



**PORTLAND PUBLIC SCHOOLS**  
prepared & empowered

---

March 12, 2025

**To:** Senator Nicole Grohoski, Representative Kristen Cloutier and esteemed members of the Joint Standing Committee on Taxation

**From:** The Portland Public Schools, 353 Cumberland Avenue, Portland, Maine

**Re:** Testimony in support of LD 225: An Act to Reduce Property Taxes and Finance Public School Construction and Education Through a 3 Percent Sales Tax on Hotel and Lodging Place Rentals

Dear Taxation Committee members: As Maine's largest and most diverse school district, the Portland Public Schools is strongly in favor of LD 225, which would add a sales tax on hotel and lodging facilities to help fund school construction and K-12 education. This bill will have a positive impact not only for our students, staff and families, but also for our entire community.

Portland is frequently cited as one of the best places nationwide to visit and live – and great schools are a key reason why Portland is such a great city. However, education costs are growing each year in Maine and nationwide. That is due to such factors as inflation, the salary increases necessary to attract and retain quality educators, the rising cost of health benefits and the necessity of meeting the increasing needs of vulnerable students such as those experiencing homelessness and students requiring special services. In our operating budget each year, the Portland Public Schools struggles to sustain the level of investment needed to maintain the quality of our schools without overburdening our local taxpayers.

Our infrastructure needs also are great. In 2017, it was identified that our high school facilities have capital needs of \$16 million in the immediate term and \$130 million over the next 20 years, due to aging buildings and inadequate funds year after year to maintain the buildings.

Our FY26 capital improvement plan follows a strategic but basic approach of creating safe, warm, and dry learning environments at our schools. The proposed plan totals just over \$3 million, addressing building envelope improvements and system upgrades; replacing and

**353 Cumberland Avenue, Portland, ME 04101 207-874-8100 [www.portlandschools.org](http://www.portlandschools.org)**

upgrading HVAC systems; investments in security infrastructure to enhance the safety of students, staff, and visitors; and necessary pavement and asphalt repairs in outdoor areas. These improvements, which will be funded by local taxpayers, are all critical. The bar of safe, warm, and dry, however, is simply too low and our schools need a significant capital investment. Ensuring that each becomes a 21st century learning environment is a much more costly proposition than the city or state can afford.

The current state funding available for major construction, also does not go far enough to address the facility needs across the state. The \$150 million available leaves districts competing to provide essential facilities for their students and communities.

If we expect to have learning environments that match the high expectations that we have for our students, the state must identify alternative funding sources. This bill appears to be a reasonable ask of the increasing number of lodging places that populate our city. This tax also will benefit them and our whole community in the long run, because funding local school infrastructure and education will ensure that Portland continues to be the attractive destination for tourists and new residents that it is today.