

## Joint Standing Committee on State and Local Government

## Testimony in Support of LD 2102 – "An Act to Support Municipalities by Repealing the Law Limiting the Municipal Property Tax Levy"

Feb. 20, 2024

Senator Nangle, Representative Stover, and distinguished members of the Joint Standing Committee on State and Local Government. I am Deborah Laurie, City Manager of the City of Bangor, and on behalf of the Bangor City Council I am providing testimony in support of LD 2102, "An Act to Support Municipalities by Repealing the Law Limiting the Municipal Property Tax Levy."

LD 1, which was signed into law in 2005, allows municipalities through a public vote to surpass limits for municipal and school district property tax assessments. There have been a limited number of times the Bangor City Council has voted to exceed the tax levy limit for municipal operations. But the Council annually votes to exceed the limit for educational purposes, as a number of costs are not included in the Essential Program and Services formula for school operations.

Since adoption, the State of Maine is now fulfilling its statutory obligation to fund revenue sharing and aid to education. Beyond those resources, it is the responsibility of the elected municipal bodies to determine what additional resources need to be raised to meet the needs and expectations of its residents. Those elected officials are closest to their constituents and are aware of the effect of a rising tax levy on the people they serve.

LD 2102 would restore "home rule" to municipalities as it relates to their budget process. Determining the level of property taxes to be assessed should be a local decision and not artificially constrained by State statute. Bangor and virtually every other municipality in the State work diligently to contain property taxes and do not need a State statute to reinforce that approach.

With the full support of the Bangor City Council, I urge you to pass LD 2102. Thank you for your consideration, and please do not hesitate to reach out with questions.

Deborah Laurie, City Manager, <u>debbie.laurie@bangormaine.gov</u> David Little, Finance Director, <u>david.little@bangormaine.gov</u> Cara Pelletier, City Council Chair, <u>cara.pelletier@bangormaine.gov</u>