

LEGISLATIVE ADVOCACY



Maine Real Estate &
Development Association

Supporting Responsible Development

Legislative Update – Summer 2021

July 21, 2021

While much has changed in the world in the last several months, the MEREDA Public Policy Committee has continued to stay engaged on critical matters impacting our members.

The First Special Session of the 130th Maine Legislature adjourned sine die at 8:29 p.m. on July 19, 2021. The First Special Session commenced in April, following the adjournment sine die of the First Regular Session of the 130th Maine Legislature on March 30, 2021. **Laws enacted during this First Special Session, that do not contain an emergency preamble or specify another date, will be effective on Monday, October 18, 2021, or 90 days from final adjournment.** Although a special session could be called at any time, at this time none is anticipated. The Legislature is next scheduled to convene, for its Second Regular Session, on January 5, 2022.

MEREDA had a successful year with the enactment of several new programs and laws that will benefit the commercial real estate and development community, including a new CPACE program, a clean energy financing accelerator, and a commission to study local land use laws and their impact on the creation of affordable housing. Additionally, we fought off some bad landlord/tenant bills that threatened to significantly undermine private property rights for landlords. We also joined with our industry allies to secure a veto from Governor Mills on a bill that would have created a graduated real estate transfer tax that would have disproportionately impacted commercial real estate. Finally, despite a last minute setback that delayed it from being enacted this year, the extension of the sunset date for the Maine Historic Rehabilitation Tax Credit (MHRTC) to 2045 is set to be enacted in the Spring of 2022. The current sunset date for the MHRTC is 2025 (by which time projects must be certified, but construction need not have commenced). We look forward to continuing to work with our coalition partners on this effort, as well as on an ongoing Office of Program Evaluation and Government Accountability (OPEGA) tax expenditure review of the MHRTC. That review is set to be concluded this year, with a report due back to the legislature in the Second Regular Session.

With respect to more general matters, the Legislature concluded its First Special Session by enacting LD 1733, *An Act to Provide Allocations for the Distribution of State Fiscal Recovery Funds*, now [Public Law 2021, Chapter 483](#), which authorizes the expenditure of nearly \$1 billion from the State Fiscal Recovery Fund as established by the federal American Rescue Plan Act of 2021. The two parties were unable to reach an

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agreement on the bill, so the bill was passed in both the House and Senate by a simple majority vote, meaning it did not receive the 2/3 support necessary for it to become law immediately. On Monday evening, July 19, Governor Mills signed it into law and it will become effective this October 18. The bill includes funding for childcare, broadband, health care subsidies, workforce training, and economic recovery grants. It also includes \$50 million for housing that must be “affordable to workers and their families to rent or own.” This one-time spending initiative will be managed by the Maine State Housing Authority. Additionally, Governor Mills announced yesterday that Maine’s Budget Stabilization, or “Rainy Day” Fund, has grown to \$491.9 million, which is an historic high.

MEREDA will continue to remain diligent in protecting its members’ interests. Our members represent a critical pillar of the state economy, and we will continue to advocate for policies that are fair, practical, and predictable even as we navigate a new, post COVID-19 environment. We encourage all those who are interested in rolling-up their sleeves and helping to further MEREDA’s mission and vision in policy-making to contact Shelly R. Clark, MEREDA’s Vice President of Operations at info@mereda.org.

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