

Revised

Testimony of the Maine Municipal Association

In Opposition to

*LD 1852, An Act to Promote Equitable Property Taxation by Reducing Valuation Based on
Nearby Clean Energy Projects*

May 6, 2025

Senator Grohoski, Representative Cloutier and members of the Taxation Committee, my name is Kate Dufour, and I am submitting revised testimony in opposition to LD 1852, on behalf MMA's Legislative Policy Committee, which establishes the association's position on bills of municipal relevance.

In the spirit of correcting the record, it is property sales and the market that dictates whether certain features reduce or increase the value of a property. Municipal officials oppose LD 1852, because the proposal directs assessors to implement differing standards in the process of establishing assessed values, one based on market, which is the current practice, and the other on preferences established in statute, as proposed.

Municipal officials are concerned that placing preferences in statute as a means for determining value will lead to the proliferation of similar requests thereby further eroding the property tax base. Preference is in the eye of the beholder. Some see value in living near a solar development, school, or cemetery, while others do not. The price a buyer is willing to pay for property establishes the property's value. Additionally, if property owners believe they are being unfairly taxed, there is a process in place to address the issue raised in LD 1852, as a property owner can challenge an assessed value and request a rebate.

Thank you for the opportunity to share the municipal perspective on this issue.