

Testimony of the Maine Municipal Association

Neither For Nor Against
LD 1739, An Act to Extend Development District Tax Increment Financing Districts

May 10, 2023

Senator Grohoski, Representative Perry, and members of the Taxation Committee. My name is Kate Dufour, and I am offering testimony neither for nor against LD 1739 on behalf of the 70 municipal leaders who were elected by their peers to serve on the Association's Legislative Policy Committee and directed to establish MMA's position on bills of municipal interest.

Municipal officials appreciate the creative approach in LD 1739 seeking to simultaneously address the financial impacts of the expiration of a tax increment financing (TIF) district and associated benefits on the community, as well as the need for increased investment in affordable housing and transportation. However, the concern among local leaders is that the extension of the benefit for an additional 30 years may be deemed too generous by communities that do not or cannot use TIF. This may put this important, and in most communities the sole, economic development tool at risk.

Thank you for considering the municipal perspective on this issue. If you have any questions about our position, please contact me at kdufour@memun.org or 1-800-452-8786.