

Maine Conservation Voters

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Testimony is support of LD1089, An Act to Permanently Fund 55 Percent of the State's Share of Education

by Establishing a Tax on Incomes of More than \$1,000,000

March 26, 2025

Senator Grohoski, Representative Cloutier and distinguished members of the Joint Standing Committee on Taxation, my name is Cathy Breen. I am the Director of Government Affairs at Maine Conservation Voters (MCV), a statewide non-profit organization with 13,000 members and supporters that is building a just, thriving future for all by acting on the climate crisis, protecting the environment, and safeguarding our democracy. Today I'm speaking in support of LD1089, An Act to Permanently Fund 55 Percent of the State's Share of Education by Establishing a Tax on Incomes of More than \$1,000,000.

You may find it unusual for an organization like MCV that focuses on the issues I just mentioned to testify on tax policy. And I can see why, so let me explain. MCV understands that robust public education is a critically important foundation for good environmental and climate policy. And we need to make sure that the state will always have what it needs to fund 55% of General Purpose Aid to Education, as Maine voters demanded over two decades ago. Without a fully funded public education program, Maine will not have the scientists, teachers, engineers, marine biologists, soil scientists, meteorologists, land use planners, builders and so on to meet the climate crisis today and in the future. Moreover, Maine needs a well-educated community to fill the jobs for the transition to clean energy that we need.

And MCV believes in a just and fair tax system, like we believe in a just and fair transition toward clean and renewable energy systems. The parties who are at the top of the income pyramid should pay their fair share. Right now, Maine's tax code treats someone earning over \$61,600 the same as a millionaire. Someone making over \$1 million should pay a higher rate than a teacher or a nurse or a chef. However, in recent years, the ultra-rich have seen their tax burden *decrease* due to tax cuts from the LePage (state) and Trump (federal) administrations. LD1089 seeks to rectify that unfairness by adding a 4% surcharge on incomes over \$1,000,000. Passing LD1089 would generate approximately \$100 million per year, and this would leave room in the General Fund for health care and other core state government functions.

I hope you will vote "Ought to Pass" on LD1089. Thank you for your consideration.