The Maine 2020-2029
Economic Development Strategy: THE 2024 RESET

March 8, 2024
Dear Friends,

When I became Governor in 2019, Maine was at an economic crossroads. We were one of the last states to fully recover from the Great Recession. Our Gross Domestic Product (GDP) — a key measure of economic growth — had increased at only a third of the rate of the rest of the nation during the prior decade. Average annual wages sat at 78 percent of the national average, and our state, home to the oldest median age in the country, was expected to see far more workers leave the workforce in the decade ahead than enter it.

My Administration recognized that these major economic challenges, if left unaddressed, would inhibit future growth — so we got to work on a plan to get our state’s economy moving.

Following an extensive stakeholder engagement process, in November 2019, I released the state’s first comprehensive economic development strategy in more than two decades. None of us could have imagined that just a few months later, Maine would face its biggest economic challenge in generations: the COVID-19 pandemic.

When President Biden and Congress delivered nearly $1 billion in federal American Rescue Plan funds to Maine, we had a roadmap in the form of our strategic plan to put those to work building an economy poised for future prosperity. We invested $400 million in the workforce, innovation, green energy, broadband, and infrastructure recommendations contained in the strategy.

Those investments helped Maine achieve and surpass the ten-year goals contained in the 2020 strategy. Today, our GDP has grown faster than any other New England state — and outpaced the growth of larger states like California, New York, and Virginia. Real wages (income after inflation is accounted for) are up 10 percent, and workers are earning more than they were before the pandemic. Our state has seen record rates of in-migration that have outpaced much of the nation. Productivity is up 13 percent.

I am excited about the direction we are heading. Small businesses are expanding their operations; people are moving here to work and raise their families; graduates are staying in Maine to pursue rewarding, life-long careers here at home — our economy, and our state, are getting stronger every day.

At the same time, we still have work to do — from ensuring people of all backgrounds in all parts of the state can enjoy the benefits of economic growth, to meeting ambitious green economic development goals, to ensuring everyone can have a comfortable and affordable place to live, to growing the size and skills of our labor force.

It is time to take stock of how far we have come, where work remains, and where new approaches are needed. The vision and the long-term strategies remain the same, even as strategies evolve to meet the changing needs of Maine’s economy.

I thank Commissioner Heather Johnson of the Department of Economic and Community Development for leading this update, and I thank the hundreds of Maine people who have helped to create this new suite of recommendations.

We will continue to work hard to address the challenges we face to ensure that Maine remains the best place to live, work, and raise a family.

Sincerely,

Janet T. Mills
Governor
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By 2030, Maine will be an international leader with a vibrant, sustainable, environmentally responsible economy. All across the state, the people of Maine will have access to an unmatched quality of life and good paying jobs.
Our 10 Year Strategic Goals

To achieve our vision, we have established three goals.

1. Grow the average annual wage by +10%[^1] to the benefit of workers at all income levels.

2. Increase the value of what we sell per worker by +10%[^2]

Attract 75,000 people to Maine’s talent pool. Both by increasing participation among Maine’s existing population, and attracting new people from out of state — thus turning a potential labor force shrinkage into a gain.

[^1]: From $45,370 to $49,900, in inflation-adjusted dollars
[^2]: From $87,160 to $95,876, in inflation adjusted dollars
Three months after the Maine 2020-2029 Economic Development Strategy was released, the first Covid case was detected in Maine. A lot has happened since then. The original plan gave Maine a roadmap to address the immediate crisis through means of implementing long-term investments. The Governor, working with the Legislature, invested $400 million in federal relief funds for these purposes. Now it is time to look at the next set of actions to continue progress toward the goals.

Maine has already met two of the three ten-year goals in the 2020-2029 Strategy. Growth in real wages and growth in productivity have both reached 10% in the last 4 years. But the continuation of these positive trends is not guaranteed in the future; we still have work to do. On the third goal of labor force growth, we have made significant progress but still fall short of where we need to be. And Maine needs to do more to ensure that the benefits of growth are shared by everyone.

This update reaffirms the vision and seven strategies of the original plan. However, it revises and adds new actions for implementation. The actions are based on the latest data, as well as discussions with and input from hundreds of Maine people during 2023. Many of these actions are extensions of work that was initiated in the last few years. While the work has started it needs to be sustained to achieve long term goals.
Executive Summary

The strategies from the Maine 2020-2029 Economic Development Strategy are also the same today. Their current status, and their updated actions, are:

STRATEGY A
Grow Local Talent
Through investments like free community college, Maine has increased the percentage of its workforce with a “credential of value” (either a college degree or trade certification). Credentials of value are critical to meeting the workforce needs of the economy and ensuring Maine people can select their spot in the economy. Credentials of value directly correlate to increased wage growth for individuals and increased productivity in Maine’s economy. The State, education institutions, and the private sector have also invested in career exploration and high school technical education, as well as pathways to career initiatives for undergraduates. This offers Maine’s young people a chance to learn about opportunities, connect them to work, and gain work skills, knowledge, and capabilities that are vital to their long-term participation and leadership in Maine’s economy.

The eight recommended actions address the creation of an online job portal; expanding existing efforts in free community college, career exploration, and apprenticeships; creating career pathways; streamlining credentialing to support professionals who have moved here from other countries into the economy; and creating tools for people to easily see and access activities of the University of Maine System (UMS), Maine Community College System (MCCS), adult education programs, and other education and training institutions to meet these goals.

STRATEGY B
Attract New Talent
Maine experienced more in-migration in 2021 than it had since 1950, and in fact had the 7th fastest rate of in-migration among all states. Marketing the Maine brand, expanded broadband, the opportunity for remote work, and the resettlement of immigrants all played a role. Even so, we still will need more people of working age to meet the goal of labor force growth set in the plan.

Five recommended actions include launching a state talent attraction campaign, as well as supporting individual employers in similar efforts; promoting Maine’s higher education institutions as a way of attracting talent; connecting New England students to Maine careers and employers; connecting new Mainers to career pathways; recognizing out-of-state and out-of-country professional certifications; and strengthening Maine’s higher education brand awareness.

STRATEGY C
Promote Innovation
Maine’s rate of new business formation is increasing. The University of Maine is conducting research at a record level; nationally, the Carnegie Classification System has upgraded the flagship’s ranking into the highest-performing category of all research universities (R-1). In Portland, the Roux Institute at Northeastern University opened in 2020 with 3,000 cooperating business partners throughout the Northeastern network. The University of New England has a new medical campus. There are even undergraduate Artificial Intelligence programs at Colby College. One indicator of the strength of innovation in Maine is the growth in the life sciences sector — a 42% increase in employment in five years. With strong leaders like IDEXX and The Jackson Laboratory, Maine’s life sciences research and commercialization continues to grow.

Seven recommended actions for innovation include sustainably leveraging a talent pipeline of researchers and entrepreneurs; continuing investment in R & D; leveraging Maine’s natural resources; helping historically excluded populations to participate in new ventures; and coordinating State business help.
The creation and maintenance of a competitive business landscape in Maine has been a challenge for decades. The protection of Maine’s natural resources through permitting processes is a critical consideration. In a state this large, business costs also vary by region. We have seen some progress made towards reducing the burden of health care costs in Maine. But it remains a long-term challenge to continue to improve the predictability and affordability of the Maine business environment.

There are three actions recommended: streamlining permitting; promoting clean renewable energy; and providing help to businesses in accessing State resources.

Hubs of Excellence are communities where business, education, and government combine to implement a common vision for growth around a distinctive cluster of quality of life and economic activities. In recent years, Waterville has taken big steps to establish itself as an art and film destination for northern New England; Skowhegan as a center for local foods; and Rangeley for four-season outdoor recreation. Many other communities are in the process of creating their own brands and local alliances.

Four actions are recommended: better defining hub communities; engaging industry partners; linking nonprofits and academia to Maine hubs; and initiating pilot hub efforts.
Within individual strategies, there has also been important progress. Here are some highlights:

**Strategy A**
**Grow Local Talent**

55% of Maine adults with a postsecondary credential of value

Up from 44% in 2018

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**Strategy B**
**Attract New Talent**

Net migration of 21,200 people in 2021

The highest rate since 1950

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**Strategy C**
**Promote Innovation**

7,900 new business startups in 2021

70% more than closures

42% growth in life science jobs in Maine in most recent five years

University of Maine is upgraded to an R1 institution

The top research categorization

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The Roux Institute at Northeastern University opens in Portland in 2020

View the progress report for more detail on specific actions.
Strategy D
BUILD CONNECTIONS

Households with broadband has DOUBLED since 2020

That’s a two thirds reduction in underserved households

Strategy E
PROVIDE SUPPORTING INFRASTRUCTURE

FUNDING FOR AFFORDABLE transportation, housing, and childcare has INCREASED DRAMATICALLY

Strategy F
MAINTAIN STABLE AND PREDICTABLE BUSINESS RULES

2.5% REDUCTION IN PERSONAL HEALTH CARE EXPENDITURES

Strategy G
PROMOTE HUBS OF EXCELLENCE

WATERVILLE, SKOWHEGAN & RANGELEY creating critical mass for COMMUNITY IDENTITY
A lot has happened since the release of the original Maine Economic Development Strategy 2020-2029 in November 2019. Covid struck the next spring; 100,000 jobs were lost almost overnight. One in six Maine workers found themselves unexpectedly on the unemployment rolls.

