



Committee on Taxation
% Legislative Information Office
100 State House Station
Augusta, ME 04333

May 5, 2025

Re: Public Hearing, LD 1852, An Act to Promote Equitable Property Taxation by Reducing Valuation Based on Nearby Clean Energy Projects

Dear Senator Grohoski, Representative Cloutier, and Members of the Committee:

Thank you for the opportunity to share testimony in opposition to LD 1852, *An Act to Promote Equitable Property Taxation by Reducing Valuation Based on Nearby Clean Energy Projects*, on behalf of the Maine Renewable Energy Association (MREA). MREA is a not-for-profit association of renewable energy producers, suppliers of goods and services to those producers, and other supporters of the industry. Our member companies include wind, solar, hydropower, and biomass energy generators and developers of such projects, as well as battery storage system developers and owners and companies that provide services to those developers, such as environmental engineers, electricians, and general contractors.

LD 1852 proposed to require a tax assessor, when establishing the valuation of improved real property that abuts a solar or wind energy development, to reduce the value of the property. MREA opposes this legislation because claims that solar energy development reduces property values is unsubstantiated and because the bill undermines the case specific analysis performed by Maine tax assessors, based on their independent authority and expertise.

A recent study published in Solar Compass by a professor at Loyola University in Chicago looked at property values surrounding 70 grid-scale solar projects in the Midwest and found that they had a minor positive effect (0.5% to 2%) on property values.¹ Though certainly this study is not specific to Maine, it does underscore that property values are influenced by a wide range of factors, such as quality of schools and the local economy. To require that Maine tax assessors devalue property based on proximity to solar or wind facilities ignores the wide

¹ See Simeng Hao, Gilbert Michaud, Assessing property value impacts near utility-scale solar in the Midwestern United States, Solar Compass, Volume 12, 2024 (<https://doi.org/10.1016/j.solcom.2024.100090>).

variety of factors that influence property valuation and may derive property owners of *increased* property valuation.

For these reasons and more, MREA encourages the Committee to vote "Ought Not to Pass" on LD 1852.

Sincerely,

A handwritten signature in cursive script that reads "Eliza Donoghue".

Eliza Donoghue, Esq.
Executive Director