



Budgeting for Jobs?

MECEP State Tax and Budget Conference

March 4, 2011, Governor Hill Mansion
136 State Street, Augusta

8:00 **Registration and Coffee**

8:30 **Welcome**

Steve Ward, Board Chairman and Christopher St. John, Executive Director, Maine Center for Economic Policy

8:50 **Presentation and Discussion of the Governor's Budget**

What are the budget priorities for Governor LePage's administration? How do the Governor and his team propose to close an anticipated \$840 million shortfall in revenues while continuing to invest in health care, education, retirement security, roads, bridges and other critical public structures for Maine people and businesses?

Presenter:

- Sawin Millett, Commissioner, Maine Department of Administrative and Financial Services

9:15 **Q&A**

9:45 **Break**

9:55 **The Public Sector's Role in Economic Development: Assessing State Options to Boost Jobs and the Economy**

Determining the best use of public sector resources in support of economic development is a critical challenge facing policymakers, particularly during a period of economic recovery. A growing body of evidence points toward certain types of policies and investments likely to have the greatest return in terms of business development and job growth and reveals the limitations of other approaches.

Presenter:

- Jeffrey Thompson, Assistant Research Professor, at the Political Economy Research Institute at the University of Massachusetts Amherst

10:20 **Response Panel:**

- Laurie LaChance, Executive Director, Maine Development Foundation
- Susan Corbett, President, Axiom Technologies
- Walt Elish, President and CEO, Aroostook Partnership for Progress

10:35 **Q&A**

10:55 **Break-out Sessions: Presentation and Discussion of Issues Related to the Budget and Economic Opportunity in Maine**

(complete panel for each session will be posted on MECEP's website as they are available)

Session I: A Thousand Cuts: Recent and Proposed Budget Impacts on Nonprofit Service Delivery

Nonprofits including hospitals, mental health providers, affordable housing providers, homeless shelters, food pantries, child care providers and training organizations deliver many services in Maine. Collectively, they account for 1 in 7 jobs in the state and contributed \$8.2 billion to the Maine economy through wages paid, retail and wholesale sales, and professional services. This accounts for 17% of the State's Gross Product. Much of the funding for these organizations comes from state and federal sources.

This session focuses on the impact of recent and proposed funding cuts for nonprofits during a time of increased demand for services. How have nonprofits adapted during a period of declining support? What impact will continued cuts have on the ability of nonprofits to meet the demand for services and to do so in a way that is both effective and efficient over the long-term?

Session II: Stepping Stones: Putting Maine People on a Path to Self-Sufficiency

More than 1 in 4 Maine families don't earn enough to meet basic needs. While education is highly correlated with increased earnings and job security, adults who left school early or who lack the skills to advance in their jobs risk being at a permanent competitive disadvantage in the workforce. For Maine to become more competitive in the global economy, we must continue to upgrade the skills of our workforce.

The session focuses on programs and investments that are helping to increase the skills and education of Maine workers and the challenges these programs face in the current budget cycle. What are some success stories of adult workers who improved their employment situation through education and training? What are the key inputs that have helped adult workers upgrade their skills and training and obtain better paying jobs? Where should the state focus its efforts over the next two years to help the greatest number of Maine people attain self-sufficiency?

Session III: Every Dollar Counts: Tax Policies for Working Maine

Recent discussions of tax policy have focused on making Maine a more competitive place to do business. But what policies would make Maine a more attractive place for working people? How can Maine avoid placing a greater and greater burden on working families, particularly those with low-incomes, at a time when it is their well-being that is the real test of our economic and tax policies?

12:00 **Observations and Closing Remarks**

Christopher St. John, Executive Director, Maine Center for Economic Policy

12:15 **Adjourn**