Much has happened since then. Maine invested over $400 million of federal recovery funds into workforce training, the green economy, broadband, and infrastructure (see Appendix A for a partial list). And Maine’s GDP has grown faster than any other New England state and even faster than New York or California. Incomes are up more than inflation. Tourism revenue is up. Traffic is back on the highways. Public places are open again.

So, things have come back to “normal.” But normal in 2024 is not the same as normal in 2019. Some of the patterns of living, learning, working and shopping, either begun or intensified during the pandemic, have created permanent changes in the economy.

In-migration to Maine continues to grow. Telecommuting is now a regular feature of employment. Maine’s retail industry continues to evolve, and even small independent
Retailers continue to invest in the omnichannel experience to meet customers’ expectations to shop online and in-store interchangeably. This evolution was accelerated by the pandemic as even the smallest stores quickly needed to accommodate online shopping experiences. Although 442 brick and mortar locations closed between 2011 and 2021, retail employment has rebounded close to pre-pandemic levels with more than 80,000 Mainers working in retail.

Students are back in school, but the pandemic set back their educational progress, while bringing new levels of resilience and creative efforts by our state’s educators to meet students where they are. Baby boomers will continue to retire at high rates in the coming years and increase pressure to grow the workforce in other ways.

The unprecedented Federal funding allowed us to invest in key actions more effectively: State government, communities, nonprofits and the private sector collaborated to implement many of the priority actions in the original plan. As a result, it is time to leverage data and input from across the state to create the next set of priority actions to achieve our shared goals. It is time to redouble our commitments to advance prosperity across Maine.
The original Maine Economic Development Strategy 2020-2029 had a vision, three major goals, and seven strategies. The vision, goals, and large strategies all remain in place in this update.

As a reminder, here is the vision underlying the 2020-2029 Strategy:

By 2030, Maine will be an international leader with a vibrant, sustainable, environmentally responsible economy. All across the state, the people of Maine will have access to an unmatched quality of life and good paying jobs.

The initial plan focused on three significant goals to be attained by the end of 2029. Already, just four years into the plan, two of the three have been reached.
Real wages (income adjusted for inflation) have increased by 10% from the 2020 plan baseline of 2018 to 2022. Wage growth in Maine was the fastest in the country during this period. In the year prior to the Plan, wages for Maine workers ranked 45th in the country. The most recent national data shows average wages in Maine have jumped 11 spots to the 34th highest in the country. These higher real wages mean that, on average, working Mainers’ paychecks today go thousands of dollars further than at any time in the past two decades. In Maine, wage growth has been strongest among lower-middle income levels, workers with lower levels of educational attainment, and youth.

Real Wages Have Grown 10% Since 2018

Maine Center for Workforce Research and Information, Quarterly Census of Employment and Wages; U.S. Bureau of Labor Statistics, Consumer Price Index
The value of products and services we sell grew by more than $10,000 per worker — nearly 13% — from 2017 to 2022 after accounting for inflation. This improvement ranks 3rd best nationally during this period. Some of this statistical improvement reflects unique conditions during the pandemic, such as employment reductions and real estate inflation. The primary drivers for this improvement are the private sector finding streamlined processes, automation and improved skill alignment to the work needed. So, while we have met the goal, there is more work to do to ensure sustainable improvement.
The goal of increasing the talent pool by 75,000 encompasses both increasing the population through migration and increasing the labor force participation rate of the population already residing in Maine. The pandemic affected both factors. Migration into the state, particularly of people under the age of 45, increased, adding to the 18+ working-age population. At the same time, more baby boom generation workers are retiring in Maine than young people are joining the workforce.

So we are doing better than expected, but not as well as we need to do. The attached chart shows the size of Maine’s labor force and the projected decline from 2018 to 2030 at the time the Strategic Plan was written if more people did not join the workforce. It also shows the 2020-2029 Plan goal – to reverse that decline and instead achieve a modest gain. And the actual performance is somewhere in between, better than business as usual, but not as good as we want.
Prosperity for All

In looking at statewide data, it is important to keep in mind that the economic progress achieved has not been evenly distributed among people or regions within the state.

The per capita income of Black, Indigenous, Hispanic, and People of Color in Maine is just 70% of the level of those of whites. Women make just 80% of the earnings of men. The average annual wage in Piscataquis County is only two thirds of that of Cumberland County.

There are other populations who also are not full participants in Maine’s labor market and prosperity. They include people with disabilities, formerly incarcerated individuals, veterans, and people of diverse sexual orientations. In each of these cases, there are unique historical circumstances behind the income gap, and consequently differences in approaches to how to shrink the gap. Ensuring the future full and meaningful participation of these populations in the high-skill and high-wage labor force will be needed for Maine to reach its goals.

In each of the seven strategies on the following pages, there are specific actions listed to make sure that all populations in Maine participate in the economic benefits that the plan will produce.
In the 21st century, economic development is about investing in people and their communities. Talent is the new currency.

For the long run, we will invest in our early care and pre-K system. We will prepare our children entering kindergarten to succeed. We will prepare all students to achieve the competencies needed to find a place in the future economy.

In the short run, we will help adult workers, who are now (or could be) in the workforce, to upgrade their skills so that they can qualify for better paying jobs — and to simply keep their own jobs, which will require new skills as technology changes.

In 2018, 44% of Maine’s workforce has a work credential that goes beyond a high school diploma. A “credential” is a two or four-year college degree, or a license in the trades, or a professional certificate. The goal set in Maine law is to increase this proportion to 60% by 2025.
STRATEGY A: GROW LOCAL TALENT

CURRENT STATUS
This remains a very important strategy. Success in growing local talent will ensure that Maine has the people it needs to support its economic growth goals; and that Maine people can share in the rewards of greater growth, such as increased wages.

In 2022, Maine took the transformational step of making community college free for recent Maine high school graduates. Over 11,500 students have enrolled already, almost 50% more than projected. The University of Maine System also held tuition flat during 2021 and 2022. With State investment, UMaine is the most affordable flagship in the region.

In 2022 Maine also established the Maine Career Exploration Program, which provides paid work experiences for Mainers ages 16 to 24; already 2,000 are enrolled. An additional $12 million from the Maine Jobs and Recovery Plan will allow for the expansion of registered apprenticeship and pre-apprenticeship programs — creating pathways to careers for 1,400 participants and supporting recruitment and retention efforts of 400+ businesses.

Results are already beginning to show. As of 2021, already 55% of Maine adults have a credential of value — up from 44% in 2018, and well on the way to the plan goal of 60% by 2025.

Career and Technical Education (CTE) has seen an 18% increase in enrollment since 2018, with 10,012 students enrolled in 2023. The greatest increase has been in the CTE Exploratory programs that primarily serve 9th and 10th graders. These programs are designed to introduce students to CTE programs with the goal of them gaining interest and enrolling in
programs during their junior and senior years. The total enrollment in CTE Exploratory programs was 2,094 students. There are 1,019 students enrolled in the 2023-2024 school year.

There are still challenges to be addressed. Labor force participation among working age Maine people has recovered from the pandemic, but still remains below its levels of the early 2000s. There are populations in Maine that historically have not fully enjoyed the benefits of good quality jobs — Native Americans, people with disabilities, people of color, formerly incarcerated people — whose further inclusion would help raise participation. Additionally, participation can increase in those areas where the people, skills, jobs, and supporting infrastructure like childcare and housing, don’t line up.

The pandemic also disrupted learning for Maine students, with significant impacts on wellbeing, attendance, and engagement. In response, Maine has leaned into hands on, engaging, interdisciplinary educational opportunities such as universal computer science education to reconnect students with school and prepare them for success in life, career, and as citizens. We have also focused on meeting the wellbeing needs of students and educators, so they are ready and able to engage in meaningful learning. Maine is also working with educators, businesses, parents, and communities to develop a shared vision for school success and the skills and knowledge students need to thrive.

