



## **Maine Economic Growth Council**

### **Maine Prosperity Action Plan**

## **Recommendations**

MOG = Measures of Growth in Focus

Invest = Investment Imperative II

MMW = Making Maine Work

MMW EC = Making Maine Work Early Childhood

MMW University = Making Maine Work University Report

Time for Change = Time for Change, Committee on Future Maine Prosperity

CMF = Charting Maine's Future

Reinventing = Reinventing Maine Government

### **Health & Wellness**

**Statement: Maine will invest in preventive care, wellness, and improvements in the current health care system to improve health, increase productivity, and control costs.**

**Invest in wellness and prevention for state employees and state-funded programs (MOG, MMW, Invest)**

- Continue to use State's buying power to support best practices (MOG, MMW, Reinventing)
- Use public schools to educate children and families about healthy lifestyles, preventive care, wellness, physical activity, and proper nutrition (MOG, MMW, Invest)
  - Provide nutritious foods in schools
- Promote healthy nutrition through food nutrition supplement program (MMW)

**Use market incentives to promote wellness and prevention**

- Provide tax incentives for employers that offer health and wellness programs (MOG, Invest, MMW)
- Provide tax incentives to insurers for discounts to employers providing health and wellness programs (MMW)

**Invest in preventive care and education**

- Promote existing investments and systems to improve transparency in health care system so all consumers can make informed decisions about health care options based on cost and quality data (MOG)



### **Improve the current health care system to reduce costs**

- Limit high emergency department use (Invest, MMW)
- Continue to expand telemedicine throughout the state (MOG, Invest)
- Ensure that MaineCare's reimbursement rate prevents cost-shifting to private market (MMW, Invest)
- Encourage accountable care organizations that promote health, prevent illness, and support quality (Reinventing)
- Health and Human Services Committee explores ways to incent healthy behaviors for MaineCare clients consistent with federal law (Invest)
- Improve efficiency and value in MaineCare by rewarding prevention and discouraging excessive use (MMW, Time for Change)

### **Recommendations for Immediate Implementation:**

- Connect Women, Infants and Children (WIC) program and Supplemental Nutrition Program (SNAP) with more farmer's markets
- Increase access to primary care and dental care to limit emergency department use
- Make all State office buildings and grounds tobacco free

### **Energy**

**Statement: Maine will reduce energy costs by improving efficiency and expanding the portfolio of available and economically viable alternatives for residential, industrial, and commercial customers.**

### **Improve efficiency to lower energy costs in the near term**

- Invest in efficiency for residential, industrial, and commercial users, focusing on commercial and industrial users that yield the highest return on investment (MOG, Invest)
- Support goals of Efficiency Maine Trust (Invest, MMW)
  - Leverage existing funds from utilities and fuel suppliers (Invest)
  - Use efficiency funds to make low-interest loans and grants available to manufacturing and natural resource businesses for infrastructure upgrades (Invest)
- Maintain statewide building code with efficiency standards (Invest)
- Support time-of-day pricing options and smart meter technology (MMW, Invest)

### **Develop new commercially viable energy sources to lower reliance on oil and protect against market volatility**

- Invest in and expand development of renewable energy that is economically viable as dictated by market, such as bio-fuels, tidal, on- and off-shore wind, hydro, solar (Invest)
- Promote development of energy production technology as an economic development opportunity (Time for Change)
- Improve access for Maine businesses to a variety of energy sources (Invest)



### **Recommendations for Immediate Implementation:**

- Develop a statewide natural gas distribution plan that includes service center communities

### **Government Reform**

**Statement: Maine will improve the efficiency and effectiveness of the legislative process and regulatory framework.**

#### **Legislative reforms**

- Reduce size and identify efficiencies in the law-making process (Reinventing)
- Legislative leadership and MEGC should find ways to incorporate Measures of Growth into the legislative process (Time for Change)
- Change accounting and legislative practices to reflect the full cost and effect of long-term obligations (Reinventing)
- Use dynamic fiscal notes to evaluate economic impact beyond direct revenue impact (Time for Change)

### **Recommendations for Immediate Implementation:**

- Institutionalize the legislative regulatory review process to occur on a regular basis
- Encourage the cost-effective and efficient regionalization of services by providing information on best practices, resources, and opportunities

### **Taxation**

**Statement: Maine will reform its tax system to promote economic growth and minimize volatility.**

- Lower top marginal income tax rate which currently serves as a disincentive to investment (Invest)
- Lower top income tax brackets (Invest, MMW)
- Index income brackets to adjust with inflation (Invest)
- Bring estate tax into conformance with federal estate tax (Invest, MMW)
- Explore ways to export tax burdens onto visitors (CMF)
- Reform sales tax by removing exemptions and lowering the overall rate (Invest)

**Statement: Maine will limit government spending and invest the savings in economic growth and tax reform.**

- Continue to monitor and limit state and local spending through Tax Levy Limit process established in 2005 (MMW, Time for Change)
- Promote government efficiencies through consolidation, technology, and cooperation (MMW)
- Support inclusion of long-range plan in biennial budget (Time for Change)
- Support and highlight the success of a few major pilot projects in regionalized service delivery (CMF)
- Make financial incentives available for towns to implement regional services (Reinventing)



### **Recommendations for Immediate Implementation:**

- Eliminate all sales tax exemptions and lower the rate to 4%

### **Education**

**Statement: Maine will invest in and support a comprehensive educational system that meets the educational needs of each individual at all levels and prepares them for citizenship, meets the workforce needs of Maine businesses, and supports economic growth.**

