



## CITY OF BANGOR

### **Joint Standing Committee on Appropriations and Financial Affairs**

### **Testimony in Support of LD 646 – “An Act to Fully Reimburse Municipalities for Lost Revenue Under the Property Tax Stabilization for Senior Citizens Program”**

Feb. 13, 2024

Senator Rotundo, Representative Sachs, and distinguished members of the Joint Standing Committee on Appropriations and Financial Affairs. I am David Little, Finance Director of the City of Bangor, and I am providing testimony in support of LD 646, “An Act to Fully Reimburse Municipalities for Lost Revenue Under the Property Tax Stabilization for Senior Citizens Program.”

I am sure Bangor is not alone in believing the tax stabilization program was a well-intentioned program aimed at benefiting our senior citizens. Like many communities in Maine, we have a significant population of seniors that live in Bangor, nearly 19% of our population, according to recent Census data. Without a doubt, the program provided temporary relief to those who qualified.

As we now know, the appropriation of \$15 million in Fiscal Year 2024 to fund reimbursement to municipalities was not enough. Municipalities must rely heavily on property taxes to support the services our citizens have come to appreciate and expect. In essence, this funding gap results in a tax shift to other taxpayers to cover the cost of the program. In Bangor, eligible taxpayers qualified for nearly \$366,000 in program benefits. But with the currently approved funding, we will only receive 56% of our total claims. Resulting in a \$161,000 shift to the balance of our taxpayers, which has a real impact on many of our taxpayers at a time when we are all struggling to keep costs low but maintain service levels while keeping individuals on fixed incomes in mind, as residential property valuations increase significantly.

For these reasons and more, I ask for your support in ensuring municipalities are fully reimbursed for the benefits provide through the tax stabilization program. Not only will it help municipalities but it will also help our citizens.

Thank you for your consideration. Please do not hesitate to reach out with questions.

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David Little  
City of Bangor  
LD 646

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