

Tavis Hasenfus 50 Nobis Point Readfield, ME 04355 (207) 446-0016 Tavis.Hasenfus@legislature.maine.gov HOUSE OF REPRESENTATIVES 2 STATE HOUSE STATION AUGUSTA, MAINE 04333-0002 (207) 287-1400 TTY: MAINE RELAY 711

March 20, 2025

Testimony of Rep. Tavis Hasenfus introducing LD 936, An Act to Amend the Laws Regarding the Mining Excise Tax Before the Taxation Committee

Good afternoon, Senator Grohoski, Representative Cloutier and esteemed members of the Taxation Committee. My name is Tavis Hasenfus, and I represent House District 57 and the communities of Winthrop and Readfield. I am here today to present LD 936, An Act to Amend the Laws Regarding the Mining Excise Tax.

This bill is the very same bill that this committee voted favorably out of committee last session. You may remember that the bill then went under the hammer in both the House and Senate, but ultimately met its demise when we adjourned. The bill was the final product derived from the mining study report authored by MRS. This was a well-done report and was used to guide our discussion and ultimate decision.

The need to implement an appropriate mining tax cannot be understated. Currently Maine's tax for mineral extraction is nowhere near enough to cover the externalities associated with mining, and the very last thing we want to do is leave Maine communities and Maine taxpayers holding the bag for corporate malfeasance or mistakes. As you are likely aware, there is a large lithium deposit in western Maine that holds tremendous extraction potential. In the 131st Legislature, we specifically removed metallic mineral mining from the strict environmental protection procedures and bonding requirements in place for other types of mining so that this resource could be brought to market. However, we never put in place any assurances that Maine residents would not be left to foot the bill should something go wrong.

The primary purpose of this bill is to ensure we protect Maine's future from the potential consequences of mining. Currently, there is very little to protect Maine's environment and taxpayers from any of the externalities associated with the open pit mining of lithium or other metallic minerals. This bill as worked by this committee last session weighed these interests and found that placing a 5% tax on mining, with 75% of that being placed in a constitutionally protected fund specifically designed to preserve Maine lands and clean waters was the

appropriate way to effectively balance the desire to allow Maine companies to extract much needed lithium while ensuring the state will have the future resources available to address any externalities at no cost to taxpayers.

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