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> Testimony of the Maine Municipal Association In Opposition to

LD 1818, RESOLUTION, Proposing an Amendment to the Constitution of Maine to Limit Taxes, Spending or Debt Without Approval by the Voters

May 14, 2025

Senator Grohoski, Representative Cloutier and members of the Taxation Committee, my name is Kate Dufour, and I am submitting testimony in opposition to LD 1818 on behalf of MMA's Legislative Policy Committee, which establishes the association's positions on all municipally relevant legislation.

As proposed, a new tax, increase to an existing tax levied on income or property, or an increase in spending or debt that exceeds the rate of inflation, would be subject to approval by the voters. For municipalities, this provision is unnecessary because the legislative body (e.g., town meeting or council) votes to approve spending in the first place. Without the approval of the local legislative body, revenues cannot be raised or expended. While in council communities, it is the elected officers that cast the final votes, those are the very individuals the voters in the community have entrusted with that authority. Municipal officials fail to understand the need for this provision, as there is nothing that would prevent a town or city from adopting an ordinance or charter provision that requires voter approval for an increase in spending.

Additionally, depending on how the legislature develops the procedures necessary to implement the directive, the outcome could impede the process of committing the property taxes that raise the revenues necessary to fund county and school services, and unfunded state mandates.

Rather than placing limits on the amount of revenue the state and municipalities raise, attention should be placed on what programs and services are being funded, who is paying, and whether the programs and services are meeting intended outcomes. Sometimes a better understanding of why revenues are being raised and invested helps to inform the narrative.

Thank you for considering the municipal perspective on this issue.