



Maine Education Association

Jesse Hargrove President | Beth French Vice President | Jaye Rich Treasurer
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Testimony

In Opposition To

LD 542: An Act Regarding Municipal Property Tax Levy Limits

Jan Kosinski, Government Relations Director, Maine Education Association

Before the State and Local Government Committee

March 17th, 2025

Senator Baldacci, Representative Salisbury, and other esteemed members of the State and Local Government Committee,

My name is Jan Kosinski, and I am the Director of Government Relations for the Maine Education Association (MEA). The MEA represents nearly 24,000 educators, including teachers and other educators in nearly every public school in the state, as well as full-time faculty and other professional and support staff in both the University of Maine and Community College systems. Thousands of retired educators continue their connection and advocacy work through the MEA- Retired program.

I offer this testimony today on behalf of the MEA in OPPOSITION to LD 542, An Act Regarding Municipal Property Tax Levy Limits.

This bill is unnecessary and serves no purpose but to impose yet another burden on local cities and towns.

I would like to remind the Committee that every year school districts are required to gain voter approval for their budgets. Every year. In municipal districts, school budgets must first be approved by the city council before being forwarded to voters. In regional school districts, the school budget is first run through the gauntlet of a town budget meeting where citizens of that school district can propose cuts or improvements before a final budget is sent to the voters for approval. And then the budget appears on a ballot and all the voting residents of a district can determine whether the budget deserves their support.

This process is sufficient and often exhausting and inserting another confusing and unnecessary step demonstrates a lack of confidence in the voters of Maine.

And you do not need to take my word for it. Last year, the Maine State economist, Amanda Rector testified in support LD 2102, *An Act to Support Municipalities by Repealing the Law Limiting the Municipal Property Tax Levy* and here is what she wrote:

“Over the years of reporting, no progress was observed on the goal of reducing the tax burden on Maine residents because of this statute. In addition, my office observed numerous issues related to the municipal property tax levy limit. The statutes and processes for calculating the municipal tax levy limit and determining whether a town has gone over the limit are complicated and confusing, resulting in frequent errors.”¹

¹ Please see, Testimony of Amanda Rector, Maine State Economist in support of LD 2102, , *An Act to Support Municipalities by Repealing the Law Limiting the Municipal Property Tax Levy*, February 20, 2024, found here: [getTestimonyDoc.asp](https://www.maineeducation.org/TestimonyDoc.asp)



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This bill represents state government overreach. If a town or city wants to adopt a property tax levy limit, they can – either through their charter, or through the election of municipal officers, or when they cast ballots for school budgets. The fact is most Maine people want great schools. In fact, scores of communities around the state raise well above their required local share to unlock state aid. Public schools and communities know the school funding formula, the Essential Programs and Services formula, is insufficient to provide a well-rounded and comprehensive education to Maine's students. According to the Maine Education Policy Research Institute, communities are raising over \$600 million more than required to support their local public schools. It is important to note, this figure is BEFORE the passage of LD 2102, thus demonstrating the levy limit was useless prior to its repeal.

Already this session I have heard some legislators claim that the passage of LD 2102 has led to increased property taxes. This argument is simply not true. LD 2102 was signed by the Governor on April 9, 2024, yet it did not include an emergency preamble, so the effective date of this legislation is August 9, 2024 – this is well after the typical municipal budget process and even after the beginning of the municipal fiscal year which begins on July 1. Claiming the passage of LD 2102 has led to property tax increases is revisionist at best since it did not even apply when municipal budgets were set for the current fiscal year (24-25).

The MEA shares concerns about property taxes and the impact on low income Mainers and seniors. However, we believe the solutions are greater state support for public schools and property tax relief programs such as the Homestead Exemption and the Property Tax Fairness Credit. In fact, on Wednesday there are at least six bills before the Taxation Committee to improve and expand the Homestead Exemption to alleviate property taxes on seniors, veterans, and others, while collecting more property taxes from second and third homes. We hope those in support of this proposal today are preparing testimony for the Wednesday public hearings that offer real solutions to the issues facing Maine people rather than attempting to re-institute a property tax levy limit that served little purpose but to create confusion and add another step to an already thorough process.

Thank you in advance for your time and attention and I will do my best to answer any questions you may have.

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