



TOWN OF GEORGETOWN

PO Box 436 50 Bay Point Road
Georgetown, Maine 04548

TESTIMONY IN FAVOR OF LD 646

An Act to Fully Reimburse Municipalities for Lost Revenue Under the Property Tax Stabilization for Senior Citizens Program

Senator Rotundo, Senator Bennett, Representative Sachs, Ranking Member Ducharme and esteemed members of the Joint Standing Committee on Appropriations and Financial Services –

My name is Tyler Washburn and I am the Town Administrator for the Town of Georgetown. I am here today to testify in support of the now amended LD 646, renamed *An Act to Fully Reimburse Municipalities for Lost Revenue Under the Property Tax Stabilization for Senior Citizens Program*.

I wish I was standing here today under somewhat happier circumstances. Like many in Maine, I watched the repeal of the senior property tax freeze with great interest. It was, after all, a program that benefitted many. In the Town I serve, 99 seniors qualified. For some this initially well intended program gave a sense of security – seniors on fixed incomes could plan ahead for their tax bill, knowing that it would not see increases that outpaced their income.

During the Legislature's deliberations last year, we all learned of the original program's deficiencies. Should a stabilized tax amount in Meddybemps carry over to our Island? Of course not. Were income qualifications included? No. But much in the same way the law was passed, the law was repealed and replaced with access to a marginal tax credit increase and to low interest loans (i.e. debt). I didn't see much in the way of broadcasting this news. It wasn't part of many End of Session Mailers. I get it – who wants to tell Maine's seniors that a tax break intended to help keep them in their homes is

being replaced. Don't worry, though. Town Offices around the State had to deliver the bad news for you – often taking the brunt of the ire and frustration of their neighbors. But at least the Cities and Towns of our state, Towns like mine, could count on receiving the full stabilized amount.

You can imagine my disbelief when, earlier this month, the Town of Georgetown – following our tax commitment – received significantly less than was promised to us. 56% of the total, to be clear.

I recognize that to some, the \$18,000 outstanding may seem like small potatoes. But for a small Island Town like ours, that money can and will go a long way.

In closing, I'd like to recap and make our timeline more simple:

- 1) The Legislature hastily passes the bill, in an election year, without properly consulting Cities and Towns in Maine.
- 2) The Legislature passes significant work onto these same Cities and Towns.
- 3) The Legislature decides to repeal the program, after the same Cities and Towns have done the necessary implementation work.
- 4) The Legislature lets these same Cities and Towns be the bearer of bad news.
- 5) The Legislature does not fully fund its promise, leaving Maine's municipalities in the lurch.

I urge this committee to do the right thing. I urge this committee to fully fund the promises made to our municipalities. **Please** pass LD 646, as amended, out of this Committee. Please reach the necessary 2/3 to allow this law to go into effect as soon as possible.

Thank you for your consideration and I would be happy to answer any questions.