

May 5, 2025

To the members of the Taxation Committee,

On behalf of the Association of Maine Archives & Museums (MAM), I am submitting testimony in opposition to two bills, LD 438 and LD 1795. While the technicalities of the two bills differ, in essence they would have the same real-world effect of ending the property tax exemption for nonprofits, something that would be immensely detrimental to the state's cultural landscape.

MAM currently represents 263 cultural heritage institutions throughout the state. Of these, 150 have an annual budget of less than \$15,000 and rely entirely, or almost entirely, on volunteers to operate historical societies and small museums, offer tours and educational programs, and interpret local history to both local residents and visitors. Property taxes levied on these institutions would make it virtually impossible for many of them to survive, as they do not charge for their services, but rather rely on tip jar-style donation collection. Even those that collect admission fees often struggle to keep up with the rising cost of utilities and maintenance. The vast majority of museums and other cultural heritage institutions in the state do not receive large private or foundation donations, or yet funding through federal grants (which have also been withdrawn this year).

Historical societies and local history museums are essential engines of community in many towns and they draw tourists to learn the unique stories of the places they are visiting. They serve as a third place in which people can gather and connect, both with one another and the place that they call home or have chosen to visit. The number of museums in a community is directly linked to residents' perception of quality of life, and Maine has the second highest number of museums per capita. 76% of leisure travelers visit cultural institutions and spend 60% more while traveling,\* lifting the economic standing of the entire community. If we lose these cultural institutions due to unaffordable municipal taxes and fees, local businesses will without question feel the ripple effect. Entire communities will suffer.

This year, we are already seeing a decline in visits from Canada, something that is not expected to change as we move into the busy season. With the anticipation of visitorship and revenue being down, now is not the time to additionally saddle our vital local institutions with an unexpected financial burden.

This testimony is on behalf of our state's most vulnerable cultural institutions, those with budgets that, quite literally, just keep the lights on, yet offer so much to our communities as repositories of stories and artifacts, gathering places, and opportunities for exploration.

Respectfully,

Lucinda Hannington  
Executive Director  
Association of Maine Archives & Museums

\*As reported by the American Alliance of Museums