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MAINE MAYORS COALITION

Strengthening Our Cities & Our State

Louise MacLellan-Ruf - Rockland  
William Doyle - Saco  
Becky Brink - Sanford  
Kate Lewis - South Portland  
Michael Foley - Westbrook

Supported By: Mitchell Tardy Jackson Government Affairs - 104 Sewall Street, Augusta, Maine 04330 - 207-622-1365

## Testimony Neither For Nor Against LD 130

Senator Grohoski, Representative Perry and distinguished members of the Joint Standing Committee on Taxation, my name is Michael Foley and I'm honored to serve as the Mayor of the City of Westbrook and Vice Chair of the Maine Mayors Coalition. I've been serving in municipal government for two decades with experience at all levels of local government.

The Maine Mayors Coalition is a nonpartisan group representing the mayors of ten Maine communities – Auburn, Augusta, Biddeford, Lewiston, Portland, Rockland, Saco, Sanford, South Portland and Westbrook, more than 260,000 residents. The Coalition advocates on behalf of our citizens and municipalities for policies that recognize the vital services Maine cities provide and the positive impact Maine cities have on our state. The Coalition seeks to work in partnership with state and federal elected officials to meet the needs of Maine people.

The Maine Mayors Coalition is testifying neither for nor against LD 130, An Act to Eliminate Senior Citizen Property Tax Stabilization and Expand the Homestead Property Tax Exemption. Maine's housing crisis directly impacts each of our cities, and housing is top of mind for all of us. Increased property values and rising property taxes are among the economic consequences of the housing crisis, especially for our seniors. Every day we see them struggling to stay in their homes and in their communities among their families and friends.

The Legislature's effort to address this critical and immediate need brought about the Property Tax Stabilization for Senior Citizens program. It's a very popular program and our staffs have been overwhelmed with applications. We are working diligently to process them along with accompanying tax bills, all which is done manually as none of our software systems allow for this process to be automated.

While we agree with the intent and principles of this program, we share several of the same concerns that your Committee outlined in its budget report back to the Appropriations and Financial Affairs Committee. We, too, see the costs of the program increasing over the years and are particularly concerned about continuing the rate of reimbursement to municipalities at 100%. We also remain concerned that some participants of this program may have more means than others and feel there should be some effort made to qualify for this program at different levels.

Like you, we Mayors must balance the competing interests of what our citizens need with what we, and they, can afford. It's a difficult balance to attain for you and for us. In this particular situation, we need a program that is sustainable and fair. Those who have already applied, and many who plan to, are now counting on property tax relief. We all know there is nothing worse for public officials than to make promises that cannot be fulfilled, particularly for our most vulnerable citizens – the elderly.

We ask the Committee to consider the concepts put forth in all the property tax stabilization bills and work with us and others to determine the best way to help our seniors, whether it's revising the existing program or expanding the homestead exemption in Senator Bennett's bill or Representative Terry's bill, which we understand is forthcoming.

Thank you for your time. We look forward to working with you and would be happy to provide you with information that may be helpful as you move forward.