



JANET T. MILLS
GOVERNOR

STATE OF MAINE
DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT



MICHAEL A. DUGUAY
COMMISSIONER

March 11, 2026

Senator Nicole Grohoski
Representative Dan Sayre
Members of the Committee on Taxation
100 State House Station
Augusta, ME 04333

Re: Testimony Neither For Nor Against

LD 713, “An Act to Exclude Data Centers from the Business Equipment Tax Exemption and Dirigo Business Incentives Programs and to Require the Maine Department of Economic and Community Development to Study Financial Incentives for Data Centers”

Dear Senator Grohoski, Representative Sayre and members of the Taxation Committee,

I write to submit testimony neither for nor against LD 713, “An Act to Exclude Data Centers from the Business Equipment Tax Exemption and Dirigo Business Incentives Programs and to Require the Maine Department of Economic and Community Development to Study Financial Incentives for Data Centers”

The Department of Economic and Community Development (DECD) appreciates the Committee’s continued work to ensure that Maine’s economic development policies support long-term, sustainable growth for our state.

As the Committee considers this proposal, I would like to highlight an important point related to the evolving definition of data centers and the broader economic development tools Maine uses to attract strategic investment. Programs such as the Dirigo Investment Incentive have historically supported businesses that, depending on the definitions used in legislation, could fall under or alongside what might be considered data center operations.

These types of facilities are often associated with large technology companies, but they can also include research computing infrastructure, advanced manufacturing data operations, life science data platforms, and other high-performance computing environments that support innovation-driven industries. In many cases, these facilities serve as critical infrastructure for sectors that Maine is actively working to grow.

For example, industries such as life sciences, advanced manufacturing, climate technology, and emerging research fields rely heavily on high-capacity data processing and storage. Companies operating in these sectors frequently require secure, scalable computing facilities located near research institutions, production facilities, or specialized workforce talent. As Maine works to build



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competitive industry clusters, the ability to attract and support this type of infrastructure can play an important role.

Programs like the Dirigo Investment Incentive help Maine remain competitive when attracting capital-intensive projects that create high-quality jobs and anchor broader industry growth. As the Committee evaluates how data centers or related facilities may be defined or treated in statute, it may be helpful to consider how those definitions could affect Maine's ability to recruit and retain companies that depend on advanced computing infrastructure as part of their operations.

Thank you for the opportunity to provide this testimony and for your continued attention to policies that support innovation and economic opportunity in Maine. I would be happy to provide additional information or follow up with the Committee if that would be helpful.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Maureen Terry'.

Maureen Terry
Legislative Liaison
Department of Economic and Community Development