

Testimony of Linda Caprara

On behalf of the Maine State Chamber of Commerce

In Support of the Department of Economic & Community Development Budget in

L.D. 210, An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026 and June 30, 2027.

Before the Joint Standing Committee on Appropriations & Financial Affairs & the Committee on Housing & Economic Development

February 5, 2025

Afternoon, Sen. Rotundo, Sen. Curry, Rep. Gattine, Rep. Gere and Members of the Appropriations & Financial Affairs and Housing & Economic Development Committees. My name is Linda Caprara. I am Vice President of Advocacy for the Maine State Chamber of Commerce. We are pleased to testify in strong support of the Department of Economic & Community Development budget in L.D. 210, An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026 and June 30, 2027.

The Department of Economic & Community Development (DECD) plays an absolutely critical and pivotal role fostering the growth and prosperity of Maine's economy. Over the years, DECD has been unwavering in its support of Maine's business community, overseeing many important economic development programs such as the Pine Tree Zones, the Dirigo Business Incentive Program, the shipbuilding credit and many more. These programs have increased capital investment in this state, helping ultimately to retain and create jobs and ensure Maine's businesses remain competitive in the global economy. The Dirigo Business Incentive Program is taking the place of the Pine Tree Development Zone Program which has officially ended enrollment. Over the years, hundreds of businesses across the state have used the PTDZ program and these companies have invested hundreds of millions of dollars in capital. Investment Consulting Associates did a report a while back for DECD which concluded that for every \$1 invested the state gets back \$2.32 in other words a 122% return. That's huge.

In addition, according to DECD, so far 25 Maine businesses have applied for the Dirigo Business Incentive Program. These companies have estimated they will make capital investments of over \$195 million in eligible business equipment over a five-year program. Businesses are also estimating they will have over 1,300 qualified employee training program completions over five-year certification. Capital Investment and continuing to invest in workforce training is the key to long term success in the global economy we are operating in and these programs help make that happen. Again, these are just some examples of the importance of these programs.

In conclusion, we cannot say enough about and truly appreciate Commissioner Heather Johnson and her team at DECD. They have been helpful, responsive and are dedicated to making Maine's business community thrive. We remain steadfast in our support of the DECD budget. I'd be happy to answer any questions and urge you to support DECD's budget.