

ECONOMIC STRATEGY FOR MAINE

MAINE
STATE
CHAMBER
of
COMMERCE

January 2013

The Maine State Chamber of Commerce is pleased to unveil its five-year Economic Strategy for Maine. Members of our Board of Directors and our staff - in collaboration with our partners at the Maine Development Foundation (MDF) – have spent many months developing this dynamic plan. Based on the 12 recommendations set forth in our 2010 publication, *Making Maine Work: Critical Investments for the Maine Economy*, this document establishes our priorities for the next five years and sets a clear, focused direction.

Reflecting the concerns of the business community, our Economic Strategy for Maine provides a road map for us to build a stronger business climate in Maine by addressing eight key economic areas, as determined in the Maine Business Leaders Survey that was completed by MDF for *Making Maine Work* in 2010. Those eight key areas are:

- Health Care;
- Energy;
- Taxation and Regulatory Policy;
- Education;
- Innovation;
- Connectivity;
- Quality of Place; and,
- Business Finance.

We would like to thank board member Bruce Wagner of TraverseCEO for his expertise in developing such strategies and his patient guidance as our team navigated the process and explored complex topics. Ultimately, this working group established two over-arching goals for the Maine State Chamber to focus on. They are:

Goal 1: The Maine State Chamber of Commerce will help Maine reach and sustain 2-3% Real Gross Domestic Product (GDP) growth throughout the forecast by continuously improving the underlying processes that drive business investment throughout the State.

Goal 2: The Maine State Chamber of Commerce will enhance the quality of life for all Mainers by supporting processes that balance financial, social, and environmental needs of our communities.

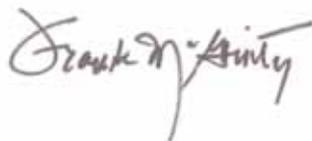
We realize that this is a “living” document, which will transform as the tracking data becomes available during the next five years. As *The Voice of Maine Business*, it is always our foremost goal to provide our members with the highest level of quality products and services.

To address the goals and points outlined in this document, we will put forth key legislative proposals. We will support and protect both new and existing laws that provide balanced approaches to everything from regulation to the environment. We will continue to provide outreach and information so that Maine business leaders can assess how legislative decisions affect their operations here.

If you would like to further discuss any points of our five-year Economic Strategy for Maine, please feel free to contact us. We look forward to your feedback!



Dana F. Connors
President
Maine State Chamber



Frank McGinty
Executive Vice President / Treasurer, MaineHealth
Board Chair, Maine State Chamber



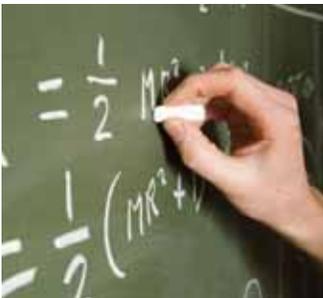


Goal 1: The Maine State Chamber of Commerce will help Maine reach and sustain 2-3% Real Gross Domestic Product (GDP) growth throughout the forecast by continuously improving the underlying processes that drive business investment throughout the state.



A The Maine State Chamber of Commerce will help Maine build and sustain a workforce that continuously increases productivity to a level that makes the state's businesses highly competitive in New England, by:

- Establishing an early childhood education system that ensures students are reading at their grade level especially by fourth grade;
- Supporting processes that increase Maine's high school and technical school graduation rates by creating multiple pathways for students;
- Helping to increase the number of high school graduates progressing to post-graduate training programs that supply them with skills they need to support growth;
- Helping to increase the number of college graduates in Maine's population by supporting programs that raise aspirations and access to affordable education;
- Working with higher education institutions in Maine to best leverage available resources in an efficient and sustainable manner, ensuring the financial viability of the institution;
- Helping to increase the percentage of Maine's college graduates seeking advance degrees;
- Helping to build a responsive adult workforce through the promotion of lifelong learning opportunities, such as Maine Employers' Initiative; and,
- Promoting an annual "State of Education" report that provides a lifelong perspective on the current status and future direction.



B The Maine State Chamber of Commerce will help attract, retain, and engage more people into the Maine workforce to meet the needs of a growing GDP, by:

- Increasing the number of disabled people in the workforce by engaging and supporting the Business Leadership Network;
- Recruiting Maine natives back to Maine by coordinating with college and university alumni and processes, such as "Two Degrees of Separation;"
- Helping to recruit U.S. Veterans to Maine by supporting the Governor's Hire Our Heroes Initiative and the Small Business Development Center;
- Supporting public policy that promotes inclusion of a diverse population, including immigrants;
- Leveraging the experience and education of the "Boomer generation" to contribute to the workforce capacity and capability;
- Helping to attract skilled workers from other states by creating and promoting job opportunities along with Maine's quality of life; and,
- Supporting policies and programs that encourage a diverse workforce.



