

## **LPC Tax Reform Working Group February 18, 2025 – Meeting Summary**

### **Attendees**

- Roberta Boczkiewicz, Castine Selectperson
- Bob Butler, Waldoboro Selectperson
- Nick Cloutier, Scarborough Assessor
- Kara George, Thomaston Town Manager
- Justin Hennessey, Topsham Assessor
- Kerry Leichtman, Camden/Rockport Assessor
- Scott Morelli, South Portland City Manager
- David Nadeau, Windham Councilor
- Kate Dufour, MMA

### **Meeting Summary**

The meeting kicked off with an overview of the staff's progress with assignments and a summary of meeting materials, included as Attachments 1-3. Much of the discussion focused on Senate President Mattie Daughtry's interest in advancing a bill to establish a property tax study group. As described in Attachment 2, the proposal appears to dovetail perfectly with the LPC working group's efforts.

Through the discussion with the President Daughtry's tax policy expert, staff also broached the possibility of having the Legislature review all property tax related legislation at once, rather than in a piecemeal fashion. This way all proposals, even those printed later in the session, could be reviewed and compared to other proposals with the end goal of advancing the best solution forward. From the perspective of MMA staff, this can only be accomplished if all initiatives are on the table at the same time.

The working group also identified other issues to include on its task list, including:

- Exploring K-12 education costs drivers and developing solutions to better share the expenses among federal, state and property taxpayers.
- Reviewing the property tax relief programs that are available for older homeowners and exploring related initiatives for inclusion in the working group's final recommendations.
- Implementing a public relations campaign to make legislators, the media and public aware of the working group's directive. It is important to the working group members that interested parties understand that MMA's primary legislative priority is delivering property tax relief. Ideas included encouraging municipalities to adopt resolves proclaiming property tax relief and reform as a legislative priority, as did South Portland (Attachments 4 & 5), as well as urging residents to participate in public hearings and

work sessions on related bills, as Kerry Leichtman has done for property owners in Camden and Rockport (Attachment 6).

**Data/Information Requests**

Panel Discussion – Classification Assessment: Reduced Value vs. Tiered Mil Rate  
Public Relations Campaign  
Cost of Funding K-12 Education & Who Should Pay  
Revenue Sharing Program Handout  
Payments In Lieu of Taxes Handout  
Expanding Sales Tax Base  
Limit Exemption Benefit (e.g., taxes for services, limits on value, leased property, etc.)  
Unfunded Mandates

**Next Meeting**

Tuesday, March 18, 2025 at 10 a.m.

**Revised LPC Tax Reform Working Group Objectives**

Based on the feedback received during the January 30 Legislative Policy Committee, the working group's objectives have been amended as follows:

1. Reduce the overall reliance on the property tax to fund services and programs. This includes providing municipalities with access to other dedicated revenue streams, including access to a modernized sales tax base.
2. Reduce the erosion of the property tax base via the implementation of exemption programs, including BETE, BETR, current use, and leased hospital property, ~~and the homestead exemption.~~
3. Reduce the overreliance and the burdens the property tax places on resident single-family homeowners.

**Attachment #2**

To: LPC Comprehensive Tax Reform Working Group  
Justin Poirier, LPC Chair

Fr: Kate Dufour, Director, Advocacy & Communications  
Amanda Campbell, Legislative Advocate

Re: Discussion with President Daughtry's Staff re: Property Tax Study

Date: February 13, 2025

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Kate McClellan, President Daughtry's Tax Policy Director, reached out to discuss MMA's interest in potential legislation advancing the creation of a property tax study group directed to develop a plan to reduce the burdens placed on the property taxpayer. According to Kate, everything is on the table including possible constitutional amendments to ensure that property tax relief is provided to those in need, as well as to potentially change the way in which property is assessed in Maine.

In turn, we shared that the proposed path appeared to dovetail with the efforts of the LPC's Comprehensive Tax Reform Working Group and provided a summary of our charge and work to date.

We also discussed the importance of having municipal voices at the study table and advocated strongly for the inclusion of a key municipal official (e.g. town or city manager, administrator, mayor, selectboard chair, etc.), as well as municipal assessor. Not only was Kate open to the idea, but she also expressed interest in MMA's direct involvement, to which we offered to provide the working group technical assistance. Other study group members are likely to include representatives from the business community, tourism industry, and policy research organization.