“I wasn’t really sure what I wanted to do when it came to college. Spending thousands of dollars to figure it out really made me nervous, especially with all the talk around the country about student loan debt. The Free College Scholarship really gave me the peace of mind and the extra bump in the right direction to start college.”

—MIKENZIE MELENDEZ
Central Maine Community College
ACTION A1

EXPAND FREE COMMUNITY COLLEGE

Access to education is essential to creating a gateway for local talent. To build Maine’s workforce, we need to support seamless, low-barrier pathways to high-quality workforce training, particularly for young people just graduating from high school. The free community college initiative for recent high school graduates created that pathway by automatically eliminating tuition costs for those graduates, fueling a 30 percent increase in community college enrollment in its first two years and attracting thousands of students who might not otherwise have gone to college. To provide support and clear opportunities to our young people, we must maintain and expand the free community college initiative beyond the 2024-25 academic year.

ACTION A2

DEVELOP A JOB PORTAL

In our digital age, we need to reach Maine’s future workforce online. We will develop and implement a training, education and career planning web portal that job seekers, community partners, and employers will view as a critical first step in connecting talent with resources that ultimately lead to matching talent with availability. We plan to incorporate student and worker voices to ensure that this site speaks to their needs. The Department of Labor will lead this effort, but success will depend on collaboration of businesses and nonprofits to ensure that the content is robust and workers to ensure they can showcase their talent and interests so matches can be created. Additionally, marketing will be required to reach both job hosters and job seekers.

ACTION A3

EXPAND AND PROMOTE REGISTERED APPRENTICESHIPS

Apprenticeships work, but we need more of them. According to national data, apprenticeship graduates earn an average of $300,000 more in wages and benefits than their peers throughout their careers, and 91% of apprentices continue working with their employer after their training because they feel more invested and supported. Apprenticeships work to boost wages and retention, but we need more of them. Apprenticeship programming is a partnership between employers and workers that is supported by the Department of Labor. Businesses and labor organizations have invested in the unique training and work experiences that apprenticeships offer. We will expand financial support and technical assistance to businesses and organizations that want to host pre-apprenticeship and registered apprenticeship programs — and we will continue to increase awareness of apprenticeships as a valued pathway to credential attainment.

ACTION A4

STRENGTHEN CAREER PATHWAYS

The success of our local talent ultimately depends on the pathways available to them. We plan to create Career Academies that outline industry-driven career pathways, work-based learning, and dual-enrollment opportunities in priority sectors for both students and working adults. This will require strengthened coordination between PK-12 schools, Career and Technical centers, labor unions, adult education programs, higher education systems, and employers. Career Academies reduce confusion and increase participants ability to determine the steps necessary to meet their goals.
ACTION A5

INCREASE EQUITABLE WORKFORCE PARTICIPATION

In order to succeed, we need to make sure we are actively removing barriers for all. We need to increase equitable workforce participation and provide upskilling opportunities for existing residents, with a focus on historically marginalized communities. We’ll accomplish this by addressing barriers to entry through increased wraparound support, strengthened connection with community partners, and other necessary resources with a focus on individuals with disabilities, communities of color, immigrants and refugees, older adults, those reentering the workforce, those in recovery, and those living in rural communities.

ACTION A6

EXPAND THE MAINE CAREER EXPLORATION PROGRAM

In order to grow local Maine talent, we must encourage students to explore their interests through experiential learning opportunities in Maine’s key industries.

The $25M investment in the Maine Career Exploration Program had built the foundation for the program’s three major partnerships with the Maine Department of Education, Jobs for Maine’s Graduates, and the Children’s Cabinet to have more than 3,500 young people participating in the program and over 2,500 more young people in the next year. This program aims to improve the workforce participation rates in Maine’s younger age bands and to retain talent by showing Maine youth the great opportunities that are available in Maine. Students are getting experience in Maine organizations and are being paid for that work. Finding a balance of investment from the public and private sector will be critical.

This multisystem partnership will continue to implement the Maine Career Exploration Program in compliment with the existing array of services both in our schools and through community-based organizations, while expanding the program’s offerings to all middle school students. Maine Career Exploration will continue to evaluate and implement National Best Practices for Work-Based Learning as “Step-up” programs to reach younger grades with age-appropriate Career Exploration Opportunities. With this focus on Extended Learning and paid work experience, we can ensure an inclusive and solid connection to key industries and employers for all students.

Our Goals for the Next Year of Career Exploration Implementation

1. Provide 3,000 young people with Paid Career Exploration Opportunities
2. Attract new businesses and nonprofits to host students
3. Research and implement National Best Practices for Work-Based Learning and supporting the Career Exploration Continuum
4. Create the foundation for middle school programming so that all middle school students have access to Career Exploration

Career exploration doesn’t stop at the high school level. There is currently a University of Maine Research Learning experience supported by funding the Harold Alfond Foundation designed to prepare innovators and problem solvers for Maine’s workforce. This engages UMS students in research projects that are connected to internships, co-ops and experiences with Maine companies. This direct connection that has students working with Maine businesses to create solutions connects students in practical ways with the opportunities Maine businesses have. This increases our collective ability to retain these students in Maine’s workforce.
Shamica Williams, a senior at Morse High School in Bath, was offered a flight lesson by the New England Aviation Academy through the JMG Maine Career Exploration Badge (MCEB) experience.
Jesse Taggett was a freshman at Caribou High School when the pandemic struck in 2020. That spring, and for the next two academic years, students had to adjust to remote-and-hybrid learning and in-person masking requirements. As Jesse began his senior year, a member of the Class of 2023, he was excited to do all the ordinary things students do: prom, extracurricular activities, sports and — the opportunity to learn and develop through work experience. Fortunately, the Maine Career Exploration Badge program was created to connect Jesse, and thousands of high school students across the state, to employer-based opportunities to build skills and explore careers. The goal of the MCEB initiative is to provide 6,000 students like Jesse, Christian (right), and Shamica (opposite page), across all 16 counties, with a minimum of 40 hours of meaningful work experience, with the help and dedication of Maine’s educators and employers. Through this innovative initiative, JMG offers high school juniors and seniors a structured pathway to gain meaningful work experience. MCEB helps students discover their career aspirations, or, for students like Jesse, helps them gain experience in their specific field of interest. Jesse knew he wanted to pursue a professional career in welding. MCEB allowed Jesse to expand his skills, including fabricating, at the Louisiana Pacific Houlton Mill in New Limerick. Jesse graduated in May 2023. He now attends Northern Maine Community College and is employed by Hack & Gouge Welding in Woodland. The goal of the MCEB initiative is to provide 6,000 students, across all 16 counties, with a minimum of 40 hours of meaningful work experience, with the help and dedication of Maine’s educators and employers.
ACTION A7

SUPPORT GRADUATES AND ADULT LEARNERS

Adult Education programming throughout the state has grown over the past four years. During the 2022-2023 school year, more than 11,000 adult learners participated in Maine adult education programming.

- 2,872 workforce certifications and credentials of value were issued through adult education programming in 2023, which is an increase of over 68% from 2022 to 2023. Adult Education is also helping more people enter into high demand career fields.
- 1,252 medical certifications were issued in 2023, an increase of 57% from 2022.
- 226 licenses and credentials for manufacturing and trucking were issued in 2023, an increase of 63% from 2022.
- 207 business and technology certifications were issued in 2023, an increase of 72% from 2022.

ACTION A8

SUPPORT INTERNATIONAL TRAINED PROFESSIONALS

Maine has an abundance of skilled and talented workers from other countries, yet many face barriers to working at their highest level of education or training. This is not only a Maine phenomenon but a national one. Nationally, 21 percent of college-educated immigrants, or 2 million, are either unemployed or working in jobs that require no more than a high school diploma. We need their skills and talent in all of our industries, and we need to maximize the utilization of their existing skills and knowledge. We will support the coordination of adult education, the Maine Community College System and University of Maine System to improve prior learning and skills assessments, identify gaps, and execute initiatives and programming so that internationally educated and trained professionals can reach their occupational and professional goals in an efficient and timely manner in Maine.
I feel that the exposure to “hands on” trades/professions, and other “outside of the classroom” experiences should be long before Junior/Senior year. Children should be exposed to this kind of schooling/experience starting at 10 years old to give them a longer opportunity to explore.

—SURVEY RESPONDENT
Unique Partnership Between Somerset Career and Technical Center and Cianbro Gives Students a Solid Career Track into Welding

For the last 14 years the Somerset Career and Technical Center (SCTC) in Skowhegan has had a partnership with Cianbro to provide an innovative Career and Technical Education (CTE) welding program. Over the years the program has grown, both in participants and partners giving students a hands-on track into welding careers within their community and beyond.

