



### **Testimony in Support of LD 1818:**

**“RESOLUTION, Proposing an Amendment to the Constitution of Maine to Limit Taxes, Spending or Debt Without Approval by the Voters”**

Senator Grohoski, Representative Cloutier, and the distinguished members of the Committee on Taxation, my name is Harris Van Pate and I serve as policy analyst for Maine Policy Institute. Maine Policy is a free-market think tank, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to submit testimony in support of LD 1818, “RESOLUTION, Proposing an Amendment to the Constitution of Maine to Limit Taxes, Spending or Debt Without Approval by the Voters.”

This measure aligns with our foundational belief that the power of government must be limited and accountable to the people it serves. At its core, LD 1818 reinforces a fundamental principle of representative democracy: significant changes in how much the government extracts from and spends on behalf of its citizens should not occur without explicit, informed consent.

### **Fiscal Restraint Requires Voter Oversight**

For too long, government spending in Maine has risen at a pace that far exceeds inflation and population growth. Without meaningful guardrails, lawmakers have often resorted to increasing taxes and expanding debt obligations to fund programs that may not reflect the will or priorities of the average Mainer. LD 1818 would reasonably check this tendency by requiring voter approval for any such fiscal expansion, unless it remains within inflation-adjusted limits.

Such fiscal responsibility is not novel. Similar tax and expenditure limits (TEs) have been implemented in other states with positive results. For instance, Colorado’s Taxpayer’s Bill of Rights (TABOR) has helped restrain runaway spending while maintaining strong public services.<sup>1</sup> Maine can and should follow suit by giving its residents the final say over fiscal policy shifts materially affecting their cost of living and economic freedom.

### **Protecting the Economic Competitiveness of Maine**

High and unpredictable taxes are a key reason why Maine consistently ranks poorly on measures of economic competitiveness. Property tax burdens remain among the highest

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<sup>1</sup>

<https://tax.colorado.gov/TABOR#:~:text=The%20Taxpayer's%20Bill%20of%20Rights,to%20be%20refunded%20to%20taxpayers.>



in the nation, and proposals to increase income taxes or impose new levies have become all too common.<sup>2</sup> By requiring voter approval for new or increased taxes, LD 1818 would offer businesses and families greater stability and predictability — vital ingredients for economic growth and capital investment.

Moreover, protecting against unsustainable debt levels shields future generations of Mainers from inheriting obligations they did not consent to, ensuring intergenerational fairness.

### **Empowering Citizens and Restoring Trust**

Perhaps most importantly, this resolution affirms that citizens, not bureaucrats or politicians, are the rightful stewards of the government's fiscal powers. In an era where public trust in government is eroding, empowering Mainers with a direct voice on taxation and public finance would mark a critical step toward restoring civic confidence.

Opponents of this measure may argue that such a requirement would create unnecessary delays or obstacles for critical spending needs. But let us be clear: LD 1818 does not prohibit increased spending—it merely ensures that such decisions are made with the direct consent of the governed. That is not a roadblock; that is democracy.

### **Conclusion**

Maine Policy Institute supports LD 1818 because it safeguards against excessive taxation, overspending, and debt. It is a forward-thinking proposal that aligns fiscal policy with the principles of transparency, accountability, and public empowerment. We urge this committee to support this constitutional amendment and allow Maine voters to weigh in on how they are taxed and how their money is spent. Thank you for your time and consideration.

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<sup>2</sup> <https://taxfoundation.org/research/all/state/2025-state-tax-competitiveness-index/>