At the risk of sounding a bit nerdy...the excitement was mutually palatable.

That said, nothing is yet set in stone. We will keep you posted.

**Property Tax Related Bills Printed as 2/11/2025**

**LD 7** *An Act to Increase the Homestead Property Tax Exemption for Residents 65 Years of Age or Older* (Sponsored by Sen. Bennett of Oxford Cty.) **LPC Opposes**

This bill extends a \$75,000 exemption on the homestead of a permanent Maine resident who is 65 years of age or older and who has resided in the home for at least 10 years.

**LD 15** *An Act to Eliminate the Excise Tax on Camper Trailers* (Sponsored by Sen. Libby of Cumberland Cty.) **LPC Opposes**

This bill eliminates the excise tax on camper trailers, which is assessed, collected and retained by municipalities.

**LD 140** *An Act to Incrementally Increase the Homestead Property Tax Exemption* (Sponsored by Sen. Baldacci of Penobscot Cty.) **LPC Supports**

Beginning on April 1, 2026, this bill increases the value of the homestead exemption by \$10,000 annually, until the exemption is \$95,000 and beginning on April 1, 2033, requires the exempt value to be adjusted annually by the rate of inflation.

**LD 185** *An Act to Expand Opportunities to Invest Municipal Tax Increment Financing Revenues* (Sponsored by Rep. Mastraccio of Sanford) **MMA's Bill**

This bill enables a municipality or plantation to maximize the use of tax increment financing revenue to renovate and construct municipal facilities that contribute to the community's economic development efforts, including facilities used as emergency shelters.

**LD 223** *An Act to Amend the Mining Excise Tax Laws* (Sponsored by Rep. Cloutier of Lewiston)

This bill implements the recommendations found in the Bureau of Revenue Services' report regarding the state's taxation of metallic mineral mining, which includes exempting unextracted minerals from the property tax. **LPC NFNA**

**LD 225** *An Act to Reduce Property Taxes and Finance Public School Construction and Education Through a 3 Percent Sales Tax on Hotel and Lodging Place Rentals* (Sponsored by Rep. Brennan of Portland) **LPC Opposes**

This bill increases by 3% the sales tax on hotels and lodging place rentals and requires those revenues to be used to fund school construction and kindergarten to grade 12 education.

**LD 237** *An Act to Increase the Percentage of Funds Provided to Municipalities Through State-Municipal Revenue Sharing* (Sponsored by Sen. Baldacci of Penobscot Cty.) **LPC Supports**

This bill increases the percentage of state sales and income tax revenues distributed through state-municipal revenue sharing from the current 5% to 5.5% on January 1, 2026 and to 6% on January 1, 2027.

**LD 264** *An Act to Remove the 12-month Waiting Period for the Maine Resident Homestead Property Tax Exemption* (Sponsored by Rep. Hepler of Woolwich) **LPC Supports**

This bill repeals the requirement that an otherwise eligible applicant must wait 12 months before receiving the homestead exemption.

**LD 283** *An Act to Expand Local Revenues by Including Meals and Lodging Sales Tax Revenue Under the State-Municipal Revenue Sharing Program* (Sponsored by Rep. Hepler of Woolwich)  
**MMA's Bill**

This bill creates an additional revenue-sharing resource for municipalities by establishing the Local Government Hospitality Fund and distributing 1% of meals and lodging sales tax revenue to the municipalities where the tax was collected in proportion to the amount of meals and lodging tax collected by each municipality.

**LD 294** *An Act to Expand Municipal Volunteer Program Eligibility Requirements in the Municipal Property Tax Assistance Laws* (Sponsored by Rep. Bunker of Farmington)

Under current law, municipalities are authorized to adopt ordinances enabling volunteers who are at least 60 years of age to earn up to \$1,000 or 100 times the minimum wage as a benefit on the taxes assessed on their homesteads. Beginning January 1, 2026, this bill expands that authority by allowing municipalities, via ordinance, to extend the benefit to volunteer firefighters, volunteer municipal firefighters or volunteer emergency medical services persons.

