



DATE: May 19, 2023
TO: Committee on Innovation, Development, Economic Advancement and Business
FROM: Samantha Warren, UMS Director of Government & Community Relations
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RE: **LD 1918, An Act to Modernize Maine's Business Incentive Programs by Creating the Dirigo Business Incentives Program**

Senator Curry, Representative Roberts and distinguished members of the Joint Standing Committee on Innovation, Development, Economic Advancement and Business: I write on behalf of the University of Maine System (UMS) to inform your consideration of LD 1918, *An Act to Modernize Maine's Business Incentive Programs by Creating the Dirigo Business Incentives Program and Eliminating Certain Other Tax Incentive Programs*.

The need to grow the size and skill of the state's workforce is the greatest limit on Maine's economic growth and global competitiveness. For this reason, the state's 10-year economic development plan focuses on talent and innovation and has "growing local talent" as its foremost strategy, noting that Mainers will need to upgrade their skills to qualify for better-paying jobs and to keep existing positions that will require new skills as technology changes.

Recognizing this, the Mills Administration's proposed Dirigo Business Incentives rightfully invests in Maine people by crediting employers who directly underwrite the upskilling of their workers.

As Maine's largest education and economic development asset, UMS supports policy, programs and investments that enable Mainers to more easily access affordable, high-quality postsecondary education and training, including for the estimated 185,000 working adults in the state who have some college but no door-opening degree. Not only does investing in worker education and training help employers strengthen and grow their business, but it allows more Mainers to realize the provide power of postsecondary education to advance their own social and economic mobility.

Maine's public universities — and especially our R1 flagship, the University of Maine — uniquely offer world-class education and research and have strong industry partnerships in the high-growth sectors areas proposed to be eligible under the program. Examples of the many relevant opportunities available through UMS that would allow qualified employers to benefit from Dirigo Business Incentives and employees to improve their skills, increase their earning potential and potentially secure certificates or other credentials include: sustainable recirculating aquaculture systems workshops offered through UMaine's Center for Cooperative Aquaculture Research, innovation engineering training from UMaine's Foster Center for Innovation, and customized trainings offered by the University of Maine at Presque Isle's EmployerU, the University of Southern Maine or UMaine's Maine Business Institute.

Maine has many tremendous assets, its people foremost among them. Investing in Mainers' knowledge, skills and abilities will unleash their full potential and prosperity, and that of our great state. Beyond the 10-year state economic plan, the workforce development investment incentives proposed by this program also advance the State's statutory postsecondary attainment goal, which calls for 60% of Mainers to have a post-high school degree or credential that positions them for workforce success, and the recommendations of Making Maine Work and the Maine Innovation Economy Action Plan.

Thank you for your ongoing support. Please let me know if there is any additional information I can provide on behalf of Maine's public universities regarding this important legislation.