



Maine Coast Heritage Trust

A Statewide Land Conservation Organization

Testimony on LD 1648: An Act to Make Changes to the Farm and Open Space Tax Law

Senator Grohoski, Representative Perry, and members of the Taxation Committee, my name is Jeff Romano. I appreciate this opportunity to provide testimony on behalf of Maine Coast Heritage Trust (MCHT) in support of LD 1648.

Maine Coast Heritage Trust conserves and stewards Maine's coastal lands and islands for their renowned scenic beauty, ecological value, outdoor recreational opportunities, and contribution to community well-being. We provide statewide conservation leadership through our work with land trusts, coastal communities, and other partners. Over the past five decades, we have conserved more than 185,000 acres in Maine.

LD 1648 proposes a series of changes to the state's Open Space Tax Law. This package of amendments would strengthen the program in a variety of ways, such as:

- Establishing a more straightforward method of property valuation. The current system is unclear and confusing to both landowners and municipal officials alike, often leading to inconsistent and incorrect application of the law across the state. LD 1648 uses the Tree Growth Tax Law as its foundation, a current use program that has a clearer property valuation system. Beginning with a per acre maximum open space value that is two times the average per acre Tree Growth valuation for the respective county, the bill outlines a more streamlined set of criteria available to further reduce the valuation.
- Updates the open space categories to be more relevant to today's community values. The current criteria for open space were developed decades ago. Under LD 1648, the law would focus on a more limited set of priorities: public access, wildlife habitat management, and efforts, such as permanent protection or carbon sequestration practices, that help Maine to meet its current Climate Action Plan goals.
- Adds municipal reimbursement. The Tree Growth Tax Law is the only current use tax program that reimburses municipalities for lost tax revenue. This benefits the municipalities that are home to the more than 3.6 million acres of Tree Growth land in organized towns in Maine. There are 151,000 acres in the Open Space program, but municipalities are not reimbursed for any associated tax impacts. LD 1648 would change that, by applying the Tree Growth reimbursement formula to lands in Open Space.

For these reasons and more, we encourage the Taxation Committee to support LD 1648.