



CITY OF BANGOR

Taxation Committee

Testimony in support of LD 237 – “An Act to Increase the Percentage of Funds Provided to Municipalities Through State-Municipal Revenue Sharing”

February 5, 2025

Senator Grohoski, Representative Cloutier and members of the Taxation Committee, my name is Debbie Laurie and I am the City Manager in Bangor. I am providing testimony today on behalf of the City of Bangor in support of LD 237, An Act to Increase the Percentage of Funds Provided to Municipalities Through State-Municipal Revenue Sharing.

State Municipal Revenue Sharing is truly a partnership. The efforts of the municipality to support development and job creation result in the broad-based tax revenues received by the State. In turn, the State provides a small percentage of those tax revenues received to aid in financing municipal services. The need for a portion of broad-based taxes to partially offset the cost of municipal services is the core reason the Revenue Sharing program was established. The Legislature found that the principal problem of financing municipal services is the burden on the property tax, and that to stabilize the municipal property tax burden and to aid in financing all municipal services, it is necessary to provide funds from the broad-based taxes of the State.

As a service center community, Bangor is a vital local, regional and statewide economic engine that provides educational, employment, retail, professional, medical and social services not available in other locales. While our 31,628 residents certainly benefit from the broader tax base over which to spread the financial burden, as well as access to enhanced municipal services, they are also assuming more than their fair share of that financial burden.

9,870 Total Fire Department Responses
35,330 Total Calls for Service or Incidents Requiring a Police Officer
360 Road Miles
32.5% Properties are Exempt from Taxation

The budgetary challenges that will be faced by the Legislature and the City Council have many similarities: increasing costs, flat or declining revenues, compliance with mandates, strategic investments in the future, increasing calls for service, etc. While the State's revenue streams are broad, at the municipal level our primary revenue stream is limited to property taxes. With the plethora of bills under consideration in the coming session, it is clear that one of our shared priorities for the coming year is property tax relief.

The City of Bangor believes LD 237 is a continuation of the State and local partnership that will provide direct relief to our property taxpayers.

With the full support of the Bangor City Council, I urge you to pass LD 237. Thank you for your consideration, and please do not hesitate to reach out with questions.

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