



From: Darian Harris, Advantage Capital
To: Joint Standing Committee on Taxation
RE: Testimony in Support of LD 1217 – "An Act to Reauthorize Maine's New Markets Tax Credit Program"
Date: April 16, 2025

Senator Grohoski, Representative Cloutier, and Distinguished Members of the Joint Standing Committee on Taxation:

My name is Darian Harris, and I'm a Senior Associate at Advantage Capital, one of the fund managers who participated in the first round of Maine's New Markets Capital Investment Program. I'm here today to express strong support for LD 1217 and the reauthorization of a program that has made a meaningful difference in Maine.

Since 2013, Advantage Capital has invested approximately \$40 million in Maine-based businesses through this program. These investments were strategically directed to underserved and rural communities across the state and would not have occurred without the incentives provided by the program.

In 2024, Maine recorded 21 venture capital deals, representing less than 2% of the 1,078 total deals completed across New England. For comparison:

- Massachusetts: 852 deals
- Connecticut: 118 deals
- New Hampshire: 30 deals
- Vermont: 29 deals
- Rhode Island: 28 deals
- Maine: 21 deals¹

According to the National Venture Capital Association (NVCA), Massachusetts startups raised over \$13.5 billion between 2019 and 2023, Connecticut raised over \$1.2 billion, and even smaller states like Vermont and New Hampshire secured hundreds of millions in capital. Despite its size, Rhode Island also outpaced Maine in venture funding and venture-backed employment.²





Maine's innovation ecosystem is growing—but it remains structurally undercapitalized. Traditional venture capital tends to bypass rural and underserved communities. That's why programs like the New Markets Capital Investment Program are essential.

As confirmed by the Office of Program Evaluation & Government Accountability (OPEGA), five out of six Community Development Entities (CDEs) participating in the program's first round had never previously invested in Maine. The state-level tax credit was the decisive factor in their participation.³

The results speak for themselves:

- Over \$250 million in private capital deployed
- More than 2,700 direct and indirect jobs created or retained
- A \$15.8 million net positive impact on Maine's General Fund
- A 22:1 return on investment in Gross State Product per tax credit dollar

At Advantage Capital, our portfolio includes projects that have revitalized industrial facilities, advanced homegrown tech companies, and strengthened key regional employers. We are proud of this impact—and eager to do more.

Reauthorizing this program provides the predictability investors need. LD 1217 comes at no new fiscal cost in this biennium, yet it reopens the door to a second wave of catalytic capital investment aligned with the state's long-term goals around innovation, rural prosperity, and economic growth.

This is not theoretical. We've done the work, made the investments, and seen the outcomes. Maine has been a strong partner—and with this reauthorization—it can remain a national model for public-private collaboration that works.

I respectfully urge the Committee to support LD 1217.

Thank you for the opportunity to testify.





Footnotes

1. PitchBook-NVCA Venture Monitor, Q4 2024 – 'Deals by State.'
2. NVCA State Data Reports (2024): Massachusetts, Connecticut, New Hampshire, Vermont, Rhode Island, and Maine.
3. Office of Program Evaluation & Government Accountability (OPEGA), Evaluation of Maine's New Markets Capital Investment Program (2017).

