



CITY OF BANGOR

Joint Standing Committee on Taxation

Testimony on LD 1112 - “Resolution, Proposing an Amendment to the Constitution of Maine Requiring Not Less than 90 Percent State Reimbursement for Residential Real Estate Property Tax Exemptions and to Establish a Minimum Homestead Exemption”

April 2, 2025

Sen. Grohoski, Rep. Cloutier, and members of the Joint Standing Committee on Taxation, my name is Debbie Laurie and I am the City Manager of Bangor. I am providing testimony today on behalf of the City of Bangor in Support of LD 1112.

Local elected bodies work diligently to contain property taxes to the greatest extent possible in the provision of required and valuable services to our residents. The assessment of property taxes is the last resort for every municipality. We are all facing similar budget challenges such as: increasing costs, flat or declining revenues, compliance with mandates, strategic investments in the future, increasing calls for service, etc. While the State’s revenue streams are broad, at the municipal level our primary revenue stream is limited to property taxes.

It is a well-established position that a principal problem of financing municipal services, many of which are mandated by federal and state law, is the burden on the property taxpayer; and to stabilize the municipal property tax burden and to aid in financing all municipal services, it is necessary to provide funds from the broad-based taxes of State government.

This Resolve is intended to ensure our constituents’ opinion is heard and upheld as it relates to how best to fund core municipal services. Locally, our constituents express their opinion of our local elected officials every November, but the ability of local elected officials to provide greater property tax relief is artificially constrained by State Statute, which limits our local taxing authority to property taxes only.

Additionally, this Resolve would further codify existing State Statute to ensure that, if approved by voters, this property tax relief is funded by the allocation of broad-based taxes collected by the State and not from a shift in funding currently provided to municipalities through the municipal revenue sharing program.

With the plethora of property tax relief bills submitted this session, it is clear that property tax relief is our shared priority. LD 1112 will allow our constituents to weigh in on the future of how municipal operations are funded thereby ensuring both legislative consensus and public support. The City of Bangor supports property tax relief and we will continue to work diligently to contain property taxes to the extent possible. With the full support of the Bangor City Council, I urge you to pass LD 1112. Thank you for your consideration, and please do not hesitate to reach out with questions.

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