



CITY OF BANGOR

Joint Standing Committee on State and Local Government

Testimony in Opposition to LD 542 – “An Act Regarding Municipal Property Tax Levy Limits”

March 17, 2025

Senator Baldacci, Representative Salisbury, 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 opposition to LD 542, “An Act Regarding Municipal Property Tax Levy Limits.”

During the last session, LD 2102 repealed the previous law limiting the municipal property tax levy, which was known as LD 1. Enacted in 2005, municipalities were allowed through a public vote to surpass limits for municipal and school district property tax assessments. During the time this law was in place, the Bangor City Council voted to exceed the tax levy limit for municipal operations mostly related to economic conditions a limited number of times. Further the Council must annually vote 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.

As written, there would be no local authority to exceed the calculated limit due to a change in economic conditions, increases in salaries or benefits or new programs or the expansion of existing programs. These limitations are an affront to “home rule.” If diesel fuel prices increased dramatically, do we stop plowing roads or operating public transit? With 14 collective bargaining agreements, how can we comply with state and federal regulations that require us to bargain in good faith, as terms are rarely settled in time to coincide with the budget process? If every member of our community supports a new initiative or the expansion of a current program, this law very well prevents us from fulfilling their wishes.

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 to the extent possible while providing necessary and valuable services to our residents. Elected officials are closest to their constituents and are elected by those directly impacted by property tax increases, therefore are keenly aware of the impact a rising tax levy has on the people they serve.

With the full support of the Bangor City Council, I urge you to oppose LD 542. Thank you for your consideration, and please do not hesitate to reach out with questions.

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