C The Maine State Chamber of Commerce will support processes which limit short-term energy costs, while creating long-term energy alternatives that in the long run will lead to a balanced energy portfolio and not be overly dependent on any one single source, by:

- Supporting improved access for Maine businesses to all types of power – from wind to solar to hydro to natural gas to oil to nuclear;
- Supporting the regulatory infrastructure that encourages the expansion of energy options to Maine businesses; and,
- Supporting energy conservation efforts to increase investments in energy-saving lighting, insulation, and industrial processes.

D The Maine State Chamber of Commerce will help create a balanced, efficient transportation and communication systems that connect Maine businesses to customers and markets, by:

- Supporting the development of an East-West highway that will lower transportation costs to western markets and increase the competitiveness of Maine export ports;
- Supporting the development of the transportation infrastructure through State funding options, such as bonds, tolls, and taxes, etc.;
- Supporting the development of alternative transport systems; and,
- Supporting the ongoing development of an information system that meets the needs of a changing economy.

E The Maine State Chamber of Commerce will make Maine more competitive through increased total investment into large and small business innovation by helping to build a network of corporate, not-for-profit, and academic relationships, by:

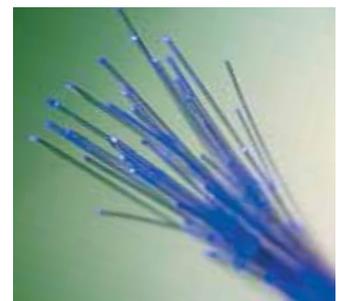
- Creating an opportunity to identify the returns being realized on existing government-supported investments;
- Helping to create better access by Maine businesses to academic research and development; and,
- Helping create greater financial incentives for private investment into Maine-based research and development.

F The Maine State Chamber of Commerce will increase access to affordable capital by supporting and encouraging awareness of funding mechanisms, by:

- Encouraging more private investment into Maine by helping coordinate SBA and FAME programs with the business community;
- Helping to encourage availability and awareness of revolving loan funds at the local, state, and federal levels, such as Tax Increment Financing and Market Tax Credits; and,
- Working with the Maine Bankers Association, the DECD, and local/regional chambers of commerce to help businesses with awareness of and access to state resources.

G The Maine State Chamber of Commerce will reform Maine’s regulatory structure in a way that reduces the burden and increases the predictability of the regulatory process for Maine businesses, by:

- Supporting processes, such as the listening tours, to bring businesses, government and the public together to improve the efficiency and effectiveness of the regulatory process;
- Supporting administration leadership to build accountability into the regulatory process; and,
- Supporting the regulatory reform efforts affecting mining in Maine to encourage job growth.





Goal 2: The Maine State Chamber of Commerce will enhance the quality of life for all Mainers by supporting processes that balance financial, social, and environmental needs of our communities.



A The Maine State Chamber of Commerce will help to create and maintain a tax structure that makes Maine competitive as a place for both businesses and individuals to prosper, by:

- Maintaining BETR/BETE and other tax credit programs that attempt to “level the playing field” in order to allow Maine’s businesses to compete at a regional, national, and international level; and,
- Identifying and supporting reforms that lower the overall business tax burden and the individual income tax rates.

B The Maine State Chamber of Commerce will help to make Maine’s health care system competitively efficient and effective by helping to build widely available systems that proactively intervene to keep our citizens healthier, by:

- Supporting the State’s efforts in increase MaineCare reimbursement rates closer to the actual costs and the national average;
- Supporting changes to the health care system and payment methods to promote improvements in population health, quality, and costs, i.e. accountable care organizations;
- Working with system stakeholders to educate employers on the changes that implementation of the Patient Protection and Affordable Care Act (PPACA) may bring; and,
- Use wellness programs, education, and incentives to improve the health status of every Maine person.



C The Maine State Chamber of Commerce will support balanced policies that enhance our ecological, cultural, and community environments, so Maine is a preferred place to work, visit and live, by:

- Encouraging the development of water distribution and treatment facilities;
- Supporting sustainable and renewable industry development throughout Maine; and,
- Working with Maine state government agencies in the development of a “Maine brand” to consistently promote the quality of life in Maine, the quality of Maine recreation and vacation experiences, and the quality of Maine-made products.



MAINE
S T A T E
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COMMERCE

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