

Members of the Education and Cultural Affairs Committee:

I want to begin by expressing my support for the underlying goal of amending the State's education funding formula. Ensuring fairness and adequacy in school funding across Maine is critically important, and I appreciate the work being done to address long-standing inequities.

That said, I am deeply concerned about the impact this particular recommendation would have on Scarborough. My understanding is that our community would experience a loss of approximately \$1 million in a single year. An abrupt reduction of this magnitude presents a serious challenge—either to school operations or to Scarborough taxpayers—and risks unintended consequences that could undermine the very goals this legislation seeks to advance.

These concerns are compounded by the fact that Scarborough will begin drawing on a \$140 million local bond in FY2028 to address long-needed school construction and infrastructure updates—investments that receive no state aid and fall entirely on our community. While the Town and School Department are working diligently to manage spending responsibly and plan for this investment, the combined effect of this proposal and other legislation, such as LD 1829 and similar unfunded mandates, places increasing strain on local infrastructure and taxpayers. Collectively, these pressures risk making Scarborough increasingly unaffordable for many long-time residents, including seniors, who make up a significant portion of our population.

I strongly support the concerns and recommendations raised by Dr. Diane Nadeau, Scarborough's Superintendent, and appreciate her thoughtful analysis of the implications for our district. I understand that Scarborough may be in the minority with respect to the effects of this legislation. However, it does not feel equitable that a single municipality would account for approximately 20% of the funding shift statewide. That is a substantial burden, particularly given the size of our school district and the number of students we serve. The inequity puts their education at risk.

If the Committee chooses to move this legislation forward, I respectfully urge you to consider incorporating a phase-in or transition provision. Allowing communities like Scarborough—and a small number of others—to absorb these impacts over time rather than in a single year would enable more thoughtful planning by municipal leaders, school officials, and residents, and would significantly reduce the risk of destabilizing local budgets.

The “asset-rich, cash-poor” reality is very real in Scarborough. Many residents who attend our Council meetings are generational landowners in areas such as Pine Point and Higgins

Beach. They are not wealthy by income standards and often struggle to afford rising property taxes in order to remain in their family homes. Many no longer have children in our schools, yet they continue to support public education because they believe in its value. I worry that a sudden increase in local tax burden could become the tipping point that forces some of these residents out of their homes or vote no on our school budgets.

If this proposal advances, I strongly encourage the Legislature to work collaboratively across committees to explore meaningful property tax relief options for impacted communities. One example could be consideration of a local option sales tax in Cumberland County that captures revenue from tourism-related industries and allows for redistribution across the county—particularly to those municipalities most affected by these changes. The funds could be dedicated towards funding school operations and other infrastructure needs. Approaches like this could help offset local impacts while aligning with regional economic activity.

My hope is that any reform to the funding formula ultimately allows all communities to move forward whole, without disproportionately disadvantaging a small number of municipalities. I respectfully ask that you take the time to address these concerns before final passage.

Thank you for your thoughtful consideration and for your continued commitment to Maine's students and communities.

Sincerely,

Jon Anderson

Scarborough Town Councilor

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See attachment