**LD 326** *An Act to Increase the Property Tax Exemption Provided to Individuals Who Are Legally Blind* (Sponsored by Rep. Bridgeo of Augusta) **LPC Poll NFNA**

Beginning on April 1, 2026, this bill increases from \$4,000 to \$10,000 the residential real estate property exemption for residents who are legally blind.

**LD 399** *An Act to Amend the Laws Regarding the Retention of Proceeds from Municipal Foreclosures* (Sponsored by Rep. McIntyre of Lowell)

This bill amends a provision of the tax lien foreclosure by providing that if excess proceeds from the sale of tax acquired property are not claimed in a timely fashion, then the municipality retains the revenue rather than transferring those funds to the Unclaimed Property Fund.

**LD 432** *RESOLUTION, Proposing an Amendment to the Constitution of Maine to Allow Municipalities to Apportion Real and Personal Property Taxes on the Basis of Property Classification* (Sponsored by Rep. Mastraccio of Sanford)

This resolution amends Maine's constitution by authorizing municipalities to apportion property taxes based on the property's classification as defined by and according to the process enacted in statute.

**LD 438** *An Act to Allow Municipalities to Limit Nonprofit Property Tax Exemptions* (Sponsored by Rep. Hymes of Waldo)

This bill authorizes municipalities to limit the value of a property tax exemption extended to a nonprofit institution or organization, provided the governing body determines, by vote, that granting an exemption is detrimental to the residents of that municipality.

**LD 440** *Resolve, to Study the Economic Effects of Instituting a Seasonal Sales Tax* (Sponsored by Rep. Rana of Bangor)

This resolve directs Maine Revenue Services (MRS) to conduct a study on the effects of a seasonal sales tax, including an: (1) estimate of the revenue that would be collected and share of the revenue collected from year-round residents; (2) analysis of the effects on the economy, consumer spending, businesses and tourism; and (3) investigation of the impacts in other states that have adopted seasonal sales tax schemes. No later than December 3, 2025, MRS is also directed to submit a report to the legislature.

[LD 526](#) *An Act to Reduce the Time Period for Challenging the Validity of a Property Tax Lien on Commercial Real Estate* (Sponsored by Rep. Henderson of Rumford)

Beginning with a tax lien recorded after June 30, 2026, this bill prevents a person from commencing an action against the validity of a governmental taking of commercial real estate for nonpayment of property taxes upon the expiration of a two-year period immediately following the expiration of the period of redemption. The bill also defines “commercial real estate” as property used primarily for business purposes including, without limitation, apartment buildings with five or more rental or lease units, mobile home parks, office buildings and recreational facilities.

[LD 542](#) *An Act Regarding Municipal Property Tax Levy Limits* (Sponsored by Rep. Adams of Lebanon)

This bill reinstates the so-called LD 1 municipal property tax levy limit law that was repealed as of August 9, 2024.

### **Property Tax Related Legislative Requests Not Yet Printed as 2/11/2025**

An Act to Allow Municipalities to Require Payment in Lieu of Taxes from Nonprofit and Conservation Organizations

An Act to Amend the Farm and Open Space Tax Laws

An Act to Reinstates the Property Tax Stabilization Program

An Act to Control Property Taxes by Increasing the Percentage of the Business Equipment Property Tax Exemption that Municipalities May Recover

An Act to Incentivize Improvements to Land by Providing for an Alternative Municipal Property Tax Assessment Rate

An Act to Create a State Property Tax Directed Toward 2<sup>nd</sup> Homes for the Purposes of Funding Education, Early Childhood Programs and Relief for Elderly Property Tax Payers



