

City of Portland | City Council
Mark Dion, *Mayor*



To: Joint Standing Committee on Appropriations and Financial Affairs
From: Portland City Council's Legislative Committee
Date: 2/13/2024
Re: LD 646

Testimony in Support of the Amended LD 646 An Act to Fully Reimburse Municipalities for Lost Revenue Under the Property Tax Stabilization for Senior Citizens Program

Senator Rotundo, Representative Sachs and distinguished members of the Joint Standing Committee on Appropriations and Financial Affairs:

On behalf of the Portland City Council's Legislative Committee, I write to you in support of the amended version of LD 646, An Act to Fully Reimburse Municipalities for Lost Revenue Under the Property Tax Stabilization for Senior Citizens Program.

LD 646 would transfer \$15,000,000 from the unappropriated surplus of the General Fund to the Department of Administrative and Financial Services, Property Tax Stabilization program, Other Special Revenue Funds account to be used to fully reimburse municipalities for revenue lost under the program.

The City of Portland submitted reimbursement for the Property Tax Stabilization Program for \$886,798.50 and received \$496,607.16; just 56% of the required reimbursement promised by the State. According to our records, we are still owed \$390,191.34. Our property taxes and current year mill rate would have been 3 cents higher if we had known about this in advance but there is now no way to go back and increase the mill rate since at the time taxes were committed every municipality in Maine was under the impression we'd be getting reimbursed at 100%.

We need reimbursement of these funds to provide the promised level of services to our residents this year. Please support LD 646.

Thank you for your consideration.

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