



**MAINE MUNICIPAL
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Testimony of the Maine Municipal Association

In Support of
LD 2102, *An Act to Support Municipalities by Repealing the Law Limiting the
Municipal Property Tax Levy*

February 20, 2024

Senator Nangle, Representative Stover, and distinguished members of the Committee on State and Local Government, my name is Amanda Campbell, and I am submitting testimony in support of LD 2102 on behalf of Maine Municipal Association (MMA) and the 70-member Legislative Policy Committee (LPC), who were elected by their colleagues and peers and direct MMA's advocacy efforts and assist in the establishment of MMA's position on bills of municipal interest.

While the current levy limit procedure can certainly act as an internal "check and balance" for municipalities, it is often confusing to calculate; is difficult to explain to town meeting voters, often resulting in occurrences of accidental disapproval of a complete municipal budget; and is inequitably applied as communities whose budgets are approved by a council, rather than town meeting, can facilitate the procedure much more easily.

Local leaders support the repeal of the levy limit for municipal budgets, recognizing that municipal officials are only in control of approximately 50% of their budgets. County and school assessment increases are non-negotiable figures which result in any adjustments made to a municipal budget impacting local services only. Municipal officials should be trusted to present budgets that accurately reflect the needs of their communities without the concerns of voters unintentionally underfunding services or of potentially spending additional, unbudgeted, tax dollars to hold a special town meeting to correct a voting error. Internal controls already exist at the municipal level with the working relationships between treasurers, finance directors and board or council members. This additional mandated limit on local spending only ties the hands of local leaders, preventing optimum service delivery to their communities.

It is for these reasons that the LPC voted to support LD 2102 and encourages the committee to vote Ought to Pass. If you have any questions regarding MMA's position on this bill, or other bills with municipal impact, please contact me at acampbell@memun.org