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**Testimony in Opposition of LD 2102-An Act to Support Municipalities by
Repealing the Law Limiting the Municipal Property Tax Levy**

**J. Andrew Cashman on behalf of the Maine Association of REALTORS®
February 20, 2024**

Senator Nangle, Representative Stover, and members of the Joint Standing Committee on State and Local Government, my name is Andy Cashman. I am the Founder of Resolve Government Relations. We represent the Maine Association of REALTORS®, a professional trade association established in 1936 with over 6,500 members statewide. REALTORS® grow Maine's economy, build Maine communities, and advocate for the protection of private property rights. Our members represent buyers and sellers involved in both residential and commercial real estate transactions. Our membership also includes industry affiliates, such as lenders, closing agents, title agents, appraisers, building inspectors, surveyors, etc. The Maine Association is chartered by the National Association of REALTORS® (NAR), the largest trade association in the country.

The Maine Association of REALTORS® opposes LD 2102 because it would repeal the law limiting the municipal property tax levy. Existing law already has provisions for a municipality that exceeds the limit on the tax levy for a number of "extraordinary circumstances". The exemptions written in the statute more than suffice for a local community's need to increase property taxes. Having measures in place that limit municipal tax increases ensures government transparency and accountability. In addition, property taxes are already assessed on unrealized gains and, if passed, LD 2102 would have very serious implications on affordability for property owners and the prospect of continued economic growth. If an area becomes unaffordable, residents will seek other locations to call home, which in turn will stifle property values and community development.

Currently, we are facing unprecedented inflation and other economic pressures exacerbating affordability of housing, available inventory, and pushing many out of homeownership. Raising property taxes only compounds these pressures. If the limits on municipal property tax levy were repealed it would unfairly put property owners at risk. Increasing property taxes without limitation will result in Mainers being forced out of their homes, contributing to an already complex housing problem in Maine. We encourage public support of homeownership and real estate investments through tax incentives, not removal of protections that prevent frequent and unreasonable property tax increases. We urge the committee to Vote "Ought not to Pass" on LD 2102. Thank you for your time and consideration.



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