## CITY OF SOUTH PORTLAND

MISHA C. PRIDE  
Mayor

SCOTT T. MORELLI  
City Manager

JESSICA A. HUGHES  
City Clerk

BRANDON MAZER  
Corporation Counsel

District One  
LINDA C. COHEN

District Two  
RACHAEL COLEMAN

District Three  
MISHA C. PRIDE

District Four  
STEVEN J. RILEY

District Five  
ELYSE C. TIPTON

At Large  
RICHARD T. MATTHEWS

At Large  
NATALIE E. WEST

### **IN CITY COUNCIL PROCLAMATION CALLING UPON ITS LEGISLATIVE DELEGATION**

**WHEREAS**, South Portland, like many cities, has seen an influx of new residents who want to live here; and

**WHEREAS**, South Portland has recently been named one of the best places for families to live in America; and

**WHEREAS**, the prices of houses in South Portland have increased substantially since the Covid 19 pandemic; and

**WHEREAS**, there are residents in our community who have lived here for many years; and

**WHEREAS**, these long term residents include senior citizens who live on fixed incomes; and

**WHEREAS**, Maine's Constitution and statutes require reassessment of properties which has resulted in some long term owners incurring substantial and unexpected increases in property taxes, with newer homeowners also experiencing significant hikes due to shifts in the property tax burden; and

**WHEREAS**, the State Legislature has the sole power to enact changes in the property tax system, to enact other measures to reduce reliance on property taxes as a revenue source and, if appropriate, to submit Constitutional amendments to the voters;

**NOW THEREFORE BE IT PROCLAIMED** that the City Council of the City of South Portland calls upon its legislative delegation, Senator Anne Carney, and Representatives Matt Beck, Deqa Dhalac, and Christopher Kessler to work toward a more fair and equitable system of real property taxation, as well as other measures to reduce property tax burden which may include but is not limited to the following:



1. Substantially increase the Homestead Exemption, and fully fund the lost revenue reimbursement to municipalities;
2. Authorize a real property transfer tax that is paid at the time real property is sold;
3. Authorize local option taxes that allow cities to impose local sales taxes;
4. Increase the property tax fairness credit and consider additional, means-based property tax relief programs;
5. Increase state revenue sharing and/or revamp the formula so that communities with high values and lower tax rates are not penalized; and
6. Limit the allowable annual increase in assessed value of residential property used as a primary residence.

Dated: September 3, 2024

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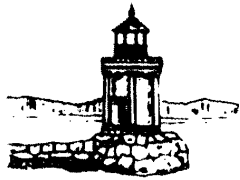
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EXECUTIVE  
DEPARTMENT

## CITY OF SOUTH PORTLAND

25 Cottage Road  
South Portland, ME 04116

[www.southportland.org](http://www.southportland.org)

Scott T. Morelli  
City Manager

Joshua Reny  
Assistant City Manager

### **MEMORANDUM**

**TO:** South Portland's State Legislative Delegation  
**FROM:** Mayor Matthews and the South Portland City Council  
**RE:** Legislative Priorities 2025-26  
**DATE:** December 4, 2024

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The South Portland City Council hereby requests that our legislative delegation introduce, co-sponsor, and/or support or oppose the following pieces of legislation, depending on the issue. Mayor Matthews and City Manager Morelli are happy to meet with you to discuss any and all of these matters.

#### **Property Tax Reform/Relief**

This past September, the City Council sent you a proclamation with several ideas as to how the State Legislature could enact meaningful property tax reform/relief. Some of these measures are straightforward and would require no financial commitment from the state (ex., local option sales tax), while others would be more complex and require a State Constitutional amendment (ex., how properties are assessed/taxed).

In addition to supporting the legislative platform of the Maine Municipal Association, Mayor's Coalition, and Maine Service Centers Coalition as they relate to property tax reform/relief, we urge you to support the following measures (some of which may be duplicative):

- Substantially increase the Homestead Exemption, and fully fund the lost revenue reimbursement to municipalities so that towns and cities do not need to hike the tax rate in order to make up for that lost revenue;
- Authorize a real property transfer tax that is paid at the time real property is sold;
- Authorize local option taxes that allow cities to impose local sales taxes that help capture revenue from out-of-staters and can reduce the amount of property taxes the need to be raised;
- Increase the property tax fairness credit and consider additional, means-based property tax relief programs;
- Increase state revenue sharing and/or revamp the formula so that communities with high values and lower tax rates are not penalized;
- Limit the allowable annual increase in assessed value of residential property used as a primary residence; and
- Implementing a split tax rate similar to Massachusetts, where residential properties are taxed at one mil rate and commercial properties are taxed at another (often higher) rate, within reason.

