

May 6, 2025



Testimony of J.R. Kenny, Maine Alliance of Boys & Girls Clubs

In opposition to **LD 438: An Act to Allow Municipalities to Limit Nonprofit Property Tax Exemptions**
and
LD 1795: An Act to Change the Calculation for Municipal Service Charges for Tax-exempt Organizations

Senator Grohoski, Representative Cloutier, and honorable members of the Committee on Taxation:

My name is JR Kenny and I am the Lead Director, Government Relations for the Boys & Girls Clubs of America and represent the Maine Alliance of Boys & Girls Clubs which includes 18 Club sites that serve over 8,300 young people across the state. I am writing today to respectfully urge you to oppose LD 438 and LD 1795, two proposals that would significantly and negatively impact nonprofit organizations like Boys & Girls Clubs, that provide essential services to Maine families and communities.

For generations, Boys & Girls Clubs in Maine have played a critical role in the lives of youth and families by providing a safe, supportive environments during the hours when young people are most vulnerable — after school and during the summer. Every day in Maine, more than 38,000 youth leave school with nowhere to go. Our Clubs fill that gap, offering mentoring, academic support, healthy meals, and life-changing programs. In 2023 alone, our Clubs served over 172,000 meals and snacks at no cost to program participants, many of whom are from low-income communities.

The proposed changes in LD 438 and LD 1795 — allowing municipalities to limit property tax exemptions and to impose service charges on tax-exempt organizations — would place a heavy and unjustified financial burden on nonprofits like ours. This would force Boys & Girls Clubs to divert critical resources away from direct youth programming and community services to cover new financial obligations.

Nearly half of the youth we serve live in single-parent households, and over 60% qualify for free or reduced-price school lunch. These are the young people who would be most hurt by cuts in services if we were required to pay property taxes or additional municipal fees. Our tax-exempt status is not a loophole; it is an acknowledgment of the essential public good that we provide, reducing burdens on government and taxpayers by keeping young people safe, fed, supported, and on track for success.

Additionally, every dollar invested in Boys & Girls Clubs in Maine returns \$14 in current and future earnings and cost savings to their communities — a tangible demonstration of the value our services provide beyond the walls of our Clubs.

We remain steadfast in our mission to enable all young people, especially those who need us most, to reach their full potential as productive, caring, responsible citizens. The enactment of LD 438 and LD 1795 would threaten that mission, forcing difficult decisions about staffing, programming, and outreach, and ultimately limiting the opportunities available to Maine's youth.

Boys & Girls Clubs of Southern Maine • Boys & Girls Clubs of Kennebec Valley
Boys & Girls Clubs of Border Towns • Boys & Girls Clubs of Greater Waterville
Boys & Girls Clubs of Bangor

We respectfully ask this Committee to vote ought not to pass on LD 438 and LD 1795, and to continue supporting the indispensable work of Maine's nonprofit organizations, which contribute so much to the vitality and well-being of our communities.

Thank you for your consideration and your service to the people of Maine.

Sincerely,

J.R. Kenny
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Maine Alliance of Boys & Girls Clubs
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