



### **Testimony in Opposition to LD 362:**

**“An Act to Promote Responsible, Cost-effective Energy in Maine by Amending the Tariff Rates Applicable to the Commercial and Institutional Net Energy Billing Program”**

Senator Rotundo, Representative Gattine, and the distinguished members of the Committee on Appropriations and Financial Affairs, my name is Harris Van Pate, and I serve as policy analyst for Maine Policy Institute. Maine Policy is a free-market think tank, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to testify in opposition to LD 362, which seeks to issue \$50 million in general obligation bonds to further fund the Land for Maine’s Future (LMF) program.

While land conservation is a value shared by many in Maine, this proposal asks too much of Maine taxpayers at a time when the state simply cannot afford it.

### **A 40-Year-Old Program with Escalating Costs**

LD 362 proposes a \$50 million bond for LMF—an amount more than 140% of the original \$35 million bond that established the program in 1987.<sup>1</sup> That initial investment created the foundation for state-led land conservation, but since then, the program has grown in scope, budget, and ambition with little demonstrated interest in reining in its inefficiencies or prioritizing projects based on fiscal prudence or conserving land that is actually at risk of development.

Decades of expansion have made LMF a perennial item on the bond ballot, operating with the expectation that voters will approve more funds regardless of need, outcome, or cost-effectiveness. There must be a line drawn where reform is prioritized over routine refinancing. This is especially true currently, considering upcoming revenue shortfalls and federal funding withdrawals likely to increase Mainers’ already high tax burden.

### **Fiscal Responsibility Must Come First**

This bond comes at a time when Maine faces a significant revenue shortfall. The latest budget projections show a multiyear structural gap, underscoring the need to reduce—not expand—state obligations. Every new bond adds to the state’s long-term debt service, drawing resources away from core government functions like education, public safety, and infrastructure. Rather than adding to our debt, the Legislature should be exercising caution and exploring ways to modernize and right-size state programs to fit the current fiscal reality.

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<sup>1</sup> <https://mainepolicy.org/research/land-for-maines-future-report/>



## **Burden on Local Communities**

Many LMF acquisitions remove land from municipal tax rolls, shifting the burden of funding local government services onto a shrinking tax base. Especially in rural towns with limited commercial or industrial valuation, the loss of taxable property has long-term consequences for schools, emergency services, and road maintenance. Other bills this session attempt to address this issue by mandating a more evenly distributed county-by-county acquisition for LMF, but without these reforms, rural Mainers will face steeper tax burdens should this measure pass.

In effect, this bond doesn't just cost taxpayers on the front end through borrowing—it imposes a secondary, long-term cost on rural communities through reduced property tax revenue and diminished local autonomy.

## **Accountability and Prioritization Are Lacking**

Too often, LMF projects are approved without rigorous prioritization. Land is acquired in areas with little actual threat of development, or in cases where the public benefit is vague or inaccessible. The state must commit to acquiring land only where there is a demonstrable, time-sensitive need—particularly in areas where development pressure is high, public access is guaranteed, and local tax revenue will not be unduly harmed.

Without this kind of strategic framework, another \$50 million infusion risks perpetuating a model that prioritizes acreage totals over outcomes and appearances over accountability.

## **Conclusion**

LD 362 asks Maine people to approve a massive new bond for a program that has outgrown its original mission, all while the state faces real fiscal challenges and competing needs. Until meaningful reforms are implemented to ensure strategic, cost-effective, and accountable conservation efforts, further bonding is not justified.

I urge this committee to reject LD 362 in favor of more responsible and measured approaches to land conservation policy and state budgeting. Thank you for your time and consideration.