

131st Legislature
Senate of Maine
Senate District 28

Senator Benjamin M. Chipman
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Transportation Committee, Chair
Taxation Committee, Member

Testimony of Senator Ben Chipman introducing
LD 499, "An Act to Change Maine's Tax Laws"
Before the Joint Standing Committee on Taxation
January 30, 2024

Senator Grohoski, Representative Perry, and distinguished members of the Joint Standing Committee on Taxation, I am Senator Ben Chipman, representing Senate District 28, which includes parts of Portland. Today, I am here to introduce LD 499, currently titled "An Act to Change Maine's Tax Laws." However, I am also introducing an amendment that will change the title to "An Act to Create a Commuter Benefit."

In our continuous effort to enhance the lives of Mainers and foster a more sustainable and economically vibrant state, it's crucial to address not just the issues of how we live and work but also how we get to where we're going. The amendment I present today aims to do just that by providing a pretax commuter benefit for workers in Maine, promoting a shift towards more sustainable and cost-effective commuting options.

As we are all aware, the cost of living is a multifaceted challenge affecting our constituents. While we have taken significant strides in addressing affordability on issues such as housing, it's important that we also focus on other impactful expenses like commuting. For many Mainers, the daily commute can be a considerable expense that impacts their monthly budget.

LD 499 seeks to alleviate this burden by enabling employers to offer a pretax commuter benefit of up to \$300 per month. This will help ease the financial burden of commuting for many workers in Maine. Additionally, by incentivizing the use of public transportation, carpooling, and other eco-friendly commuting options, we are actively contributing to the reduction of traffic congestion, which can reduce accidents and fatalities on the road, as well as reduce the overall carbon footprint of our state.

Furthermore, this amendment aligns seamlessly with existing federal tax guidelines, ensuring a smooth implementation for employers and providing clear, consistent benefits for employees.

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LD 499 is a financially sound measure that seeks to relieve the financial strain of commuting on our workforce and build upon our commitment to environmental stewardship and a more sustainable, connected Maine.

Thank you for your consideration, and I'm happy to answer any questions.

Sincerely,

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Ben Chipman
State Senator, Senate District 28
Representing part of Portland, including Peaks Island