This collaboration began when both organizations were facing challenges, SCTC didn’t have the space to start a new program and Cianbro had a growing need for welders. After some discussion the question was posed, what if Cianbro provided the space and the instructor? This was a scenario that hadn’t been done before but everyone involved could see the value in a true public private collaboration. It originally started with a welding training trailer with six booths. As the program grew it became clear that it would be better for students to be bussed directly to Cianbro’s welding facility in Pittsfield.

“It is a great model when you can transition students into an environment where they are learning their skills next to adults who are also going into the trades” said SCTC Director David Dorr. “It’s a model I would welcome to duplicate.”

While at Cianbro, students are being taught the welding standards through the NCCER Welding curriculum which allows them to work towards their American Welding Society (AWS) certifications. Historically all students in the program receive at least one AWS certification with many passing multiple. Once a student passes and receives their certification, they also become eligible to participate in SCTC’s apprenticeship program. SCTC contracts with Cianbro for the instructor as well as materials. The instructor is a Maine Department of Education (DOE) certified teacher, holds an NCCER instructor certification, and brings a wealth of knowledge from the industry as an experienced Cianbro employee. Troy Twitchell, who was the original instructor from Cianbro, had this to say, “I have been involved with the SCTC welding program since it began. Students get a chance to work outside of their comfort zone and see what it is like working in the real world.” He continued by emphasizing the overall impact on the community, “The community is excited to see a partnership between schools and a construction company. Participation in the program could lead to potential job opportunities in the future.”

As the program began to grow in interest from students, there was a limit on how many could safely be instructed which led to a waitlist for the program. By 2021, there were 15 students on the waiting list, which was equivalent to the entire size of the program when it first started in 2011. This led to more conversation on how to address this challenge.
SCTC and Cianbro brought their can-do attitude and experience of collaboration to the community. This led to discussions with Madison High School and other business in the greater Somerset County area who all recognized the value of the program and appreciated the collaboration. This new collaboration resulted in over $200,000 raised to build a state-of-the-art welding facility at Madison High School to allow for additional students to be served. Today, with the additional space, enrollment has grown with 28 total students enrolled at the two locations and ultimately eliminated any waitlist.

There is no doubt the value that this partnership brings to both organizations as well as the students who are involved. The opportunity for the students to be a part of a program that is connected to an industry and company that values growth is a benefit for all. Mark Brooks, the Director of the Cianbro Institute has seen this first hand, “I’ve really enjoyed watching the energy between Sam Baker (primary welding instructor) and the students as they begin their education with limited welding experience and watching them develop over time into skilled welders.”

This collaboration is a sign of the value a true public private partnership can bring to communities across the state. It raises aspirations for students while also preparing our next generation workforce. Mark also had this to say, “Cianbro remains excited for the collaboration with the SCTC program in order to create an awareness of a trade that will assist them in the future. The welding education program is a great opportunity for students to begin to explore their pathway to the future.”

This is a great example of what can happen when we all are focused on the same goal.
The goal is 75,000 additional people in the workforce. Maine has strong, talented, hard-working people. We don’t have enough of them. This strategy forecasts a 65,000-person contraction in the workforce over the next ten years unless robust countermeasures are undertaken.

Maine is making progress in attracting people to our state. After years of experiencing net-outmigration, Maine is now consistently attracting more people than it is losing. In 2022, Maine’s rate of net in-migration was 11th in the US, creating a net gain of 8,000 people (see chart). We are still conducting research to learn more about who has come, and why, and if this trend can be expected to continue.

In any case, we are working against the tide. Every year, more people die in Maine than are born. And more specifically, with regard to the workforce, 10 baby boomers retire in Maine for every seven young people who enter the workforce.
ACTION B1

BUILD AND LAUNCH MAINE’S TALENT ATTRACTION CAMPAIGN

Maine is a great place to live, learn, and work — but not enough people know that yet. We need to promote Maine’s quality of life benefits. We also need to highlight programs such as free community college, affordable and high-quality public four-year universities, education tax credits, professional and occupational licensure recognition, remote work opportunities, and others. The Talent Attraction Campaign will create a toolkit for employers, regions, and municipalities to share content to reinforce statewide talent attraction messages while at the same time highlighting their specific local assets.

ACTION B2

HIGHLIGHT CAREER PATHWAYS FOR NEW MAINERS

Attracting talent requires a well-defined path to success. We will establish an Office of New Americans that identifies roadblocks in skill development and credentialing in order to create access to high quality work opportunities.

ACTION B3

MATCH NEW ENGLAND STUDENTS WITH MAINE EMPLOYERS

Students in neighboring states should be able to find work here. We plan to launch a unique initiative that matches New England higher education graduates with smaller employers in Maine. Maine employers

Source of Population Change

- 2021 saw the highest level of net migration (21,200) of any year since 1950
- 2022 data show a continuation of net in migration, at a slower pace with net migration of just over 14,000
- Most (88%) of the net migration into Maine that has occurred since the 2020 Census has been among those relocation from other U.S. States

Through the JMG Summer Academy, 5 students from JMG’s South Portland Multilingual program earned their CNA certification from SMCC and performed their clinicals at The Cedars Retirement Community in Portland. During their pinning ceremony, it was announced that all 5 students had been permanently hired by The Cedars.
have roles that students from all over the country would be interested in. Utilizing the online job portal, leveraging the value of the Student Loan Repayment Tax Credit for students and creating direct one to one interaction on these roles will improve the number of recent graduates joining Maine’s workforce.

**ACTION B4**

**RECOGNIZE OUT-OF-STATE (OCCUPATION AND/OR PROFESSIONAL) CERTIFICATIONS**

We need to make it easier to bring expertise to our state. We need to continue finding opportunities to accept professional and occupational licensure from other states and countries. We also need to identify other pathways to working in Maine, such as provisional licensure.

**ACTION B5**

**STRENGTHEN MAINE’S HIGHER EDUCATION BRAND AWARENESS**

Maine has great schools and a strong higher education system — and we should shout it from the rooftops. We need to market Maine’s schools in a way that showcases their unique value and attracts students. If we increase Maine higher education enrollments, provide local work experience while they are enrolled, and graduate higher numbers into the workforce — we will create a pool of talented and skilled people with local professional and institutional connections who will likely remain in the Maine economy after graduation. Over 6,000 students graduated from the University of Maine system alone in 2022/23. We don’t comprehensively track how many of them take positions in Maine. We need to improve the tracking of this information, in a voluntary way, and then work to improve on that number.
FROM THE 2020 PLAN

Maine has some distinctive strengths that support the four themes for high-wage growth described earlier. The University of Maine, with world-class research and development in wood composites, climate change, food, and aquaculture/marine sciences, is based in the Greater Bangor region, and is a statewide resource for innovation as a land, sea, and space grant institution. The Jackson Laboratory, Bigelow Laboratory for Ocean Sciences, MDI biological laboratory, the Gulf of Maine Research Institute and a cluster of companies focused on biomedical work are leading assets for Maine. Greater Portland has an array of biomedical and veterinary research and startup activity. Throughout the state, advancements in renewable generation, storage and access will facilitate growth across regions. This plan has a focus in four thematic areas: Food/Marine, Forest Products, Making/Manufacturing, and Technical Services. The intersection of these areas with significant global trends is where the largest opportunities exist for growth through innovation in Maine. These four themes will provide a focus for Maine’s public research and development (R&D) programs. Public R&D infrastructure, in turn, will offer cutting-edge partnership capacity to private sector business and profitable opportunities to feed into Maine’s entrepreneurship and small business programs.
The innovation economy is taking hold in Maine. Maine is well positioned to be a leader in leveraging our heritage industries of forestry, farming, and fishing to generate global products and practices, based in new technologies, AI, and data science — products that are functional, affordable, and meet climate goals. Such new products will help grow and diversify our economy, strengthen our supply chains, achieve our climate goals, and increase the number of value-added Maine jobs.

Effective research and development require partnerships between strong academic institutions and the private sector. Maine’s ability to not just develop the research and strengthen the ecosystem for commercializing the advancements will be key to sustaining ongoing investment.

In addition to our heritage industries, we are seeing strength in growing sectors like life sciences and human health. Maine companies like the Jackson Laboratory, IDEXX and Puritan Medical Products developed critical products to address the global pandemic. Now they continue to grow as their research develops effective treatment and delivery options for both human and animal disease. Advances in biomedical engineering and approaches to healthy aging also are potential growth areas where research is underway in Maine.

