

MAINE DEVELOPMENT FOUNDATION

127th Maine Legislature

Government Oversight Committee

February 26, 2016

The Maine Development Foundation is pleased to be here today to offer our perspective on some of the issues before the committee. MDF is a statewide non-profit, non-partisan membership organization uniquely established by the Legislature and the Governor in 1978 to provide an objective, respected, long-range vision for Maine. We do this in a number of ways, through programs like the Policy Leaders Academy, Leadership Maine, Next Step Maine Employers' Initiative, the Maine Downtown Center, and the Realize Maine Network, as well as through our valuable and trusted economic research. MDF is proud to provide objective, non-biased, and relevant research and analysis on key issues affecting Maine's economy and the well-being of Maine's people.

MDF administers the Maine Economic Growth Council, an independent body created in statute in 1993 to develop a long-term vision for Maine's economic growth and a broad range of indicators to assess our progress toward that vision. The Council produces the annual *Measures of Growth* report, an objective, data-driven, reliable, and trusted assessment of Maine's progress on these key indicators. Council members are jointly appointed by the Governor, Speaker of the House, and President of the Senate, and represent a broad and diverse cross-section of leaders across Maine's key constituencies, including the public, private, and non-profit sectors.

The Council's vision of "a high quality of life for all Maine people" includes a vibrant and sustainable economy, thriving communities, and a healthy environment. Accordingly, *Measures of Growth* includes indicators within each of these spheres. While past *Measures of Growth* reports have had up to 60 separate indicators, the Council has made a deliberate effort in recent years to call attention to those indicators it believes should be the focus of our collective efforts. Each year, the Council carefully examines the existing indicators and other topic areas to ensure that the report addresses the most pertinent issues and uses the best and most reliable data. The 21st *Measures of Growth* report was released in April of 2015 and the 2016 edition will be released this spring.

MDF and the Growth Council have from time to time addressed long-term economic development strategies. In 2012, the Legislature tasked the Growth Council with reviewing a number of reports on Maine's economy from a variety of sources, identifying common themes and recommendations, and synthesizing their major findings into a single *Prosperity Action Plan for Maine*. The plan established long-term goals and recommended immediate actions in seven major sectors: health and wellness, energy, government reform, taxation, education, connectivity, and innovation and entrepreneurship.

Since 2010, MDF has partnered with the Maine State Chamber of Commerce on the Making Maine Work series of reports. The original report, *Making Maine Work: Critical Investments for the Maine Economy*, identified policies and investments in a range of areas to support long-term economic growth in the state. This was accompanied by *Maine's Investment Imperative II*, which reviewed and summarized the key findings in over 100 previous reports on Maine's economy. Subsequent reports explored the role of the state's public universities in supporting economic development and the critical need to invest in early childhood development as a lead economic development strategy. Finally, two companion pieces, *Making Maine Work: Growing Maine's Workforce* and *Making Maine Work: Preparing Maine's Workforce*, looked at the urgent need to address both the quantity and quality of Maine's workforce.

Economic research and analysis are specifically enumerated in the statutes of both MDF and the Growth Council. Per MRS Title 10, Chapter 107, Section 917-A (2)(A), MDF may "Develop and propose new ideas and recommend changes to State Government and others for the growth and development of the State's economy, including development strategies and economic development programs to best meet the economic needs, problems and conditions of the State." Regarding the Growth Council, MRS Title 10, Chapter 107, section 929-B empowers the Council to "Develop and recommend a long-range plan, goals, benchmarks and alternative strategies for a sustainable state economy", and to monitor progress toward and recommend changes to the plan.

MDF has a strong history of providing relevant, timely, and objective analysis to Maine's political, business, and civic leaders. MDF and the Growth Council both have limited capacity at this point and further resources would be required to perform additional functions. It is the hope of MDF that any additional economic strategies and plans will be developed in conjunction with the Department of Economic and Community Development's existing strategies and plans.

We look forward to continuing to be a valuable and trusted partner in the future.

Respectfully submitted,

Yellow Light Breen, President & CEO, Maine Development Foundation, yellow@mdf.org

Ryan Neale, Program Director, Maine Development Foundation, rneale@mdf.org