



Senator Chipman, Representative Tipping and other esteemed members of the Taxation Committee,

My name is John Kosinski and I am here on behalf of the Maine Education Association to testify in support of LD 420, An Act To Amend the Maine Exclusion Amount in the Estate Tax, and LD 518, An Act To Change the Exclusion Amount under the Estate Tax. The MEA represents over 24,000 educators throughout Maine in nearly every community in Maine.

People in Maine, especially our children, have dire needs. Dire needs. We have a public-school system that is woefully underfunded in too many communities. In the wealthier towns, local taxpayers can pick up the tab for the state's unwillingness or inability to properly fund our schools, but the towns unable to do so are left with challenging choices, such as what programs to cut, or how much to raise property taxes.

We have a Child Protective Services program that was so starved of resources, it was unable to protect children. The tragedies that took place over the past years are unconscionable. I would like to think that such tragedies could have been avoided if our state had that resources it needed at its disposal to carry out the basic functions of protecting our children from harm.

Maine has among the highest food insecurity rates among our children. According to a recent study by Preble Street and Good Shepherd Food Bank, "Maine ranks third among states for the rate of hunger, with nearly 16% of its households, more than 200,000 people, experiencing food insecurity, a measure of a household's inability to afford enough food throughout the year."¹

We know the students in Maine schools have more needs than ever before, with nearly half of them now qualifying for a free/reduced lunch. Half. This number has climbed nearly every year over the past decade when the percentage was closer to a third. The eligibility for the free/reduced lunch program has not changed. What has changed is Maine has more kids living in poverty or near poverty than we did a decade ago. Ask any teacher in Maine's public schools and you are likely to get an earful about the challenge's students bring with them to school.

At the same time the needs for Maine's people and children have grown, we have allowed our tax code to be structured in a way that overwhelmingly benefits the wealthiest among us. We

¹ Please see, "Maine Food Pantries Still Busy as National Hunger Rate Falls," *Portland Press Herald*, February 9, 2017, found here: <https://www.pressherald.com/2017/02/09/maine-food-pantries-still-busy-as-national-hunger-rate-falls/>

have seen income tax cuts for the top 1 and 2% that have left our state government without the resources it needs to provide for the basic safety and comfort of its people. We have seen the exemption on the estate tax grow from \$1 million in 2011 to \$5.6 million for individuals -- \$5.6 million! This one change for those who have accumulated wealth has created a hole of tens of millions of dollars each year in our state budget. These resources could have been used and should have been used to address any of the challenges I just articulated.

Simply put, the Maine people have needs. And the state must do more to help all our people lead healthy, successful lives. Rolling back the estate tax exemptions as they were before 2011 seems like a simple, commonsense solution to helping the state secure the resources it needs to appropriately provide for the needs of its people.

Thank you for your time and I am more than happy to answer any questions.