Other potential high growth target sectors for Maine include aerospace, AI, biobased alternatives (advanced building products, algae and algal products, biochemicals, biomanufacturing) and renewable energy.

In 2021, 7,900 new businesses started up in Maine, and only 4,600 closed — 70% more startups than closures. Only three years earlier, closures had exceeded startups.

In October of 2023, the federal government designated a Maine business-government consortium as a Forest Bioproducts Advanced Manufacturing Tech Hub. The Hub will “accelerate research and development of natural polymers and other wood fiber bioproducts
that can sequester carbon and replace plastics and toxic chemicals.” The designation will make the consortium eligible for preferential treatment for federal grants. In the forest products sector, the Maine Technology Institute awarded 19 grants that in all will be matched by $1 billion in private investment and will create 600 new jobs.

In 2022, the University of Maine invested a record $225 million in research and development and was upgraded to an R1 designation in the Carnegie Classification of Institutions of Higher Education, putting it among the top 146 research universities in the nation.

In 2020, Northeastern University launched its Roux Institute in Portland. The institute offers graduate education and research capabilities in AI, computer and data sciences, digital engineering, and the advanced life sciences and medicine. Already the Roux employs more than 165 Mainers and partners with more than 200 Maine organizations.

As this progress goes on, major research and development organizations in Maine are taking internal steps to ensure that the benefits of research-driven economic growth are shared by all populations in Maine. Here is what the Maine Technology Institute is doing (from the 2022 Annual Report):

*Over the past year, MTI has undertaken a deliberate effort to better understand how to implement diversity, equity, inclusion and belonging (DEIB) practices into its own operations and foster greater DEIB practices within the Maine entrepreneurial ecosystem and, more specifically, in the companies that it funds... It is in that vein that the MTI Board recently adopted commitments to diversity, equity, inclusion, and belonging (DEIB) and quality jobs. Both guidelines have been incorporated into the scoring rubric for MTI’s Pandemic Recovery for an Innovative Maine Economy (PRIME) Fund.*

There is still a long way to go. Maine’s total R&D investment, as a proportion of its total economy, is still only a third of the national average. But we are making progress.
**ACTION C1**

**DEVELOP AN INNOVATION TALENT PIPELINE**

Innovation starts with education and collaboration. We will develop a statewide, coordinated talent pipeline and programmatic opportunities to fuel innovation. We will increase the emphasis on and support for STEM education, innovation, and entrepreneurship in all settings — PK-12, postsecondary, and workforce development. Tools will include Career Academies, research learning experiences, apprenticeships, career exploration programs, certifications, and badging.

**ACTION C2**

**INVEST IN RESEARCH & DEVELOPMENT**

Early-stage funding leads to long-term success. Maine must benchmark itself against comparable states. From those states that are successful, we need to study their tools and funding strategies and see what applies and can be adapted to work for Maine.

Any funding source must be stable so that the ecosystem of innovation can develop. Strong business advisory boards are necessary due to the high-risk nature of early-stage funding. Additionally, funding should leverage other funding mechanisms to effectively attract private investment.

The R1 designation for the University of Maine and the university’s continued growth in research strength is allowing the university and the State to attract additional funding. That research can then be utilized by nonprofits and private companies for commercial growth. Maine can support R & D by supporting supply and distribution chains and by expanding match opportunities in partnership with the Maine Technology Institute and others.

Public support of R & D pays off. For example, Maine’s long-term commitment to the success of The Jackson Laboratory has resulted in a major impact on the Maine economy (see graphic below).

As part of the first round of priority actions, Maine reinstated the Maine Innovation Economy Advisory Board. They have developed some priority actions that work in concert with Strategy C.
ACTION C3

CAPitalize on the “MADE IN Maine” BRAND

We want consumers to know that products made in Maine are made well. We will strengthen and expand domestic trade efforts so makers and businesses (both existing and new to Maine) can leverage data and opportunity to export their goods and services to other states and nations.

ACTION C4

LEVERAGE MAINE’S NATURAL RESOURCES

Our forest and marine environments are competitive economic advantages for Maine. Maine is in a unique position to bring together climate change mitigation and economic development. Collectively, we must focus on developing and expanding businesses that leverage Maine’s competitive advantages in emerging market opportunities like sustainable bioproducts and building materials, aquaculture, wind and solar energy, life sciences, and many more.

ACTION C5

SUPPORT NEW COMPANIES

The next great business might need a little help getting off the ground. We need to better support innovative new companies that face high up-front costs or long timelines to commercialization. We also need to foster the engagement of existing Maine companies and organizations to be suppliers, distributors, and first customers of new businesses to accelerate their commercialization.

ACTION C6

ENSURE EQUITABLE ACCESS

We can’t let barriers to success hold down innovation. There are a number of organizations that are focusing on intentional equitable access to capital for all entrepreneurs, start-ups, and business owners — especially those with persistent and disproportionate barriers to success, like Maine’s racial, ethnic, and linguistically diverse business owners. It is important that all Maine support organizations take those learnings and find creative options to improve access to capital.

ACTION C7

COORDINATE STATEWIDE ASSISTANCE

Help can’t just be on the way — it needs to be easy to access, with a No Wrong Door approach. Many projects need support from more than one partner. It is often difficult to find the right partner. Coordinating technical assistance to ensure alignment across service providers; provide simple access statewide; and address barriers at every stage of business growth. This includes a financing tool that will aggregate impact investors in Maine so entrepreneurs can shorten their time to access capital and remove multiple, often complex, steps.
rubiquitous connectivity

FROM THE 2020 PLAN

Digital connectivity serves as a lifeline of the modern Maine economy. Connectivity through high-speed internet (broadband) or cellular service is essential for communities to thrive, businesses to prosper, and public services to modernize. Connectivity in rural areas allows talent attraction, innovation, skills upgrading, and access to a global economy. Connectivity will cross all sectors—not just of the economy but of people’s lives. The ability to access information, create and share content, improve health outcomes, access learning, and work from anywhere in our state, all hinge on high-speed access.

CURRENT STATUS

A fast, reliable internet connection is essential to modern life, linking users to vital information and exciting opportunities. It allows businesses to market their services and products anywhere in the world; professionals to telecommute from a rural farm as easily as from an office in downtown Skowhegan; students to attend classes virtually; patients to connect to a healthcare professional via telehealth; and residents to stream content, videoconference, and use smart devices to stay in their homes as they age. It is simply not an option for anyone in the state to be left in the digital dark with no connection.

The first step to connecting everyone is expanding modern digital infrastructure (utility poles, fiber optic cable, and towers) in the places needing it the most. Significant progress toward this goal has already been made. Maine has facilitated more than $230 million to connect everyone in the state and created the Maine Connectivity Authority (MCA) to proactively invest in our infrastructure and ensure digital inclusion.
The number of homes and businesses with no connection has been cut by two-thirds to less than 5% of all locations remaining as of 2023, while the number of locations with excellent service (speeds of more than 100 Mbps / 100 Mpbs) has almost tripled to 33% from 2022 to 2023 and continues to grow. Starting in 2024, Maine will begin to deploy an additional $300 million in transformational federal funding, leveraging an additional $100 million of private capital.

Enabling access to infrastructure alone is not enough. To maximize the generational investment, Maine must also ensure that all Maine people and communities — especially those facing the most barriers — can take full advantage of expanded connectivity. High-speed internet available in every household won’t matter if people can’t afford it, don’t have the devices to access it or have the knowledge to thrive online. The Maine Connectivity Authority has adopted the state’s first “Digital Equity Plan” to focus on reaching those traditionally left behind in the digital dark, specifically people in rural areas, veterans, older Mainers and other historically disadvantaged groups. These activities will focus on improving the affordability of service, building digital skills, helping Mainers find the tools to stay safe online, increasing access to low-cost devices and technical support, and ensuring online resources are accessible to all. This focus will create greater opportunities for economic growth and return on investment by increasing workforce engagement and skills and ensuring that communities and businesses can take full advantage of being connected.
ACTION D1

FOSTER COLLABORATION AT ALL LEVELS TO MAXIMIZE IMPACT

In a three-year period, Maine will receive and deploy over $400 million in federal funds to build out connectivity where it doesn’t exist. Combining these funds to leverage private investment, community and regional capacity, and public partnerships will enable data-driven investments to address urgent connectivity needs and ensure a future of affordable connectivity for all Mainers.

