tax Reimbursement (BETR)** program.

Mid-Maine Chamber of Commerce opposes this measure because it will have a significantly detrimental financial impact on our members and undermine the stability of the business climate.

The elimination of BETR would directly harm specific, high-investment employers in our region who have relied on this program to justify large-scale capital projects:

- **Sappi Somerset Mill (Skowhegan/Fairfield):** Sappi has invested over **\$1 billion** in the Somerset Mill over the past 12 years. These investments, including the recent \$418 million conversion of its No. 2 Paper Machine, were made with the understanding that BETR would remain a stable part of Maine's tax code. Eliminating it now would result in a significant, unplanned tax increase for a mill that employs nearly **800 people**.
- **Huhtamaki (Waterville/Fairfield):** As a major manufacturer of sustainable food service packaging, Huhtamaki employs roughly **550 people** in our region. In an environment where they already face high energy and operational costs, the loss of BETR reimbursements adds another layer of financial instability to a critical local employer.

- **F3 MFG /DuraMag (Waterville):** One of Maine’s fastest-growing companies, this manufacturer of aluminum truck bodies has grown its workforce from 14 to over **200 employees** since 2016. For rapid-growth manufacturers like F3, the ability to reinvest reimbursements into new machinery is vital for maintaining their trajectory.
- **Mid-State Machine Products (Winslow):** This facility operates more than **41 state-of-the-art CNC machining centers** to produce mission-critical parts for the aerospace and defense sectors. The high cost of this specialized equipment makes BETR an essential tool for keeping its Winslow operations competitive.
- **Northeast Laboratory Services (Winslow/Waterville):** A specialized manufacturer of microbiological culture media and environmental testing services, this company relies on high-tech laboratory and production machinery. Eliminating BETR would increase the overhead for these essential technical services provided right here in mid-Maine.

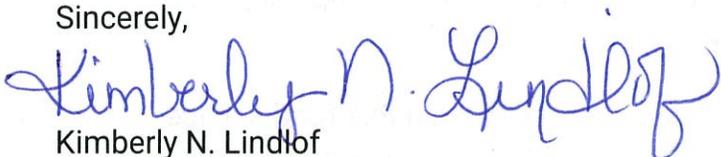
Broad Economic Consequences

- **Sudden Financial Hardship:** Reducing reimbursements by **50% for tax year 2025** and ending them in **2026** creates an immediate budgetary gap for these companies.
- **Retrospective Policy Change:** Many of these manufacturers planned their current 2025-2026 capital budgets based on existing law. Sunsetting the program now is a retroactive penalty on those who chose to invest in Maine.
- **Retail and Small Business Vulnerability:** Because BETR covers retail equipment—unlike the BETE exemption—the elimination also hits local icons like **Hammond Lumber Company, Marden’s, and Day’s Jewelers**, as well as local restaurants and auto dealerships.

For nearly 30 years, BETR has encouraged Maine businesses to modernize. The sudden elimination of this program sends a troubling message that Maine’s tax commitments are unreliable. We respectfully urge the Committee to reject **Part O** and maintain the BETR program.

Thank you for your time and consideration.

Sincerely,



Kimberly N. Lindlof
President & CEO

Mid-Maine Chamber of Commerce

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