



Senator Grohowski, Representative Cloutier, and honorable members of the Joint Standing Committee on Taxation, my name is Cate Blackford. I am the public policy director of the Maine People's Alliance. Our 32,000 members are committed to creating a world where everyone has what they need, everyone contributes what they can, and no one is left behind. Thank you for the opportunity today to speak to you on behalf of LD 1047 and LD 1089.

The work of this committee is always incredibly important, but never more so than when we are staring down potential funding shortfalls and facing proposed cuts to essential and popular programs. The Governor proposed closing the budget gap, in part, by limiting housing assistance, and making cuts to multiple early childhood programs. Republicans just last week proposed budget cuts to abortion, healthcare for immigrants, renewable energy, MaineCare, housing assistance, free community college, paid family and medical leave, and more.

Mainers are deeply worried about proposed federal and state cuts. The child care strike here at the state house a few weeks ago, the protests to our federal delegation, including the 400 people who turned out in Bangor last weekend, show us how worried they are.

Thankfully, cuts are not the only option. Taxing the wealthy is incredibly popular, across party lines, both in Maine and nationwide.¹ Four out of five Americans believe we should raise taxes on the wealthy and large corporations. In Maine, nearly two thirds of voters believe we should create a new, higher tax bracket for incomes above \$200k.² (That support is actually stronger in CD2 than CD1, by 2 percentage points.) These ideas are not just popular, they're good policy. When we invest in low and middle income Mainers, our families are stabilized, our communities are strengthened, and our economy grows. When we make cuts, we see the opposite.

These two bills, LD 1047 and LD 1089, are great options to make Maine's tax system fairer, to raise revenue from the people benefiting *the most* in our economy, and avoid deeply unpopular cuts. LD 1089 would relieve upward pressure on property taxes, and free up resources from the general fund to support child care, housing, healthcare and the myriad other needs we have. LD 1047 would tax capital gains only on the very wealthy. The vast majority of Mainers don't earn \$250k a year, let alone have that kind of capital gain and this bill maintains the exemption for people selling their primary home. Both bills are estimated to bring in \$100 million, which could go a long way toward protecting the programs we rely on every day to keep our state running.

We are in a time of unprecedented political turmoil. People are crying out in fear and standing up to push back. I can't remember a time when people have been so clear eyed about how

¹ <https://navigatortresearch.org/americans-support-raising-taxes-on-the-wealthy-and-big-corporations/>

² https://mprc.me/research/MPRC_June23_survey_results.pdf (New polling to be published April 2025)



Maine People's **Alliance**

unfair our taxes and our economy are, across party lines. I urge you to meet this moment and vote yes on these two bills. It's time to tax the rich, and invest in Maine.