ACTION D2

DEPLOY DIVERSE TECHNOLOGIES TO REACH ALL CORNERS OF THE STATE

Maine is a big state, and our rural communities need the same access as our urban centers. To ensure all of Maine has access to online training, remote work, telehealth, and so much more, we must pilot and evaluate new technologies that could connect remote and difficult-to-reach areas cost-effectively and quickly. These alternative technologies can also increase the resiliency and redundancy of the state’s internet infrastructure, accelerating affordability and adoption.

ACTION D3

SUPPORT DIGITAL INCLUSION

We have big connectivity goals to ensure digital equity. To achieve the implementation goals set forth by the Broadband Action Plan and Digital Equity Strategy, we will support diverse technologies to address diverse connectivity needs, maximize coordination with other agencies and organizations, and support the organizations, local government and programs that help everyone get online and prosper which will be vital to sustain affordable digital infrastructure expansion.

ACTION D4

CREATE PATHWAYS FOR DIGITAL EDUCATION

Awareness and access are crucial to Maine’s digital revolution. We will continue to fund and provide digital skill-building and internet safety education so all Mainers can take full advantage of their internet connections and keep themselves safe online. We can do this by leveraging partnerships with Maine’s educational and training institutions and the state’s robust network of digital inclusion partners.

ACTION D5

INCREASE DEVICE ACCESSIBILITY

To put the modern world in the hands of Mainers, we must ensure they have access to internet-connected devices. Key to success will be providing access to technical support when needed and supporting programming and upgrades at community anchor institutions. Businesses and institutions will play a critical role in making high-quality devices available.

ACTION D6

HIGHLIGHT STORIES OF BROADBAND IMPACT AND SUCCESS

Expanded internet access has countless benefits. We will highlight how broadband expansion enables not only the success of our high-growth and emerging industries, but also allows Maine’s legacy industries to evolve and thrive with access to new markets and economies. Focusing on the people, places, and projects, we will tell the story of Mainers from across the state who are transforming their lives through the power of the internet.

A large chunk of people I work with don’t know how to use a computer. There needs to be a lot more in person classes to help the workforce become more comfortable with a computer and internet needs to be more affordable.

—SURVEY RESPONDENT
ACTION D7
STRENGTHEN OUR INTERNET INFRASTRUCTURE

A more robust Maine internet benefits everyone. We will maximize the impact of federal grants by strategically deploying funds and creating a marketplace that drives private investment by Maine’s internet service providers. Developing the state’s middle-mile “backbone” will ensure Maine has the 21st-century infrastructure that businesses, institutions, and public agencies need to thrive and grow, and will create a strong platform for future expansion.

ACTION D8
REDUCE BARRIERS TO DEPLOYMENT

With a generational investment in broadband connectivity flowing into the state, we must reduce or eliminate barriers that will slow the deployment and minimize the impact of those funds. Creating connections to train a ready and qualified workforce, streamlining utility pole access, and identifying robust financing options are all critical to accelerating the deployment of digital infrastructure.
provide supporting infrastructure

FROM THE 2020 PLAN
To attract talent to move into the state — and to retain the talent we have — Maine needs a supporting infrastructure that ensures a quality of life. Broadband and schools, mentioned earlier, are pieces of the puzzle. Childcare, housing and transportation are also part of the picture. Because these functions are largely independent of the economic development system, other entities must be responsible for achieving goals in these areas.

CURRENT STATUS
There have been major investments in infrastructure in the past 4 years. The Maine Department of Transportation (MaineDOT) expended over $450 million in state capital construction funds in fiscal year 2023. Maine invested $25 million in federal pandemic aid funds into growing early childhood programs, and provided monthly stipends to more than 7,000 childcare workers. The Legislature approved record level funding for housing in 2023 — over $90 million for production and homelessness programs.
But transportation, housing, and childcare are long-term problems. They took many years to develop; they will take many years to fix. The American Society of Civil Engineers gave Maine a C- grade in 2020 for its infrastructure maintenance of roads, bridges, transit, and utilities — although subsequent investments may have had a positive impact on some of these measures. A statewide study in 2023 found that Maine needs another 80,000 housing units by 2030 to address its historic backlog and the demand from new in-migrants. Maine’s childcare market is still too expensive for families to afford, too spotty to provide coverage to all families, and too poorly paying to attract needed workers.

Ironically, the more successful Maine is in achieving its goal of attracting new talent to Maine (Strategy B), the greater the pressure that the new population will present for housing, transportation, and childcare. We need to increase our infrastructure investments to keep pace with our population growth.

“Attack the rising cost of living (mainly HOUSING, transportation, and child care). If people work hard and still can’t afford to live somewhat comfortably, their desire to work will disintegrate. They will become mentally unwell, leave, and/or underperform at the workplace.”

—SURVEY RESPONDENT
INVEST IN QUALITY CHILDCARE

We will continue to invest in quality childcare in all parts of the state — especially in rural areas. We can do this by increasing awareness of available public Pre-K programs; by activating universal Pre-K for 3 and 4 year olds; by incentivizing employer-based solutions similar to other states (like Michigan, where cost is evenly split between the State, employer, and employee); by providing incentives to workers to enter early education careers and as they increase their education and skills; by promoting individual tax credits; by expanding awareness of and access to after-school and summer programs; and by supporting public-private partnerships — especially in areas where Pre-K or after-school and summer programs are not easily accessible. A public investment in childhood education repays itself five times over during the lifetime of the child.

SUPPORT OUR YOUNG PEOPLE

The mental health trends for youth nationally are concerning. When kids are supported, Maine benefits. We support the enhancement of behavioral and mental health services for students in PK-12 across all parts of our state. We also recognize the importance of mental health and well-being resources in our institutions of higher education. The Department of Education received a 5-year $9 million grant, funded through the Bipartisan Safer Communities Act, to increase the number of school-based mental health staff and services in Maine by recruiting, retaining, and respecializing providers to work with young people in schools.

EXPAND THE WORKFORCE TRANSPORTATION PROGRAM

Getting to work needs to be easier. The Department of Transportation Pilot Transportation Program has helped Maine employers to create innovative worker commuting programs that address the business’s unique transportation needs. In order to attract and retain a desirable workforce, this program and others like it need to be sustained and expanded.

MEET TRANSPORTATION NEEDS

We can help Maine people commute while cutting costs and emissions. We will expand and invest in ridesharing initiatives. Transportation should not be a barrier for Maine people. In our state, the

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<th>COST-BENEFIT NUMBERS FOR EACH CHILD</th>
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Source: Path to a Better Future: The Fiscal Payoff of Investment in Early Childhood in Maine
distance between home and work, home and school, or home and anywhere can be prohibitive. We will continue to maintain and improve our existing infrastructure and the essential mobility it provides, while identifying supplemental funding opportunities for public-public and public-private partnerships to fill gaps in transportation needs for Maine people, especially in remote rural areas. These efforts must consider all modes of transportation and be tailored to the specific needs of communities across the state — rural and urban. For example, MaineDOT and the Maine Department of Health and Human Services will continue to work on better coordinating subsidized medical trips (such as those provided through MaineCare) and public transit options to improve access to health care and other essential services.

**ACTION E5**

**ACTIVATE A HOUSING STRATEGY**

We’ve assessed our housing needs: now we need to do more. Since 2019, we’ve focused on building more housing, including workforce housing, affordable housing, and rehabbing and restoring existing housing units. The State has invested $285 million to incentivize building of more affordable housing, resulting in 618 new homes, with 1,126 under construction and 2,187 in the pipeline. However, more needs to be done.

In 2023, we commissioned a comprehensive housing study examining Maine’s housing needs to meet present demands, due to factors such as historical underproduction and recent population growth. The study also forecasted housing needs through 2030 based on longer-term state demographic trends and economic and workforce projections. The study found that Maine needs 38,500 housing units to meet current needs, and at least 38,000 additional units to meet future projected demand. The study emphasized the need for low-and moderate-income housing because those households are currently more constrained in their housing choices and are more likely to pay more than they can afford for a home. Therefore, we should prioritize policies that increase affordable and workforce housing development.

PL 2021, ch. 672 (LD 2003), a landmark piece of housing legislation signed by Governor Mills in 2022, removes local land use and zoning barriers to the production of workforce and affordable housing. This legislation requires municipalities to update land use and zoning ordinances to allow (1) additional density for affordable housing developments, (2) multiple dwelling units on lots designated for residential use, and (3) one accessory dwelling unit on the same lot as an existing single-family home. As part of LD 2003, we must create statewide and regional housing goals, ensuring that we are tracking housing development progress at the state, regional, and local levels.

