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Testimony of Nate Cloutier

Before the Joint Standing Committee on Taxation
May 6, 2025

**In Opposition to LD 1857, “An Act to Expand Property Tax Relief for Veterans and Their Survivors and
to Modify Certain Corporate Tax Expenditures”**

Senator Grohoski, Representative Cloutier, and distinguished members of the Joint Standing Committee on Taxation, my name is Nate Cloutier, and I am here today on behalf of HospitalityMaine, representing Maine’s restaurant and lodging industries. I am also testifying on behalf of the Maine Tourism Association (MTA). MTA has been promoting Maine and supporting tourism-related businesses—from lodging and dining to camps, retail, guides, amusements, and historic attractions—for over 100 years. HospitalityMaine and the Maine Tourism Association oppose LD 1857, “An Act to Expand Property Tax Relief for Veterans and Their Survivors and to Modify Certain Corporate Tax Expenditures.

Our testimony concerns Part B of LD 1857, which would eliminate tax credits for investment in qualified professional baseball facilities and for major business headquarters expansion; reduce by \$5 million the credit authority under the Maine Seed Capital Tax Credit Program for CY 26 investments; and eliminate other discounts and refunds.

Just one year ago, LD 2258, sponsored by Senate President Troy Jackson, was passed by the 131st Legislature and signed into law by Governor Mills. The bill created a targeted tax credit to help the Portland Sea Dogs make critical upgrades to the city-owned Hadlock Field, which included making the stadium ADA compliant. This investment is intended to help the team retain its MLB affiliation and ensure that Mainers and visitors with disabilities can enjoy our local baseball experience.

There are significant benefits associated with having a Minor League Baseball (MiLB) team within our great state. As we deliberate on various matters impacting our community, it’s imperative to recognize the positive contributions that minor league baseball makes to our economy, community spirit, and overall quality of life.

Economic Impact:

1. **Job Creation:** Minor league baseball teams are substantial job generators. From front office staff and player personnel to game-day operations and facility maintenance, the presence of a MiLB team fosters employment opportunities for a diverse range of individuals within our state.

2. **Local Businesses:** The influx of spectators attending minor league baseball games stimulates local businesses, including restaurants, hotels, and shops. This increased economic activity not only benefits the immediate vicinity of the ballpark but also ripples through neighboring communities.
3. **Tourism Boost:** Minor league baseball draws visitors from both within and outside the state. Families often plan vacations around attending games, contributing to tourism revenue and bolstering our state's reputation as a welcoming and vibrant destination.

Community Engagement:

1. **Family-Friendly Entertainment:** Minor league baseball offers affordable, family-friendly entertainment. By providing an accessible and enjoyable experience, it promotes bonding within families and strengthens the fabric of our communities.
2. **Youth Development Programs:** Many minor league teams actively engage with local youth through community outreach programs, school partnerships, and youth clinics. These initiatives foster a sense of community pride, inspire the next generation of athletes, and contribute to the holistic development of our youth.
3. **Charitable Giving:** The Sea Dogs have exemplified what it means to be a community partner with their charitable giving and fundraising efforts. Most notably the work they do with the Barbara Bush Children's Hospital and the Strike Out Cancer in Kids program. Raising over \$5 million.

Quality of Life:

1. **Civic Pride and Identity:** Minor league baseball teams often become a source of civic pride and identity for communities. The team's success and affiliation with our state instill a sense of unity and belonging among residents. The Sea Dogs may have Portland in their name, but the reality is they are Maine's team.
2. **Community Gathering:** Baseball games serve as a gathering place for people of all ages and backgrounds. The ballpark has become a venue for community events, charity drives, and social activities, enhancing the social cohesion within our state.

Reneging on and repealing this credit would signal to the Sea Dogs, and to every existing Maine business and prospective investor, that our state's business environment is unpredictable and unstable. If the Sea Dogs are planning or already undertaking infrastructure projects, what message would this send? We need to broadcast that Maine is a stable, welcoming place to do business. It is far more expensive, time consuming, and risky to replace a lost asset than it is to maintain the one you already have.

Reversing course now would risk losing a cherished team like the Sea Dogs to New Hampshire or another state, and with them, local jobs and economic activity that benefit our communities.

In conclusion, supporting minor league baseball teams in our state is not only an investment in our economy but also an investment in the well-being and vibrancy of our communities. The Sea Dogs have shown their dedication and commitment to their local communities and Maine as a whole. The committee should consider the far-reaching benefits of these teams and explore opportunities to further strengthen their presence in Maine. We urge you to vote LD 1857 ought not to pass. Thank you for your time and attention. I would be happy to answer any questions.