Related to the first bullet, fully funding the lost revenue from any increase in the Homestead Exemption is critical. If the Homestead is increased from \$25,000 to \$75,000 and the lost revenue from that increase is

not reimbursed by the State, South Portland will lose \$286.1 million in taxable value, or \$3.8 million in revenue under our current tax rate. This means we would need to increase our tax rate \$0.58 to make up for that loss. While the average homeowner will still save several hundred dollars on their taxes, that savings is less than what it would otherwise be if the legislature fully funded the loss and we did not need to hike the tax rate. It also increases the taxes of other property owners, such as businesses and multi-unit residential building owners.

### **Local Control**

South Portlanders have proven that they can make good decisions, and such decisions have helped to make our community one of the leaders in Maine on issues such as sustainability. But our ability to enact certain change or decide what is best for our community can be hampered by State laws that deny voters and elected officials the opportunity to have a say. Therefore, our local delegation should support the following:

- **No Binding Arbitration on Wages/Benefits for Union Contracts.** In 2019, the legislature passed a number of labor-friendly laws, including [LD 1177](#), which imposed binding arbitration for disputes between municipalities and their unions on wages, health insurance, and retirement benefits. Although the City supports efforts to improve the plight of workers to earn better wages and already offers exceptional health insurance and retirement benefits at low cost to many and no cost to some, we believe forcing binding arbitration for these issues onto Maine towns and cities was a legislative overreach. As you know, for a “service” business like a municipality, wages, health insurance, and retirement are substantial portions of the municipal budget. The impact of this law change would mean the Council could be forced to enact substantial tax increases to support decisions of arbitrators who may have no idea of the actual financial impact of their decisions on the community or who may have no concern about the financial impact as they have no local interest. Fortunately, [Gov. Mills vetoed this law](#) (which the legislature sustained), noting that it would take away local control from municipal elected officials who better know their communities than a hired gun arbitrator (or panel) from away. And in the 2023-24 session, a bill was introduced to revive this matter, but was quickly pulled by the sponsor due to feedback from the Maine Service Center Coalition about the negative impact on local governments. Our legislators should not re-introduce or support legislation to this effect if it is re-introduced.
- **Community Choice Aggregation (CCA).** According to the EPA, CCA is a voluntary program that allows “local governments to procure power on behalf of their residents, businesses, and municipal accounts from an alternative supplier while still receiving transmission and distribution service from their existing utility provider. CCAs are an attractive option for communities that want more local control over their electricity sources, more green power than is offered by the default utility, and/or lower electricity prices. By aggregating demand, communities gain leverage to negotiate better rates with competitive suppliers and choose greener power sources. CCAs are currently authorized in California, Illinois, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Ohio, Rhode Island, and Virginia.” While it is too early to determine whether or not a CCA would make sense for South Portland, we should have the choice to make that decision.
- **Ability for Municipalities to Restrict Firearms In Public Buildings.** Several laws exist prohibiting the possession of firearms in school buildings/property, state and national parks, courthouses, and other locations, notably including the Capitol area in Augusta. However, the law currently allows weapons to be carried into municipal buildings, municipal public meetings, and polling places. If carrying firearms is considered such a threat to legislators and state workers that they are banned in the Capitol building and other state offices, should the same protection not be afforded to municipal officials and staff? Several bills have been introduced over the years that would have

given municipalities the option to ban firearms and other weapons within municipal buildings, at public proceedings, and at polling places. However, these efforts have died at the legislature. We believe [LD 351 from the 128<sup>th</sup> Legislature](#) is a good starting point to offer Maine towns and cities the opportunity to determine whether or not to allow firearms in their facilities.

#### **Clean Air Advisory Committee Report Recommendations**

The City's Clean Air Advisory Committee (CAAC) recommended numerous actions to help better understand the levels of volatile organic compounds (VOCs) in South Portland's air. While the initial findings from monitoring stations as to VOC levels did not warrant the CAAC or Council to recommend any actions against those who emit VOCs, it did prompt the CAAC to recommend in its 2023 report that the City take actions to obtain more and better data. The City has completed some of these recommendations already and is in the process of working on others.

