Economic Recovery Committee
July 31 Meeting Agenda
8:00-10:00 am

Agenda

• Welcome

• July 15 Report Update & Committee Discussion

• Phase II Next Steps: Committee work structure between now and final report

• Committee Discussion: Remaining recommendations for consideration

• Closing
Phase II Preview

Sustain and Grow
Phase II Project Plan

A three-step plan to develop recommendations to sustain and grow Maine’s Economy

• **Task 1: Validate Action Steps, Identify New Actions**
  • Validate 10-year strategy action items
  • Evaluate key assumptions
  • Identify new opportunities and challenges

• **Task 2: Prioritize Action Items and Develop Recommendations**
  • Integrate and harmonize ideas from each sector
  • Develop and prioritize recommendations

• **Task 3: Draft Report**
  • Work together to focus, refine, and prioritize recommendations
  • Building full committee consensus
Remaining Recommendations

Proposal for Next Steps
## Categories of Recommendations

Recommendations fall into one of three groups for future action

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Previously Transmitted</strong></td>
<td>Recommendations that have been communicated in previous ERC publications</td>
</tr>
<tr>
<td><strong>Ready for Transmission</strong></td>
<td>Recommendations ready for direct communication to the relevant committee or state agency</td>
</tr>
<tr>
<td><strong>Develop for Future Transmission</strong></td>
<td>Recommendations with potential for further development and cross-sector collaboration</td>
</tr>
</tbody>
</table>
## Previously Transmitted

Recommendations that have been communicated in previous ERC publications

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Expand and support access to stimulus investment</td>
<td>Discussed in July 15 report</td>
</tr>
<tr>
<td>• Reopen with transparency and parity with neighboring states</td>
<td>Discussed in July 1 memo</td>
</tr>
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</table>
## Ready for Transmission

Recommendations ready for direct communication to the relevant committee or state agency

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Description</th>
<th>Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lobster Pound Aquaculture</strong></td>
<td>Consider regulatory changes to facilitate the use of lobster pounds for shellfish aquaculture</td>
<td>Department of Marine Resources</td>
</tr>
<tr>
<td><strong>Innovation Economy Advisory Board Diversification</strong></td>
<td>Empower broader perspectives in directing innovation economy by appointing more diverse and experienced entrepreneurs</td>
<td>Maine Technology Institute</td>
</tr>
<tr>
<td><strong>Maine Office of Tourism Funding</strong></td>
<td>Maintain the Office of Tourism’s budget through FY22 at or above FY21 levels</td>
<td>Department of Administrative and Financial Services</td>
</tr>
<tr>
<td><strong>Bankruptcy Planning and Support</strong></td>
<td>Develop a plan to provide support in navigating bankruptcy and educate the public on changes to Chapter 11 for small businesses</td>
<td>Department of Economic and Community Development</td>
</tr>
<tr>
<td><strong>Support for Jay Mill</strong></td>
<td>Send a clear signal to Pixelle that the State is interested in supporting their efforts to rebuild their operations in Jay</td>
<td>Department of Economic and Community Development</td>
</tr>
<tr>
<td><strong>Increase DEP Staffing</strong></td>
<td>Increase Department of Environmental Protection staffing to alleviate permitting bottlenecks</td>
<td>Department of Administrative and Financial Services</td>
</tr>
<tr>
<td><strong>Maine Goods for Maine People</strong></td>
<td>A State level commitment to purchasing Maine goods to fulfill its procurement needs whenever possible</td>
<td>Department of Administrative and Financial Services</td>
</tr>
</tbody>
</table>

*Consider amending to include caution about reciprocity*
Develop for Future Transmission
Recommendations with potential for further development and cross-sector collaboration

Energy Infrastructure

<table>
<thead>
<tr>
<th>Recommendation</th>
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<tbody>
<tr>
<td>• Renewable Energy RFP</td>
<td>Request the Public Utilities Commission issue an additional renewable energy solicitation</td>
</tr>
<tr>
<td>• Three Phase Power to Working Waterfronts</td>
<td>Provide State assistance to food processing and storage facilities in Maine to increase the availability of three phase power to the working waterfronsts</td>
</tr>
<tr>
<td>• NECEC Project</td>
<td>Support expedient permitting and approval of the New England Clean Energy Connect project</td>
</tr>
<tr>
<td>• Defer Certain Environmental Regulations</td>
<td>Allow a 1-year deferment on certain environmental deadlines/regulations and new construction regulations that have minimal environmental impact.</td>
</tr>
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</table>
Develop for Future Transmission
Recommendations with potential for further development and cross-sector collaboration

Energy Infrastructure

Refer to the Innovation and Infrastructure subcommittees for further development
**Recover and Grow (August 14-November 20)**

The Recover and Grow phase of the ERC’s work will bridge the COVID-19 economic crisis to Maine’s 10-year State Economic Development Strategy, with a goal of preparing Maine’s economy to thrive in the long-term. We are leaving behind our short term stabilize and support mission to do the very hard work of looking at a longer-term planning horizon towards sustain and grow.

