



Teresa Schmitt Pierce
Senator, District 25
Senate Majority Leader

THE MAINE SENATE
132nd Legislature

6 Waites Landing Road
Falmouth, ME 04105

Testimony of Senator Teresa S. Pierce introducing
**LD 1312, An Act to Provide a Source of Revenue for School Construction and
for the Land for Maine's Future Trust Fund**
Before the Appropriations and Financial Affairs Committee

November 14, 2025

Chair Rotundo, Chair Gattine and honorable members of the Appropriations and Financial Affairs Committee, my name is Teresa S. Pierce, I am the State Senator from District 25 which includes Falmouth, Cumberland, North Yarmouth, Gray, the majority of Yarmouth and Long Island. Thank you for the opportunity to present LD 1312, An Act to Provide a Source of Revenue for School Construction and for the Land for Maine's Future Trust Fund. I am pleased to be back before this esteemed committee.

Earlier this year, the Governor's Commission on School Construction issued a preliminary report which put an \$11 billion price tag to meet the repair, renovation and new construction needs across the state over the next 20 years. Let me read that again, \$11 billion. Additionally, the Maine Education Policy Research Institute (MEPRI) published earlier this year that many Maine school buildings are between 60 and 80 years old. Each year we wait, the older the buildings get. Right now, many buildings are not meeting the current safety requirements nor the education environment that best serves students.

Although the state sets aside \$150 million to fund debt service for the school districts that are awarded funds in the major school construction program, this amount only allows the state to fund a handful of projects each year. With growing demand and aging buildings, each year without more decisive action, our students, teachers and communities fall further behind.

The Land for Maine's Future Program is a state program which conserves land for our state's natural, economic, and recreational value. Established in 1987, the program has administered multiple bonds and general fund appropriations to address focus areas across Maine, on a bipartisan basis.

Since its inception, LMF has helped lead the way on conserving 73 water access sites with over 66 miles of shoreline on rivers, lakes, and ponds, 41 farms and 9,884 acres of farmlands, 30 commercial working waterfront properties. Providing continuity through an ongoing source of revenue allows LMF to continue its work without the need to bond or dip into the general fund.



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This bill seeks to change slightly the fund from the accrued interest on the State's Budget Stabilization Fund. Thanks to the strong fiscal management of the state's reserves, led by the Legislature and Governor Mills, Maine's budget stabilization fund is at an all-time high. We have reached the legal limit of the funds needed (18%) should we be in a revenue shortfall situation and it was necessary to draw down on the balance.

All of this interest is currently transferred to the OPEB, an irrevocable trust for State employee's health insurance unfunded liability. This bill proposes that the funds be split among three entities, the OPEB (25%), Land for Maine's Future (25%) and School Construction (50%).

Through LD1312, this Committee and the Legislature can add a tool to the toolbox: investing in the safety and future of our students, teachers and school community, working to protect and conserve our iconic outdoors for generations to enjoy, continuing to protecting our health insurance unfunded liability and maintaining our state's strong fiscal footing.

Thank you for the opportunity to present this bill and look forward to working with the committee to move this legislation forward. I'm happy to answer any questions members may have.