



Maine Film Association

April 11, 2023

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Committee on Taxation
c/o Legislative Information Office
Clerk, Benjamin Berry
100 State House Station
Augusta, ME 04333
TAX@legislature.maine.gov

Statement to the Members of the Maine State Legislature Committee on Taxation re: LD 1075

The Maine Film Association (MFA) is a longstanding nonprofit organization with 153 members representing a cross-section of Maine's media-making community. The MFA's mission is to advance the art, craft, and business of filmmaking in Maine. We aim to make Maine a great place to live and work as a filmmaker.

In this capacity, the MFA offers educational programs and public events and works to inform the public of the contribution the state's media-makers can make to Maine's economy and global identity. Last year, MFA conducted an economic impact survey devised by Prof. Todd Gabe at the University of Maine Department of Economics. Based on 2019 data, this survey reveals that the Maine film and video industry generates an annual economic impact—counting multiplier effects—of an estimated \$64.3 million in revenue, 609 full- and part-time jobs, and \$20.4 million in labor income.

It should be noted that this extraordinary level of economic impact has occurred despite limited attention, resources, and support at the state level. We urge the Committee and the legislature to consider what improved incentives could do to stimulate economic growth, expand the state's technological and human infrastructure, and further contribute to enhancing Maine's business reputation, demonstrating that in addition to the heritage industries, Maine can provide a growing range of opportunities for its own graduates as well as individuals and entities outside the state.

Maine's educational institutions, such as SMCC, USM, UMaine, MidMaine Technical Center, and others, already produce accomplished graduates in media/technology fields with few opportunities to work in-state. Improved incentives can change that, helping retain homegrown talent.

Many members of Maine's media-making community, professionals with national and international reputations, choose to live here but have to work elsewhere. Improved incentives can change that, bringing out-of-state production to Maine and the attendant economic multiplier effects.

There's a growing need for media-making capacity in-state. Maine's business community too often goes out of state when it needs media services. The State of Maine is one example, as are political candidates, manufacturers, retailers, and others. Improved incentives can change that, creating greater opportunities for local media-makers and further economic stimulus to the state.

While the recent OPEGA Report confirms the absolute need for extensive changes to the state's administration of the existing incentive program, this should not in any way diminish the goal to improve incentives. Problems at the state level can be fixed; the Maine Film Office can be overhauled, the use of those resources managed efficiently, and the resurrection of the Maine Film Commission handled in a way that results in a professional, effective, and impactful entity that can help guide the state's role in media-making matters going forward.

We urge the Taxation Committee to support LD 1075 and urge the Maine Revenue Services, and the Maine Legislature to adopt new media production tax incentives.

Sincerely,

Board of Directors
Maine Film Association

Emma Gregg, President; P3, Director of Productions
Geoff Leighton, Past President; Producer/Director, Leighton Images
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