The Economic Development Strategy, also called “the 10-year strategy” is a dynamic and nonpartisan roadmap for a diverse and sustainable economy that reflects significant statewide public input. The strategy’s vision is: *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 ERC will use the Economic Development Strategy as its north star and align with its seven high-level strategies. These strategies have staying power as a framework, yet the actions and specific recommendations needed to accomplish them will surely have to change to adapt to a post-COVID world. We’ve consolidated this framework into three buckets that will shape the focus of the ERC during the remainder of our work:

1. **Talent development and attraction:** the skills needed to sustain a successful workforce are quickly changing, and that means our workforce must be prepared to evolve. The focus of these strategies is to attract additional workers to our workforce and develop the knowledge, skills and abilities of Maine’s students and current talent (Strategies A & B).

2. **Innovation & Entrepreneurship:** innovation drives economic growth. According to the U.S. Chamber of Commerce, 50 percent of the country’s GDP growth is attributed to increases in innovation. The focus of these strategies is on innovation and entrepreneurship as critical components of the diversification and resilience of Maine’s economy (Strategy C, G).

3. **Infrastructure (physical, social, and financial):** Not only does Maine need improved broadband and connectivity, Maine also needs a supporting infrastructure—childcare, housing, transportation, financial institutions, and an efficient regulatory environment. The focus of these strategies is on the state’s physical infrastructure and supporting infrastructure that ensures an unmatched quality of life for Maine people (Strategies D, E & F).

The focus on talent, innovation and infrastructure will help the ERC identify the cross-cutting issues crucial to Maine’s future prosperity. There is no industry that can survive the next ten years without innovating and every sector relies on Maine’s talent and infrastructure as a foundation to its success. These areas of focus transcend divisions by sector or industry and will allow committee members to imagine solutions that stand to benefit the entire economy.
We plan to get our report done by Thanksgiving, giving us approximately 18 weeks to work. **We are going to keep the current sub-committee structure for the next six weeks.**

During that first six weeks we will be asking our sub-committees to focus on the 10-year plan and to provide their best thinking on the three areas outlined above in the context of their sectors, as outlined below in task 1, with even smaller groups within the sub-committees focusing in on one of those three key areas.

During those weeks in full committee we will hear from some of the people who put together the 10-year strategy and get the benefit of their work, as well as from those who can tell us about changes in the economy now and to come as a result of the pandemic.

**Task 1: Validate Action Steps, Identify New Actions**

As the ERC begins its Sustain and Grow work, we will get an update from DECD about how COVID-19 is impacting implementation of the Economic Development Strategy. We will hear about which strategies and actions have been accomplished so far, which are already underway, and which are on hold and why. DECD will update us on expenditures related to implementation and how the ERC’s work to date has advanced the Economic Development Strategy.

Each ERC subcommittee will be asked to validate the action items identified in the economic 10-year strategy and consider:

- Given COVID-19, what key assumptions in the Economic Development Strategy are no longer relevant?
  - What key assumptions are correct and increasingly important?
- What new opportunities and challenges exist that were not envisioned in the Economic Development Strategy?
- Where are the holes? How can those holes be filled?

Our task is not to reassess the status of individual sectors during the ongoing crisis. Instead, subcommittees should focus on reassessing the action items in the 10-year strategy for how we reach our long-term goals. The 10-year strategy was designed to be dynamic and anticipated economic downturns. The strategy and its goals remain pertinent, and it is our mission to help bridge the gap to these goals in light of the pandemic.

After those six weeks, we will reorganize the committee into three new sub-committees (Talent development and attraction, Innovation & Entrepreneurship, and Infrastructure), and ask committee members to self-select which of the committees they are most passionate about, carrying forward these new ideas from their sector sub-committees into the new groups. Sub-committee members will rank order their interest in participating in each of the new sub-committees. The goal will be for them to bring forward their sector focused ideas that they just worked on into the new sub-committee structure.
**Task 2: Prioritize Action Items & Develop Recommendations**

Since the 10-year strategy was conceived, the ERC has gained the collective wisdom of living through the current crisis. In the second stage of this plan, the new sub-committees will integrate their ideas from their original sector sub-committees to identify cross-cutting ideas and to do the hard work of harmonizing and prioritizing recommendations coming from sectors. The resulting recommendations should directly support, adapt, or add to the action items listed to advance the seven strategies in the Economic Development Strategy.

- Given the current crisis and an understanding of new opportunities and challenges, which actions emerge as priorities?
- How can Maine position itself to efficiently leverage future opportunities that align with the 10-year strategy?

**Task 3: Draft Report**

In the last weeks leading up to our delivery date, we will work together to focus, refine, and prioritize our recommendations for our report, and build consensus to speak with one voice.

**By November 2**, each subcommittee must deliver to the committee co-chairs their priority recommendations.

**Recommendations to the Governor**: The complete set of recommendations to sustain and grow Maine’s economy in response to the ongoing COVID-19 pandemic are **due to the Governor on November 20**.