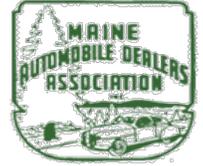


# **Maine State Chamber announces opposition to Question 1 due to funding mechanism**

**The chamber and a coalition of Maine businesses say funding for clean elections can't come from business tax incentives that grow Maine's economy and create jobs**



AUGUSTA, MAINE – On Thursday, October 22, 2015, the Maine State Chamber of Commerce and a coalition of members of Maine's business community announced their opposition to Question 1 on Maine's November 3 ballot due to the funding mechanism in the referendum. The part of Question 1, a broad campaign finance reform referendum, Maine's business community takes issue with is that it proposes to "permanently eliminate" \$6 million of business tax incentives to help fund the campaigns of publicly-financed candidates.

"If passed, Question 1 would eliminate business tax programs that are critical to continued economic investment in Maine -- investments that grow our state's economy and create and retain jobs across our state," said Maine State Chamber of Commerce President Dana Connors. "We cannot afford this measure as written and its detrimental consequences to Maine's economic growth."

Question 1 would require the Maine Legislature's Joint Standing Committee on Taxation to report out legislation that would permanently eliminate \$6 million in tax incentives as determined by the Office of Program Evaluation and Government Accountability (OPEGA). The list of business tax incentives is not defined, meaning any incentive on the books is at risk of being eliminated. By law, those eliminations would occur 45 days after the effective date of the ballot.

“This referendum sets a dangerous precedent in Maine,” said Peter DeGreco, president and CEO of Maine and Company. “The business assistance programs this measure proposes to eliminate are critical to current and future investment in Maine. Our competitors in other states are rolling out the red carpet in an effort to attract business. It would be a mistake to cut Maine's programs at this time – these are investment-based programs that are modest, conservative, and most importantly, effective.”

The Maine State Chamber and members of the coalition against Question 1 believe the current tax incentives Maine employs help Maine businesses compete in the global economy, and help Maine employers expand their businesses and retain, or even create, jobs. Two of the programs potentially targeted are the Business Equipment Tax Reimbursement (BETR) program, and the Pine Tree Development Zone (PTZ) program. BETR alone is used by over 1,600 businesses in Maine to help put Maine businesses on a level the playing field with other states that do not tax personal property, or do so at much lower rates. Over 280 companies in this state are certified under the PTZ program that provides benefits to companies that create jobs in certain business sectors.

While the Maine State Chamber of Commerce and the coalition of businesses against Question 1 take no position on Maine clean elections, they urge Maine voters to check NO on the ballot on November 3 because funding for publicly-financed candidates in Maine must not come on the backs of Maine businesses that invest in this state and provide jobs.

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