One of these recommendations is for the six marine terminal operators to voluntarily report to the public in advance of when shipments of petroleum products will be offloaded in our city. The CAAC report theorizes that when these products are loaded from ships into empty tanks on the land, the gases pushed out of the tanks cause "burst emissions" people can either smell and/or contain high levels of harmful VOCs. By reporting when these offloadings occur, not only does the public have a heads up that these odors could be coming, but the companies would also provide sampling information to help determine the contents of the emissions.

In 2023, City staff met with representatives from these terminals and asked them to voluntarily make these reports and provide the associated information. There was pushback from some of the representatives, who raised concerns about such information being against federal law and Coast Guard regulations due to potential terrorism threats targeting tankers when the offloading dates and locations would be publicly known. However, after a year of research, neither our special legal counsel nor the Coast Guard could point to any law or regulation prohibiting the release of such information. Thus, last month the City followed up with these operators and gave them a December 1, 2024 deadline by which to sign a voluntary reporting agreement ([see attached](#)). As of the date of this meeting packet (November 27, 2024), none of the six operators had signed the agreement.

The CAAC report recommends that if the terminal operators do not agree to voluntary reporting, then the City pursue legislation at the state level to compel the companies to release this information to the public. Assuming these agreements do not come in by the time of the Council meeting, the City urges members of our legislative delegation to introduce a bill to require terminal operators to provide notice of these shipments and provide the additional information noted in sections I and II of the attached sample agreement.

#### **Use of Traffic Camera Footage to Assist In Determining Property Damage Liability**

For unclear reasons, State law prohibits municipalities from utilizing video footage from traffic cameras to help assist in criminal matters. South Portland has had instances where use of such footage could help ensure a drunk or irresponsible driver who causes damage to an intersection, for example, could be held liable. Instead, since use of the video is impermissible, these costs fall to the City's insurance carrier, driving up rates, or to our operating budget. Either way, taxpayers are on the hook for the careless actions of someone else. Traffic camera footage will allow us to determine who that someone else is. The legislature should give municipalities and their insurance/coverage providers the ability to use it for such purposes.

Hello,

You are receiving this email because you indicated to me that you are interested in knowing what the Legislature is doing regarding property tax relief. I hope to alert you to bills in time for you to offer testimony to the Taxation Committee, if you are so inclined. The session has just gotten underway and there is much to report. In this email I am going to do my best to inform you without going down too many rabbit holes.

I am a member of the Maine Municipal Association's Legislative Policy Committee (LPC), representing senate district 12. We review every bill that impacts municipalities and then decide whether or not MMA's advocacy team should support, oppose, take no action, watch and track, or take a neither for nor against position. The LPC body is 70 people, two municipal officials from each senate district. Thomaston Town Manager Kara George also represents district 12. In addition to deciding whether or not to support submitted bills the LPC also advances its own package of legislative initiatives. That package is usually a mix of priorities, but for this session the LPC's sole focus is property tax reform.

We formed a Tax Reform Working Group, of which I am a member. Our objectives are as follows:

1. Reduce the overall reliance on the property tax to fund services and programs. This includes providing municipalities with access to other dedicated revenue streams, including access to a modernized sales tax base.
2. Reduce the erosion of the property tax base via the implementation of exemption programs, including BETE, BETR<sup>i</sup>, current use, and leased hospital property.
3. Reduce the overreliance and the burdens the property tax places on resident single-family homeowners.

We immediately realized we did not have enough time to work on comprehensive reform so divided our charge into working on immediate relief and long-term systemic changes in the taxation system. We also divided prospective bills into two categories: direct relief and indirect relief. An example of direct relief is increasing the Homestead Exemption (HEX), an example of indirect relief is increasing the state's reimbursement percentage for the homestead to municipalities. To explain: The HEX reduces your property's taxable value by \$25,000. It also reduces the town's revenues by \$25,000 for each exemption granted. The state reimburses the towns for a percentage of the loss. Currently the state Constitution requires the state reimburse us a minimum of 50%. By that math, for every HEX issued we lose \$12,500. Any loss of revenue increases the mil rate. We did have a program in place where the reimbursement increased by 3% each year until it reached 100%, but that got frozen at its current level of 76%.

