



**Testimony in Opposition to LD 2102, “[An Act to Support Municipalities by Repealing the Law Limiting the Municipal Property Tax Levy](#)”**

Senator Nangle, Representative Stover, and distinguished members of the Committee on State and Local Government, thank you for the opportunity to testify on LD 2102. My name is Jacob Posik and I serve as the Director of Legislative Affairs at Maine Policy Institute, a nonpartisan, nonprofit organization that works to expand individual liberty and economic freedom in Maine. I am testifying on behalf of Maine Policy in **opposition to LD 2102**.

LD 2102 is perhaps the most harmful bill admitted into the Legislature’s Second Session, and its admittance as “emergency” legislation makes a mockery of the Maine Constitution. Towns are in no funding emergency here in Maine, especially not after receiving millions as a result of the federal government’s coronavirus-related handouts.

The elimination of the municipal property tax levy limitation would result in uncontrolled, runaway spending at the municipal level with commensurate property tax increases on hardworking Mainers—including seniors on fixed incomes and families struggling to make ends meet amid rising energy costs and inflation.

Property taxpayers need predictability, and towns should not be allowed to increase spending and property taxes to levels which its residents cannot afford. That’s precisely why these rules were adopted nearly two decades ago.<sup>1</sup> Limiting property tax increases in line with personal income growth is sound policy that both insulates property taxpayers from unmanageable increases and requires towns to live within their means.

Under existing statute, towns can already exceed these limits—yet they need to obtain the affirmative consent of residents at a referendum election. This is because the people—Maine citizens—are the government. They hold the ultimate authority of how much their towns spend and on what services and necessities.

Government spending isn’t dictated to the people of Maine by their almighty rulers at the town office. Yet that’s exactly the relationship LD 2102 would establish, where property taxpayers would become the subjects of municipal budget makers and lose all power to keep property taxes affordable for their families.

Please vote “**Ought Not to Pass**” on **LD 2102** to protect local taxpayers from unsustainable, unaffordable property tax increases.

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<sup>1</sup> <https://www.maine.gov/dafs/bablo/sites/maine.gov.dafs.economist/files/pub/07-LD1-Report.pdf>