

To: Joint Standing Committee on State and Local Government (SLG)

From: Amy Winston, State Policy Director, CEI

Re: Testimony in Support of LD 2167, An Act to Develop Maine's Economy and Strengthen its Workforce

by Establishing an Office of New Americans

1/30/24

Dear Senator Nangle, Representative Stover, and Members of the JSC on SLG:

My name is Amy Winston, and I live in Edgecomb. I am state policy director at Coastal Enterprises, Inc. (CEI). CEI is a nonprofit CDC (Community Development Corporation) and CDFI (Community Development Financial Institution) based in Brunswick. CEI's mission is to build a just, vibrant, and climate-resilient future to make the economy more equitable for people and communities in Maine and rural regions. We do this by integrating finance, business expertise, and policy solutions. In 2023, CEI invested \$21.9 million in 106 unique businesses in Maine. This lending and investment helped create or preserve 875 jobs across multiple industries including sustainable agriculture and food systems, aquaculture and fisheries, renewable energy, manufacturing, childcare, and community revitalization projects.

CEI's no-cost business advice/advising is focused to meet the needs of specific industries and populations; it is comprehensive, customized, and available to businesses at any/every stage. CEI's <u>StartSmart</u> program assists entrepreneurs and business owners who are immigrants and refugees, to transfer their skills and experience to business ownership – build credit, access capital, obtain necessary permits and licensing, understand tax liability, and insurance requirements. Since 1997, StartSmart has worked with more than 1600 entrepreneurs who have immigrated to Maine from 102 countries.

I am testifying today on behalf of CEI, in strong support of LD 2167.

It is well established that Maine has an aging population and competitive labor market. There is consensus that as the percentage of people who were born in Maine decreases, and the percentage of the state's population that is made up of immigrants is increasing – and having children – the state needs to attract, proactively support, and retain immigrants to Maine. This will ultimately allow qualified workers to replace retiring "baby boomers."

People who have immigrated to Maine from across the globe (i.e., foreign-born residents and their children) represent a growing and younger segment of Maine's population and a critical source of talent and labor needed to replace Maine's retiring workforce. Immigrants represent one of a number of groups of unemployed or underemployed Mainers who could contribute more to their communities if given an opportunity to work at their full potential. Many new Mainers are highly educated, and likely to pursue higher education, workforce training and employment credentials, and/or start their own businesses; yet they are more likely to live in poverty than residents who were born in Maine.

In 2016, CEI and its partners <u>studied</u> the key barriers¹ that prevent full integration of immigrants into Maine's economy and workforce – i.e., limited English proficiency, lack of transportation, prior work experience in the US, the US-specific and technology-based job process, credential recognition and recertification challenges, financing higher education, and racism and discrimination. The study





emphasized: "The urgency of Maine's demographics and tightening labor market require immediate action to proactively attract, support, and retain immigrants." Findings from this research reinforced that intermediaries were already working hard to address these barriers. However, it noted that programs of any scale require resources and a cross-sector commitment. A comprehensive and strategic approach to coordinate public, private and nonprofit partners is needed to improve employment outcomes to develop a strong talent pipeline.

Atop a series of focused recommendations in the study for leveraging the underutilized potential of Maine's immigrant workforce, was the recommendation to establish a state level Office of New Americans, a model that had been adopted and proved successful in other states.

An Office of New Americans will serve as an information clearinghouse for labor intermediaries, service providers, government agencies and employers. It will uniquely enable municipalities to learn from each other as new Americans begin to move to new communities further into and across Maine. This office will address recertification challenges to ensure that individuals and the state are optimizing their myriad skills and knowledge for their own and Maine's collective benefit. This office will be able to provide ongoing advocacy and needed resources for ESOL classes, industry- and even job-specific workforce training as well as to foster economic development within immigrant communities. CEI has provided consistent input at multiple listening sessions into the development of this concept and strongly supports LD 2167.

We respectfully ask the Committee to vote Ought-to-Pass on this bill.

