



Teresa S. Pierce
Senator, District 25
Senate Majority Leader

THE MAINE SENATE
132nd Legislature

6 Waites Landing Road
Falmouth, ME 04105

***Testimony of Senate Majority Leader Teresa S. Pierce introducing
LD 506, An Act to Authorize a General Fund Bond Issue for Research and Development and
Commercialization
Before the Joint Standing Committee on Appropriations and Financial Affairs***

April 9, 2025

Chair Rotundo, Chair Gattine, and esteemed members of the Joint Standing Committee on Appropriations and Financial Affairs, my name is Teresa S. Pierce. I represent Senate District 25, which includes Falmouth, Cumberland, North Yarmouth, Yarmouth (majority), Gray, and Long Island, and have the privilege of serving as Senate Majority Leader. I am here today to present LD 506, An Act to Authorize a General Fund Bond Issue for Research and Development and Commercialization and ask for your strong support for this critical investment in Maine's future.

Research and development (R&D) is the backbone of innovation and economic growth. Unfortunately, Maine has been lagging behind other states in R&D investment. According to the Maine Development Foundation's Measures of Growth report, our state ranks 46th in the nation for R&D expenditures as a percentage of GDP. This is a stark reminder that we need to do more to support innovation and entrepreneurship in Maine.

Last fall, Maine voters approved a \$25 million R&D bond last November after the Legislature passed the enabling legislation with strong bipartisan support. This was an important step forward, but there is so much work left to do. LD 506 will ensure we keep our foot on the gas when it comes to incentivizing economic growth in Maine. Our state needs ongoing, reliable investment in research, development, and commercialization of new products to grow our economy.

Prior to last year's bond, our last R&D bond passed in 2017 with overwhelming bipartisan support. According to an independent economic analysis, our \$45 million dollar investment generated more than 5,350 jobs, and \$1.4 billion in economic impact for the State of Maine, reaching every corner of the state. The result of that initial investment is economic growth equivalent to more than 31 times the original State expenditure.

LD 506 would provide \$50 million in funding for R&D and commercialization in key sectors such as life sciences, renewable energy, and information technology. Once again, the funding would be administered by the Maine Technology Institute and grants would need to be matched



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on at least a one-to-one basis with other funding. R&D infrastructure grants are a proven strategy to create new opportunities for growth and job creation in Maine's technology sectors.

According to the Maine Innovation Economy Advisory Board, every dollar invested in R&D generates an estimated \$3 in economic return. This is a sound investment in our state's future, and one that will pay dividends for years to come.

Previous bond funds have spurred cutting-edge research at nonprofit research institutions, supported expansion of innovative companies whose products are sold across the globe and invested in startups and small businesses that form the backbone of our economy. Funds have flowed to Biddeford, Portland, Bangor, Bar Harbor, Kittery, Oxford, Brunswick, Augusta, Dover-Foxcroft, Eastport, Limestone, Madawaska and more locations all across the state.

But why should the state be involved in R&D investment? The answer is simple: the state has a critical role to play in supporting innovation and entrepreneurship. By providing funding for R&D, we can help bridge the gap between idea generation and commercialization, and create a more favorable business climate for startups and small businesses.

Thank you for the opportunity to present this bill, I respectfully urge you to support LD 506 and help us take a critical step towards building a more innovative and prosperous Maine. I'm happy to answer any questions you may have.