Additional efforts to produce housing include the creation of the Affordable Homeownership Program and Rural Affordable Rental Program which provide financing programs to developers to expand housing options that are affordable to workers and their families to own or rent. Both programs are expected to create more than 450 homes, especially in rural areas.
Finally, we invested $80 million, the single largest investment in housing in Maine’s history, to create the State Affordable Housing Tax Credit to allow individuals or corporations to invest in affordable development or preservation of affordable housing in return for State income tax credits. This program will create 1,000 new affordable homes by the end of 2028.

Additional strategies and policies we should prioritize to create additional housing include providing financial and educational programs to homeowners interested in adding additional housing units, such as accessory dwelling units or duplexes, on their property. This also includes continued financial and technical support for local governments who are focusing on housing development.

Employers interested in providing housing to employees can also play a role in housing development by subsidizing new housing development for employees near workplaces. Further investment in educational and financial subsidies can support employers interested in creating housing.

**ACTION E6**

**PROVIDE REGULATORY ASSISTANCE**

Housing solutions only work if they can be implemented. As we create regulatory and zoning changes to address Maine’s housing challenge, we need to provide robust technical assistance to municipalities that have limited capacity to implement those changes.

**ACTION E7**

**HIGHLIGHT THE NONPROFIT SECTOR**

1 in 6 Maine workers are employed by a nonprofit. The nonprofit sector is vital to the well-being of all Mainers and to Maine’s economy. There are opportunities for communities and nonprofits to work more closely together to meet their shared missions. We will create tools to connect nonprofits with community and business leaders to make it easier for them to collaborate on shared missions.
maintain stable business environment

FROM THE 2020 PLAN

Maine has a set of high regulatory standards — and for good reason. Our natural resources are one of our state’s greatest assets and safeguarding them for future generations is critical. The implementation of these standards should be done with predictability, transparency, and timeliness. The policy goals of high environmental standards and efficient regulatory processes are not in conflict with one another. Both are essential. The following recommendations focus on strategies to streamline processes, advance efficiencies, and create stability without sacrificing integral standards.

CURRENT STATUS

There has been progress in the past three years in reducing the burden of health care costs. Maine has traditionally been a more expensive state for health care, with an aging population and rural population distribution contributing to the problem. In the last three years (2019-2022), the percentage of the state’s personal expenditures going to health care declined from 19% to 16.5%. In part this is due to a continuing decline in uninsured in Maine, from 8.1% in 2019 to 6.5% in 2022.

There is also an increasing alignment between the state’s clean energy goals and business development. There are now over 15,000 Maine people employed in jobs in promoting energy efficiency, clean electricity, and clean transport.

Progress is being made. But this is a long-term effort, and our challenge is to continue to make progress during the next six years of this plan.
ACTION F1
SIMPLIFY AND STREAMLINE PERMITTING
It is critical to protect Maine’s natural resources. The high environmental standards are helpful to growing Maine’s economy. Governor Mills and the Legislature have recently invested in creation of an online licensing system and an organizational change management consultant for the Maine Department of Environmental Protection. That is a significant step in clarifying and streamlining the process. Applicants and citizens will be able to submit and obtain information through the online system for all environmental licenses and compliance reports managed by the Department. This will also offer information to regional and municipal permitting processes as well. The system will be designed with the guidance of the organizational change management consultant to further improve processes at the Department and streamline administration of environmental programs.

ACTION F2
INCREASE RENEWABLE ENERGY PRODUCTION
Maine has made progress in growing its renewable energy portfolio. Maine is on track for 51% of Maine’s electricity coming from renewable energy in 2023, on a pathway to 80% by 2030. Given this progress and recent increased energy price volatility, the Governor has set a new target of 100% clean electricity by 2040. The transition period will require building new generation and the necessary grid infrastructure to deliver this power as well as continued investments in energy efficiency and demand management.

Maine has also made unprecedented progress reducing its over-reliance on oil for heating. From 2018-2022, Maine saw a 10% decrease in heating oil as a primary fuel for home heating (down to 56%, compared to just 4% nationally), with an increase in households utilizing electricity during that time. The period coincides with record adoption of high efficiency air source heat pumps in Maine, which surpassed the State’s goal of 100,000 new installations in July 2023, two years ahead of schedule.

The better we are at predicting and expediting this transition, the lower the costs will be to Maine people and businesses, the more stable the prices, and the faster we will reach our climate goals.

ACTION F3
ENHANCE TECHNICAL ASSISTANCE AND IMPROVE RESOURCE AWARENESS
To meet our state goals, we need to continue to provide local technical support. In order to achieve overarching housing, broadband, and other objectives, we must continue to enhance technical assistance for towns, municipalities, and other regional entities so that they can regulate with efficiency, transparency, and predictability. We need to ensure that communities, businesses, and nonprofits are aware of resources that do exist by creating and leveraging technology tools and in person experience to highlight opportunities.
promote hubs of excellence

FROM THE 2020 PLAN

A Hub of Excellence is a geographical area with conditions present for strong economic growth. Hubs of Excellence are driven by talent and a convergence of research, higher learning, skilled workforce and business, and a livable, healthy space. Focusing on hubs allows communities to leverage their strengths and develop areas that are gaps. This concept supports communities working together to deliver comprehensive assets to their residents.

CURRENT STATUS

The idea of “Hubs of Excellence” is where many of the themes of this strategy come together. In order to grow our workforce, we need areas that will attract and retain people.

Defining the Hub of Excellence has been an ongoing question. The goal is clear: create communities where people want to live. Places where we have strong quality of life assets like cultural options, outdoor recreation, walkable downtowns, strong education options and modern infrastructure. Places where people want to live, work and be a part of their community; in short to strengthen the assets that Maine communities have traditionally had.

There are a number of regions working on identifying their assets and finding creative ways to bring them together. In Waterville, a series of key investments by Colby College, the Alfond Foundation, Waterville Creates, the City of Waterville, and the private sector are turning the city into a year-round destination for the creative arts and film in northern New England. Skowhegan is developing into a food hub for innovative processing businesses. Madison is the site of a new wood-fiber insulation plant — linking the forest products industry with emerging climate change energy conservation goals. Rangeley is leveraging a reopened ski resort to establish a strong four-season tourism identity.

The potential in Maine for combining schools, businesses, nonprofits, and local governments to create and sustain a local identify as a Hub of Excellence is just starting to be realized.
ACTION G1

FURTHER DEFINE HUBS OF EXCELLENCE

We need to help communities play to their strengths. There are great examples in Maine and globally that we can showcase as models for Hubs of Excellence. The Office of Community Development will facilitate an advisory group made up of private sector, nonprofits, public sector and academia to look at national models so communities or groups of communities can identify areas of interest.

ACTION G2

CONNECT NONPROFITS AND ACADEMIA TO COMMUNITIES

There are strong nonprofit organizations and university centers across Maine that have the expertise to support community development and industry partnerships. We need to use technology and new and existing networks to ensure that their expertise is available to interested communities.

ACTION G3

INVEST IN PLACEMAKING

Maine’s iconic village centers are an important asset for the state, and the world-class quality of life they provide can help the state to attract and retain talent. We will continue to reinvest in Maine’s villages through programs like MaineDOT’s Village Partnership Initiative, which will help develop these areas into more walkable, bikeable, and business-friendly locations that will make Maine communities more attractive places to live, work, invest, and raise a family.

ACTION G4

INITIATE PILOT HUB EFFORTS

The Federal Reserve Bank of Boston leads a program called the Working Community Challenge. There are six regions that are currently participating in WCC. They each have different focus areas, but all are intended to tackle systemic challenges their communities face in order to create more opportunity for their residents. This is a strong wraparound model that is built on local partnership development between the private sector, education, town management and community leaders. While it is too early to have outcomes for Maine yet, this approach has shown results in many other areas of the country.
WATERVILLE INNOVATION HUB  
Catalyst for Economic Renaissance and Urban Revitalization

Situated mid-Maine along the Kennebec River, Waterville rapidly emerges as an innovation hub, seamlessly blending historic charm with forward-thinking dynamics. This economic symphony drives collaboration, impacting livability and residential density downtown.

HUB HIGHLIGHTS:

BUSINESS COMMUNITY:  
Guided by the Mid-Maine Chamber of Commerce and Central Maine Growth Council, established firms support business needs, mentor startups, and foster a supportive network.

ACADEMIC POWERHOUSES:  
Colby College, Thomas College, and Kennebec Community College form a regional academic triangle, contributing to intellectual capital and research synergy. Special projects, including startup and ecosystem building for students and AI specialization through Davis Institute for AI at Colby College, add depth to the city’s economic fabric.

