

March 16, 2023

Testimony for LDs #37, #89, #130 & #529 regarding the Property Tax Stabilization Law

TO: Members of the Committee on Taxation

FROM: Amanda Campbell – Town Administrator, Town of Georgetown – [gtwnme@hotmail.com](mailto:gtwnme@hotmail.com)

RE: Proposed amendments to the Property Tax Stabilization Law

As the current Town Administrator, and former Town Clerk/Tax Collector in Georgetown, I submit this testimony with significant concerns regarding the passage and implementation of LD290 – known now as the Property Tax Stabilization for Senior Citizens law. Affordable taxes for seniors in our communities is, without a doubt, a growing concern. I think we would all be hard pressed to find anyone who doesn't think that some relief for our seniors in need, is appropriate. While the intent of the new law certainly has merit, the requirements, logistics, delivery, reimbursement and equitability of the program raises serious questions. The administrative burden this program has already placed on municipal offices equates to nothing other than yet another unfunded mandate and the 100 applications received in Georgetown have already resulted in multiple hours of paperwork. The impact on larger communities must be staggering, all without any additional staff or resources to process applications, verify information and provide explanations to taxpayers. Logistical implementation of the stabilization will be required by the programmers of the many municipal software programs to preempt any new annual tax amounts and calculate the differences between the committed and stabilized amounts. The delivery of this stabilization, with the current annual filing requirement, is precarious at best. Taxpayers and town officials alike, have become familiar with the April 1 deadlines for other tax program applications. To make this deadline December 1 is confusing. In addition, the annual filing requirement creates discontent between taxpayers and municipal officials when deadlines are not met. In Georgetown, our commitment date is typically in October and the current reimbursement request deadline is November 1<sup>st</sup>. This additional requirement creates another administrative burden at a time, for us, that is the busiest. In addition, Sagadahoc County taxes are due by October 31<sup>st</sup>, annually. Collecting less in taxes before that deadline, due to the stabilization, will create additional expense for the Town through the need to acquire and likely draw from a Tax Anticipation Note. Although Georgetown typically secures a note as a financial best practice, usage has not been required for the last two years. This additional TAN expense also equates to little more than an unfunded mandate. Finally, this program lacks any sort of means requirement, allowing residents who may be seniors, but are certainly not in any need of assistance, to qualify and benefit from this program.

The Maine Municipal Association's Legislative Policy Committee has drafted a bill, sponsored by Representative Maureen Terry of Gorham, which, unfortunately, is not presented as part of today's hearings. It seems appropriate that the committee might table any work sessions on bills related to the Property Tax Stabilization for Senior Citizens until all bills have been printed and had a public hearing. The law should not stand as passed and the many amendments, proposals and suggestions provided by legislators, municipal officials and others deserve consideration to make a law that can be beneficial to those in need and supported by all.

I appreciate the opportunity to provide this testimony and would be pleased to speak with any committee member who may have questions.