#### **Comprehensive approach and cohesion**

- Create overarching vision and integrated state approach to help every Mainer achieve their greatest potential (Invest, MMW)
- Adopt global budget for public funds across birth to college spectrum (Invest, MMW)
- Include explicit student-centered outcomes at all stages of investment and evaluation (MMW)
- Ensure successful, seamless transition across individual systems (Invest)
- Support adult learners through programs such as College Transitions and Maine Employers' Initiative (Invest, MMW)

#### **Improving Early Childhood Education**

- Increase General Fund investment to control K-12 remediation and public assistance costs (MMW EC)
- Develop strategies to share resources of the Educare model with all Maine communities (MOG, MMW EC)
- Establish minimum quality standards for early childhood programs eligible for state money (MOG, MMW EC)
- Fully integrate early childhood development into Maine's educational system (Invest)
- Improve quality of early childhood care workforce (Invest, MMW EC)
  - Invest fully in training and education of providers: scholarships, loan forgiveness, tax credits (MMW EC)  
Expand access to child and family focused systems that incorporate all components of Early/Head Start (MMW EC)
- Create means for private funds to support and enhance access to quality services (MMW EC)
  - Establish private endowment with private, philanthropic, and public funds (MMW EC)
  - Organize core group with goals of adopting market-based approaches to sustain investment in the public sector (MMW EC)
- Support Children's Growth Council to engage private and philanthropic sectors (Invest, MMW EC)

#### **Improving K-12 Education**

- Bring student/teacher ratio and administrative costs closer to national average (Reinventing, CMF)
- Incent and encourage district administrative consolidations with savings going to classrooms (CMF, Reinventing)



- Reward high-performing teachers (Reinventing)
- Continue to explore all alternatives to improve the overall quality of Maine’s educational system (Reinventing)
- Make distance learning available to all students (Reinventing)
- Create “Postsecondary Options” program that allows high school juniors and seniors to take college courses, with public funding following student (Reinventing)
- Develop rational school capital plan for construction and renovation investments (CMF)

### **Improving Higher Education**

- Make public higher education affordable for all Maine students (Invest)
  - Increase need-based scholarship aid through programs like Maine State Grant Program (Invest)
  - Establish one comprehensive plan and financing for all public institution physical plants (Invest)
  - Treat UMS as a true system with campuses specializing in areas rather than under-funding full curriculum at each (Invest)
  - Utilize more technology, distance and online learning to reduce costs (Invest)
- Ensure that credits transfer within and across systems easily (Invest)
- Align curricula and courses to ensure graduates meet current and future skill and knowledge needs of Maine businesses (MMW University, Time for Change, Invest)
  - Support and expand employer and institution partnerships (MMW University, Invest)
- University System should provide technical support to Maine businesses, prioritize economic development, and market community assets (MMW University)
- Maintain separate UMS and CC systems coordinated by a single, integrated Board of Trustees (Reinventing)
- Eliminate existing UMS funding formula; establish system that rewards excellence and results, and recognizes changing marketplace and student needs (Reinventing)

### **Recommendations for Immediate Implementation:**

- Require pre-kindergarten screenings statewide
- Strengthen relationships and collaboration between employers and the K-12 educational system to ensure that the system is providing students the foundation and skills they need to succeed in the workforce
- Review the state’s geographic higher education needs and explore all options to deliver high quality public education opportunities to students throughout the state in a more cost-effective manner that fully employs online and distance learning



## **Connectivity**

**Statement: Maine will create balanced and affordable transportation and communications systems to connect businesses to customers and markets beyond our borders.**

**Develop a sustainable funding mechanism for road infrastructure based on users paying the costs**  
(MMW, Invest)

**Support multimodal options (rail, marine, air, roadways, trails)** (Time for Change, Invest)

- Finish 3-Port Strategy investment plan (Invest)
- Evaluate all options to make competitive freight and passenger rail service available (MMW, Invest)
- Improve regional air connections (Invest)

**Fill broadband gaps to increase business activity statewide**

- Support the mission and objectives of ConnectME Authority to expand access and subscription rates (MMW, Invest, Time for Change)
- Explore opportunities to lower costs and increase subscription rate (Invest)
  - Support modernization of federal and state communications regulations (Invest)

### **Recommendations for Immediate Implementation:**

- Appoint a blue ribbon commission to develop an appropriate sustainable mechanism for financing transportation infrastructure
- Promote the benefits of internet connectivity to businesses and individuals to increase the subscription rate and provide a level of certainty for private investment

## **Innovation & Entrepreneurship**

**Statement: Maine will support its innovation economy to capitalize on new markets and promote economic growth.**

### **Funding Issues**

- Support public investment in R&D that leverages private funds to bring total spending to 3% of GDP (MOG, Invest, Time for Change)
- Update existing seed capital regime to encourage more private investment (Invest)
- Support commercialization of innovations (MOG, Invest)

### **Capacity and education**

- Build IT capacity through public-private-nonprofit partnerships (Time for Change)
- Teach innovation and entrepreneurship statewide (Invest, MMW)



- Provide training to 10,000 small businesses over next 8 years through existing organizations (Invest, MMW)
- Include entrepreneurship in K-12 curricula statewide (Invest)
- Continue support of MTI Cluster program and Maine Innovation Economy Advisory Board (Time for Change)
- UMS should increase R&D that leverages funding, creates marketable ideas, wealth, and jobs (MMW University)
- UMS, the Community College System, and Maine Maritime Academy should develop entrepreneurial skills of students and faculty; support knowledge and technology transfer throughout system (MMW University)
- UMS, the Community College System, and Maine Maritime Academy should bring R&D knowledge directly to businesses through relationships and public-private partnerships (MMW University)

**Recommendations for Immediate Implementation:**

- Ensure that all programs supporting innovation are working together and that the most meaningful evaluation metrics are being utilized
- Update existing seed capital legislation to enable crowd funding of innovation