ARTS, CULTURE, & LIVABILITY:  
The Waterville Opera House and recent cultural additions enhance livability. Projects like the new $18M Paul J. Schupf Art Center, $26M Lockwood Hotel, $6.7M Green Block Community Arts Center, and ongoing redevelopment of the Lockwood Mill Complex contribute to the vibrant cultural scene alongside new riverfront mixed use housing projects and developments.

PUBLIC-PRIVATE PARTNERSHIPS + CITY CHAMPIONS:  
The City of Waterville in partnership with business, civic, academic, and philanthropic partners demonstrate leadership through a pro-growth mindset, yielding multiple flagship public-private partnerships, grants, programs, incentives, and initiatives.

DIRIGO LABS ACCELERATION:  
As the conductor of the innovation ecosystem, Dirigo Labs propels startups with funding and networks, contributing to sustainable growth. Support extends to businesses, startups, and entrepreneurs in the downtown area and throughout Maine.

RIPPLE EFFECT:  
Beyond Bricks Coworking & Innovation and Dirigo Labs, the ripple effect of startup success generates jobs, attracts investment, and enriches the city. New downtown contributors include biotech company Genotype Center of America and newcomers like Main Street Provisions and Gorham Bike & Ski.

WATERVILLE INNOVATION HUB MINDSET:  
Beyond physical space, Waterville’s Innovation Hub embodies a collective mindset—a commitment to collaboration, creativity, and relentless pursuit of ideas. It positions Waterville as a global beacon of innovation, revitalizing the urban core.

CMGC and Dirigo Labs celebrate a pitch competition for its second cohort of startups at the new Paul J. Schupf Art Center in downtown Waterville. The Waterville-based startup accelerator program helps Maine founders launch and thrive.
Dear Reader,

I want to thank the hundreds of Maine business people, educators, municipal and regional officials, nonprofit leaders, and citizens who have contributed to the ideas in this update. I want to particularly acknowledge the help and guidance of the 10-Year Plan Executive Steering Committee and the State Workforce Board in this effort.

It has been an exciting ride for the past four years for those of us in the development community. We worked hard in 2019 to create a strategy that was forward-looking, ambitious — and achievable. In 2021 our work was rewarded, as the Governor and Legislature invested over $400 million in furthering the strategies contained in that plan. We are gratified with the results, including a 10% growth in real income and in business productivity. Thanks for all that you have done to contribute to this achievement.

Now it’s time for a reset. The long-term strategic goals we identified in 2019 remain our pole star today. But the world has changed, and we must adapt our actions to that new world.

The last four years demonstrate that we can work together to achieve bold goals. This report resets the actions that are needed to continue the work. We must continue to upskill and grow our workforce, promote innovation, spread broadband, establish infrastructure, maintain a stable business climate, and create Hubs of Excellence. And we must do all of this with an increased attention to ensuring that every population in Maine participates in and shares the benefits of our development efforts.

That is the commitment of Governor Mills, and it is my commitment. Maine people have made a lot of progress already. Now let’s get back to work.

Thank you,

Heather Johnson
Commissioner of the Maine Department of Economic and Community Development
# Appendix A: Funding for Selected 2020-2029 Economic Development Strategy Priorities in the Maine Jobs and Recovery Plan

<table>
<thead>
<tr>
<th>Maine Recovery Act Funding</th>
<th>Amount</th>
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<td><strong>Total for Maine</strong></td>
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<td><strong>Select priorities of the Maine Economic Development Strategy</strong></td>
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<td>Affordable Homeownership &amp; Rental Development Programs</td>
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<td>Energy Efficiency and Weatherization</td>
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<td>Maine Community College System Workforce Training Programs</td>
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<td>University of Maine System Workforce Development, Research, and Innovation Programs</td>
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<td>Maine Career Exploration Program</td>
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<td>Expand High-Speed Broadband</td>
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<td>Career and Technical Education (CTE) Centers Infrastructure and Equipment Upgrades</td>
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<td>Child Care Infrastructure Grant Program</td>
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<td>Grant Programs for English Language Acquisition, College Success, and Higher Education</td>
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<td>Domestic Trade Program</td>
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<td>Increase Licensing Efficiency</td>
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<td>Maine Apprenticeship Program Expansion</td>
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<td>Electricity Grid Upgrades for Economic Development</td>
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<td>Remote Worker Welcome Program</td>
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<td>Welcome Home Talent Attraction Program</td>
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<td>Workforce Diversity for Impacted Industries</td>
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<td>Workforce Transportation Program</td>
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<td>Clean Energy Partnership — Workforce Initiative</td>
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<td>Tuition Support for Health Care Professions</td>
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<td>Career Portal and Emergency Support for Jobseekers</td>
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<td>Maine Industry Partnerships for Workforce Development</td>
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<td>Business Technical Assistance &amp; Training for Underrepresented Populations</td>
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<td>Housing Navigators Pilot Program</td>
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<td>Peer Workforce Navigator Program</td>
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<td>Progressive Employment</td>
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<td>Job and Career Programs Learning &amp; Evaluation</td>
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<td>Work Opportunity Tax Credit Program</td>
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<td>Military Veteran Career Transition Pilot Program</td>
<td>$200,000</td>
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</table>
APPENDIX B: PLAN ADVISORS

Maine's 10-Year Statewide Strategic Plan
Executive Steering Committee Membership
Amy Landry, AVCOG
Laura Fortman, Commissioner, DOL
David Daigler, MCCS
Jeannette Andre, MPC
Charlene Virgilio, Four Directions Development Corporation
Dr. Joan Ferrini-Mundy, University of Maine
Melanie Loyzim, DEP
Ryan Neale, DOT
John Ochira, Maine Community Foundation
Linda Caprara, Maine State Chamber of Commerce
Yellow Light Breen, Maine Development Foundation
Andrea Cianchette Maker, FocusMaine
David Greenham, Maine Arts Commission
Adam Lachman, Senator King’s Office
Carol Woodcock, Senator Collins’ Office
Sarah Lawrence, Congresswoman Pingree’s Office
William Whitmore, MaineHealth

Maine Economic Growth Council Members 2021
Stephen Von Vogt, Co-Chair, Maine Marine Composites
LuAnn Ballesteros, The Jackson Laboratory
Keith Bisson, Coastal Enterprises Inc.
Sheena Bunnell, University of Maine at Farmington
Donna Cassese, Sappi North America
Hon. James Dill, Senate District 5
James Erwin, Pierce Atwood LLP
Steve Hewins, Former CEO, HospitalityMaine
Thomas Kittredge, City of Belfast
John Napolitano, Plumbers and Pipefitters Union 716
Hon. Harold Stewart, Senate District 2
Tim Walton, Walton External Affairs
Julia Trujillo Luengo, Maine Dept. Economic and Community Development (Commissioner’s designee)

Maine State Workforce Board
Governor Janet T. Mills
Woodruff, Vaughan; Chair; ReVision Energy
Baldacci, Peter; Penobscot County Commissioner
Ballesteros, LuAnn; The Jackson Laboratory
Coombs, Allyson; Bath Iron Works
Dichter, Megan; DOE Adult Education
Drummond, Brenda; MDOL Bureau of Rehabilitation Services, WIOA Title IV
Dunning, Dave; S.W. Cole Engineering, Inc.
Fogg, Meryl; Grand Rounds
Fortman, Laura; MDOL Commissioner, Governor’s designee
Fullmer, Jen; Boots2Roots
Harris, Al; Sappi Paper
Hilton, Colleen; Northern Light Health
Horn, Adria; Tilson Technology
Huang-Saad, Aileen; Roux Institute
Hue, Melissa; City of Portland
Johnson, Betty; Waldo County Commissioner
Langevin, Guy; Dead River
Leavitt, John; Carpenters Local 1996
McAleer, Gordon; Bixby Chocolate
Moore, Kimberly; MDOL Bureau of Employment Services, WIOA Title I & III
Morley, Christopher; Mason’s Brewing
Noddin, Bruce; Maine Prisoner Re-Entry Network
Patrick, John; AFL-CIO
Pietroski, Joseph; Kennebec County Commissioner
Provost, Grant; Iron Workers Local 7
Roeder, Amy; State Representative
Rogers, Alec; Maine Evergreen Hotel
Shedlock, Jason; Maine Building and Construction Trades Council
Tipping, Mike; State Senator
Trujillo Luengo, Julia; DECD Commissioner’s Designee
Tyler, Michael; Sandy River Company
Warner, Briana; Sandy River Company
Watson, Corinne; Tiny Homes of Maine
Wood, Robin; Reed and Reed
Woodworth, Tuesdi; Front Street Shipyard
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“Maine people have made a lot of progress already. Now let’s get back to work.”

—HEATHER JOHNSON