

Testimony By Simon West of the Maine State Chamber of Commerce and Member of
ReadyNation
Before The Joint Standing Committee on Appropriations and Financial Affairs and the Joint
Standing Committee on Education and Cultural Affairs

In Support Of

LD 258: An Act Making Unified Appropriations and Allocations from the General Fund and
Other Funds for the Expenditures of State Government and Changing Certain Provisions of the
Law Necessary to the Proper Operations of State Government for the Fiscal Years
Ending June 30, 2023, June 30, 2024 and June 30, 2025

Chairs Rotundo, Sachs, Rafferty, and Brennan and distinguished members of the Committees, I
am Simon West and I represent the Maine State Chamber of Commerce, a statewide business
association made up of both large and small businesses. Thank you for the opportunity to submit
testimony in support of L.D. 258.

The Maine State Chamber and our partners support budgetary considerations for numerous
provisions along the continuum of education: PreK expansion, the community college system,
and the UMaine system. It is important to our members and our partners that expansion in these
institutions continues and is consistent. Education and workforce development has grown
considerably as a business concern over the last decade. This growth in concern can be seen by
changes in priorities outlined in the latest issue of *Making Maine Work*. This report, produced
collaboratively by the Maine State Chamber of Commerce, Educate Maine, and Maine
Development Foundation, shows education and workforce growth in entry and mid-level
positions rising in priority.

Expanding Maine's workforce and its capabilities at all levels is part of the state strategic plan
and is a major objective of Maine's business community. Higher education often receives the
most attention for workforce expansion but PreK plays an important role and reinforces the
development of many skills and traits. PreK helps foster many of the skills and cognitive
abilities necessary to develop the soft skills that must be coupled with technical skills to create
success in the workplace. Reading and math comprehension are also impacted by quality PreK.
Children from low-income families often arrive at kindergarten with a significant learning gap

and PreK can help close those deficits. Quality PreK can shrink this gap by 41% in reading and 27% in math. This speaks volumes for a state that is diligently working to expand STEM opportunities in later learning. PreK also impacts high school graduation rates. Maine's future economy and business community depends on increasing high school completion rates and post-secondary enrollment. States and cities that have built up their PreK programs are able to provide positive data from long-term studies. In New Jersey, preschool programs reported impacts on math and literature that appeared in student comprehension through 10th grade. In Chicago, the Chicago Child-Parent Centers reported a 29% increase in high school graduation rates among participants. In Tulsa, Oklahoma researchers studied 4,000 students in the 2005-2006 cohort. Of this cohort half participated in PreK or Head Start while the other half did not. At the conclusion the fifteen-year study researchers saw that students who did not participate in a PreK or Head Start program were 12% less likely to enroll in college than those who did. It is also important to look at the future earning potential experienced by children who attend PreK. Aside from the increased productivity brought to the economy from skills and education, students who attain a bachelor's degree have an average of \$1.6M more in lifetime earnings than a high school dropout. The effects of this increase in earnings and disposable income have significant implications on economic growth.

Higher education and adult education also play a vital role in the strategy to increase Maine's workforce and workforce participation rate. Our adult education system is an asset for those who experience alternative learning paths. In the wake of the pandemic adult education will continue to be a vital piece of our education system as more young adults find themselves needing to address learning loss brought on by significant disruption over the last several school years. Upskilling the current workforce has been a longtime focus of our Community College System. The Community College System partnered with employers throughout the pandemic and provided a vital role across sectors. Of the many ways the Community College System can continue to upskill our workforce and attract some of the 12,000 Mainers between the ages of 16-24 that are currently unemployed and unenrolled in school is through skilled trade programs, apprenticeships, internships, sector partnerships, and free Community College. The business community cannot fill jobs and cannot create jobs if there is no pipeline of youth who are both skilled and have had the opportunity to learn about the great careers they can build if they stay in Maine. The Maine State Chamber supports funding for the Community College.

The University of Maine system is also a critical player in Maine's workforce expansion. In the last decade they have awarded 56,000 degrees in healthcare, engineering, business, and education. The UMaine system's ability to funnel a skilled workforce into crucial sectors is an essential component of addressing economic growth and workforce challenges. Beyond workforce attraction, a large portion of implanting the strategic plan is to invest in innovation, and R&D. Investments in these areas will help grow Maine's economy by developing industries that do not yet exist here, supporting our emerging industries, and helping our mature industries develop new processes and workflows that generate greater output and higher paying jobs. Investing in the University of Maine system will create significant returns in developing talent, attracting talent, and diversifying Maine's economy and product offerings. R&D spending is a

key factor in driving economic growth in many states. Maine is currently ranked 44th in the nation for R&D spending. This lack of spending will likely lead to high paying industries and bright talent leaving or never arriving. Small business is the economic backbone of Maine and most cannot afford to invest in their own R&D. The University of Maine system helps incubate innovation when there would otherwise be none. With little ability for private enterprise to invest in innovation, and the State's relatively low public investment, investing in our public universities is not an option but a must.

As an advocate for our business members, I ask that you fund these priorities. As someone whose higher education path saw KVCC, UMF, UMA, and Thomas College I ask that you fund these priorities. As someone who is looking forward to starting and raising a family here in Maine, I ask that you fund these priorities.

Thank you for the opportunity to provide you with our testimony.