

Budget Recommendation
BETR Program
Written Testimony

Good Morning Sen. Rotundo & Rep. Gattine, Sen. Grohoski & Rep. Sayer and Members of both the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Taxation. My name is Amy Herrick, Senior Manager of Manufacturing Knowledge Development at the Sappi Somerset Mill in Skowhegan and Fairfield. I am here today to testify in strong opposition to the proposed elimination of the Business Equipment Tax Reimbursement Program (BETR)

Sappi North America operates two manufacturing facilities and employs almost 1,200 employees in the State of Maine.

- Sappi opposes sunseting the BETR program, which helps Maine businesses like Sappi compete.
- Over the past 12 years, Sappi has invested over one billion dollars in the Somerset Mill, a real vote of confidence for the State of Maine.
- These investments were intended to ensure that the mill, and its almost 800 employees, continue to thrive for generations to come.
- Some of Sappi's investments are still in BETR and still benefit from the reimbursement.
- Removing BETR would result in a significant tax increase.
- Further the retroactive elimination of BETR, beginning with 2025, results in an abrupt and significant tax increase that Sappi did not include in its current business plan.
- We don't support changing the rules mid-stream.
- As a global company, Sappi can choose where it puts its capital dollars.
- Removal of BETR, essentially a tax increase, sends the wrong message to our investors.
- It would also put Sappi's Somerset mill and other Maine operations at a disadvantage compared to mills in other parts of the world.