Written Testimony of Jess Maurer on Behalf of
The Maine Council on Aging
To Joint Standing Committee on Taxation

Testimony in Support of LDs 1136, 1443 & 1500

Delivered in Writing on May 6, 2021

Greetings Senator Chipman, Representative Terry, and members of the Taxation Committee:

My name is Jess Maurer. I'm the Executive Director of the Maine Council on Aging (MCOA). The MCOA is a broad, multidisciplinary network of more than 100 organizations, businesses, municipalities, and older Mainers. The MCOA is a unifying force across sectors that is creating a new narrative about aging and older people in Maine with the goal of building local, statewide, and national support for the systemic changes needed to support our new longevity. I am testifying in favor of:

- LD 1136, "An Act to Promote Fairness in Income Tax Rates by Making Them More Progressive,"
- LD 1443, "An Act Regarding Higher Income Tax Levels," and
- LD 1500, "An Act to Bring Equity to Maine's Tax Laws by Adjusting Certain Individual Income Tax Rates."

For years, the MCOA has come before this, and many other legislative committees, asking you to prioritize investments in the kinds of supports, services, and infrastructure necessary to ensure we can all live healthy, productive, and safe lives as we age. While we've had some success, we've mostly failed at securing the kinds of significant investments we need to address the many serious challenges that stand in the way of this goal. The barrier has always been, and continues to be, insufficient revenue. For this reason, we have taken the bold step forward in supporting fair approaches to revenue generation that will allow Maine to make investments in our social infrastructure, address long-standing issues if inequity, and build a stronger economy.

In just one century, our life expectancy has gone from less than 40 years to 76 years. We've just sworn in a 78 year old man to be our president, and a 73 year old woman leads our great state. These are not anomalies. Today, older people are living active, engaged, and productive lives long into their 80s, 90s and even 100s!

Maine has an incredible opportunity to lead the nation in building new systems that take full advantage of the "Longevity Era". We need new systems because, as we age, the systems that

have always worked for us before, like two story homes, single passenger vehicles, and care delivered at a single location, don't always work for us as our abilities and finances change.

How well we age, and how productive we are long into old age, is dependent upon how well our housing meets our physical needs, whether we can engage fully in all aspects of life when we can no longer drive, how well our communities are planned, and whether we can still earn a living to supplement our savings. It also depends upon whether we can access the kinds of care we need, if we need care.

The other thing that has come with this new longevity is a strong desire to change the way we live as we age. Today, most people want to age in their homes, and if they can't stay at home, they want to stay in their communities. To do this, though, we have to reimagine all of our systems – community planning, transportation, housing development, and care delivery systems.

The problem is, we're not making much progress on these big systems changes, and in many ways, we're falling behind. We have to turn this situation around, and generating more revenue is a critical component to this happening. Consider just a few of the critical bills we have pending this session:

- LD 485, unanimous out of committee to fund the Meals on Wheels waitlist, $3 million;
- LD 499, now carried forward via LD 1360, unanimous vote to fund Home Based Care waitlist, $27 million;
- LD 1573, unanimous vote to increased essential support worker rates, fiscal impact unknown currently, but will be close to $100 million; and
- LD 296, not heard yet, but that will address the need to support family caregivers, potentially $10 million

All of these bills have a return on investment, and will have a corresponding negative impact on our economy if they are not enacted. We also support other bills with big fiscal impacts, like oral health, home repair and weatherization, and transportation. These too support a healthy economy. We must stop saying no to investments we absolutely need to make because we don't have the revenue to make them. Not making these investments is costing us more money in the long run.

The income tax is the largest source of state revenue, which means that even small increases to the income tax on high incomes can raise a lot of money to invest in Maine's people. Maine's income tax treats millionaires the same way it treats middle-class families, middle-class families who are all too often taking care of their older parents, once again, saving the state money. This just isn't fair. We believe raising taxes on the highest incomes, and closing tax loopholes will go a long way to toward addressing economic inequity and generating the revenue needed to make investments in our infrastructure that supports healthy aging.

We urge you to support income tax fairness in Maine through one of these bills. We don't take a position on which is the best vehicle. Thank you.

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