

**Testimony by Joe Powers**

**In Support of L.D. 691**

***An Act to Authorize a General Fund Bond Issue for Further  
Investment in Maine-based Businesses***

**April 9, 2025**

**Joint Standing Committee on Appropriations and Financial Affairs**

Senator Rotundo, Representative Gattine, and Distinguished Members of the Joint Standing Committee on Appropriations and Financial Affairs:

My name is Joe Powers. I am the Managing Director of Maine Venture Fund. I live in Portland and am testifying in support of L.D. 691, *An Act to Authorize a General Fund Bond Issue for Further Investment in Maine-based Businesses*. I want to thank Senator Pierce for sponsoring this bill, and Senators Curry and Daughtry and Representatives Fecteau and Sargent for their support as co-sponsors.

Maine Venture Fund (MVF) has been investing in small businesses in Maine for the past 27 years and today remains the *only* venture fund that is focused 100% on Maine-based businesses. As Senator Pierce described, MVF was formed to identify the highest potential early-stage companies in the state and help them secure funding. Often these companies are too risky for traditional forms of capital like bank debt, which is when MVF typically steps in not only fund the company but more importantly to catalyze other sophisticated investors to do the same, leveraging each MVF dollar roughly 7 to 1 historically. Indeed, Maine Venture Fund has earned a reputation as a trusted source to which investors can turn for guidance regarding investments into our state.

Maine is at an inflection point. In recent years, we've seen an influx in population due to migration patterns influenced by Covid and climate change, and the nascent startup ecosystem in the state has been bolstered by several institutions launching new entrepreneurship programs. This said, startups in Maine still face an outsized hurdle in finding growth capital relative to their peers in more urban hubs.

To address this gap more robustly and best support this new wave of companies, the Maine Venture Fund Board approved a 10-year strategic plan in May of last year with the goal of accelerating MVF's pace and volume of investments. This bill is the foundation of that strategy. The MVF team is also working simultaneously to pursue supporting capital from the private sector, has applied for multiple federal grants, and is exploring programs through Maine's Congressional delegations.

In summary, LD 691 would right-size the important work that MVF is doing to a scale that better fits the needs of the growing startup sector today, and for that reason I thank you for your consideration of this bill and I hope you will vote to approve it.