

**TESTIMONY OF  
MICHAEL J. ALLEN, ASSOCIATE COMMISSIONER FOR TAX POLICY  
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES**

Before the Joint Standing Committee On Agriculture, Conservation, and Forestry  
Hearing Date: *May 6, 2025*

LD 1450 – “*An Act Regarding the Voluntary Municipal Farm Support Program*”

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Senator Talbot Ross, Representative Pluecker, and members of the Committee On Agriculture, Conservation, and Forestry – good afternoon. My name is Michael Allen, Associate Commissioner for Tax Policy in the Department of Administrative and Financial Services. I am testifying at the request of the Administration Against LD 1450, “*An Act Regarding the Voluntary Municipal Farm Support Program.*”

I would first like to turn to the Administration’s legal and statutory concerns with this bill. First, the support payments are linked to assessed property taxes and require municipal approval to implement. This combination, along with moving the program directly into Title 36 and tying the payments more directly to property tax, raises possible constitutional concerns around the non-delegation clause of the Maine Constitution, which prevents the Legislature from surrendering the power of taxation. Similarly, being tied more directly to property tax opens up the possibility of constitutional issues around the requirement that all property be “apportioned and assessed equally.”

It is also unclear what impact the passage of the bill would have on existing rules that have been promulgated by the Department of Agriculture, Conservation and Forestry under Title 7 for the current administration of the Voluntary Municipal Farm Support program.

Third, the bill designates rules promulgated to enforce program as major substantive, where rules promulgated under Title 36 are most always designated as routine technical. It is unclear what impact this may have on future rulemakings.

The Administration also has a concern with the potential administrative implications of this bill. While the Department of Agriculture, Conservation and Forestry appears to still be responsible for administration of the program, Maine Revenue Services statutorily has administrative responsibility over Title 36. Having a different department administer a Title 36 program would be somewhat unique, and it is therefore unclear how the multiple agencies would interact or whether there would be some shared responsibility for administration of the program. Ultimately, Maine Revenue Services is not the appropriate agency to administer this program so it is unclear whether there would be any value in moving the program from Title 7 to Title 36.

Any fiscal impacts associated with this bill can be absorbed under current budgetary allotments. An estimate of the administrative costs cannot be provided until the administrative implications of the bill are clarified.

The Administration looks forward to working with the Committee on the bill; representatives from MRS will be here for the Work Session to provide additional information and respond in detail to the Committee's questions.