There have been a number of bills introduced that increase the HEX. Some of these bills are good, others aren't. The ones that aren't do not assure a high enough level of reimbursement. The LPC has introduced two bills regarding the homestead. One bill is a Constitutional amendment that increases the exemption to no less than \$50,000 and increases the reimbursement to no less than 90%. Our other bill reinstates the incremental increase in the reimbursement that we had to trade away in exchange for the elimination of the stabilization program. That incremental increase had the reimbursement rising by 3% each year until it reached 100%. This is also an example of our short-term and long-term strategies. The incremental increase bill will provide for immediate relief, the Constitutional amendment bill represents long-term systemic change.

Senator Baldacci of Bangor has introduced a bill (LD140) that increases the HEX by \$10,000 a year until it reaches \$95,000. We are supporting this bill, but with some caveats, the most important of which is the reimbursement to the towns. The bill does not specify the level of reimbursement. At 50% it's a shell game, the taxpayer thinks they are getting a great break but because the town is funding the great break the money goes in one pocket and out the other.

The reason we are pursuing a Constitutional amendment is to guarantee acceptable minimums. Our amendment increases the HEX and the reimbursement. The Constitution isn't easily changed, so if we can get these minimums enacted a future Legislature cannot simply reduce the HEX or its reimbursement. And by setting minimums but not maximums, the Legislature can make the program more generous without having to amend the Constitution.

We are fortunate to have excellent representatives in the Legislature. I have worked with Representatives Vicki Doudera and Ann Matlack on many occasions. They are hard working and respected by their peers. I have not yet had the opportunity to work with Senator Beebe-Center on any legislation but know of her by reputation and look forward to working with her during the current session. With legislators like these, a lot of good can be accomplished.

This has been a lot to absorb, so I'll conclude here with a link to the Legislature's website: <https://legislature.maine.gov/> Here you'll find a query window to look up new bills and track them as they progress through the system. To briefly walk you through how to use the website, put the bill I mentioned that Senator Baldacci introduced into the query window – 140. On the left side of the next screen you'll see a box labeled "Documents." You'll have two choices: pdf or Word. Click on either one and you'll see the bill. This table will also list hearing dates when they are scheduled, it will also provide links to submitted testimony. Earlier today I submitted testimony on LD 283: An Act to Expand Local Revenues by Including Meals and Lodging Sales Tax Revenue Under the State-Municipal Revenue Sharing Program. This is an example of indirect relief. Revenue Sharing is a program by which the state shares sales tax and income tax revenues with municipalities. The state sets aside 5% of those revenues to be divvied up and distributed to all towns and cities in the state. LD 283 will allow municipalities with lodging and restaurants to receive 1% of the revenues generated in their town or city. As with the HEX reimbursement, Revenue Sharing funds, because they are a source of revenue, provides property tax relief. It also serves as an example of why we need Constitutional amendments. In the past the Legislature has decreased the 5% when money was tight. The thing is, when money is tight for them it is also tight for us. Reducing a planned on revenue source eases the state's problem but increases ours. Raiding this fund becomes difficult to do if funding levels are enshrined in the Constitution.

To submit testimony, go back to the Legislature's main page. Under Publications and Resources, you'll see Testimony Submission at the bottom left of the screen. Click on it and answer the prompts as presented through a series of screens. You can testify by submitting a document via this website, or by attending and testifying at the hearing via zoom, or by attending the hearing in person. A few years ago, I wrote a How to Testify document for assessors: <https://www.mechapteriaao.org/wp-content/uploads/2019/04/How-to-testify.pdf> Time has aged the document a bit but most of it still applies. In the intervening years since I wrote it, the Legislature has worked to make participation even easier.

I'll try to make you aware of bills having to do with property tax relief as I can. Believe me when I say your input will be valued by the Taxation Committee. They get plenty of testimony from special interests and people in government like me, and not enough from taxpayers. If you are so inclined, I strongly recommend you give it a shot.

Please pass this email along to anyone who might be interested. Have them send me their email address and I'll add them to my list.

I promise future emails will be brief.

Regards,  
Kerry

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<sup>i</sup> BETE (Business Equipment Tax Exemption) and BETR (Business Equipment Tax Reimbursement) are property tax relief programs for businesses.