

LEGISLATIVE ADVOCACY



Maine Real Estate &
Development Association

Supporting Responsible Development

Legislative Update – Fall 2022

November 14, 2022

MEREDA's Public Policy Committee continues to stay engaged on critical matters impacting our members.

Mills Re-elected Governor, Democrats Retain Control of Maine Legislature

Currently, only unofficial results are available in Maine. A relevant list of the unofficial results can be found below. To summarize, Democrats will continue to hold the trifecta in Augusta with control of the Governor's office, the House, and the Senate. At the federal level, Democrat Congresswoman Chellie Pingree easily won an 8th term in the First Congressional District, and incumbent Democrat Jared Golden is expected to be reelected in the Second Congressional Districts (final results pending a ranked choice count).

Governor's Race - Mills Wins

- Mills with 55% of the vote
- LePage with 43% of the vote
- Hunkler with 2% of the vote

Congressional House Races - Pingree wins CD1, Golden Declares Victory in CD2

- **District 1 (Southern and Midcoast Maine)**
 - Chellie Pingree (D) with 63% of the vote
 - Ed Thelander (R) with 37% of the vote
- **District 2 (Western and Northern Maine)**
 - Jared Golden (D) with 48% of the vote
 - Bruce Poliquin (R) with 45% of the vote
 - Tiffany Bond (I) with 7% of the vote

Maine Legislature - Democrats Retain Control of House, Senate

- **Maine Senate**
 - Democrats Retain Control. Breakdown remains 22 D's to 13 R's.
 - Key race: Troy Jackson (D), the incumbent Senate President, beat out challenger Sue Bernard (R) 52% to 44% in one of the most hotly contested races in the state.

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LEGISLATIVE ADVOCACY

- **Maine House**

- Democrats retain control with 82 seats to the Republicans' 67 with 2 Independents.
- Key race: Democrats hold District 86 (Raymond, Casco) with Rep. Jess Fay elected to a final fourth term and defeating challenger Greg Foster by 81 votes, 50% to 49%.

In Portland, Enough is Enough Holds off Most DSA Initiatives, Stricter Rent Control Garner Voter Support

Overall, the Enough is Enough Campaign was very successful, defeating all but one of the direct initiatives from the Democratic Socialists of America (DSA). Unfortunately, the campaign was not successful in defeating Question C, which imposes further restrictions on landlords' ability to raise rent and recuperate costs related to leasing a unit. Despite this hard loss, the Enough is Enough campaign was successful in defeating the other DSA proposals, and the two Charter Commission proposals with the potential to do the most harm to the city – the strong mayor and school board budget autonomy questions.

The results of the thirteen ballot questions are available below.

✓ Question 1 – Wabanaki Land Acknowledgment
65% yes to 35% no

✗ Question 2 – Strong Mayor
65% no to 35% yes

✓ Question 3 – Clean Elections
65 % yes to 35% no

✓ Question 4 – Proportional Ranked Choice Voting
64% yes to 36% no

✗ Question 5 – School Board Budget Autonomy
58% no to 42% yes

✓ Question 6 – Peaks Island Council Formalized in Charter
66% yes to 34% no

✓ Question 7 – Civilian Police Review Board
61% yes to 39% no

✓ Question 8 – Establishment of Ethics Commission/Code of Ethics
70% yes to 30% no

LEGISLATIVE ADVOCACY

- Question A – Regulate short-term rentals and Ban Corporate/Absentee Operation
56% no to 44% yes
- Question B – Reduce Number of Short-term Rentals (DSA Initiative)
55% no to 45% yes
- Question C – Tenant Protections (DSA Initiative)
55% yes to 45% no
- Question D – Raise Minimum Wage and Eliminate the Sub-Minimum (DSA Initiative)
61% no to 39% yes
- Question E – Restrict Cruise Ships (DSA Initiative)
73% no to 27% yes

Housing and Short-term Rental Commission grapple with Scale of Housing Crisis

The Commission to Increase Housing Opportunities in Maine by Studying Land Use Regulation and Short-term Rentals (the Commission) is finalizing its recommendations for a report-back to the legislature due by December 7. The Commission was formed largely to examine potential statewide policies for short-term rentals (STRs) in response to concerns that provisions of LD 2003 could significantly increase the number of STRs across the state.

However, the severity of the housing shortage, concerns about high heating oil prices, and the looming end of the federal Emergency Rental Assistance program have created a perfect storm for the housing crisis. The sense of urgency from housing and community advocates compelled the Commission to dig deeper into the myriad issues related to the housing crisis. Unfortunately, many of the recommendations discussed by the Commission would drive up costs, reduce the number of units that could otherwise be built, and generally prioritize social and economic engineering policies over those that would actually create more housing at the scale which is needed. MEREDA will be carefully reviewing the final language of the report and will engage with any recommendations picked up by the legislature when the 131st begins its work in earnest in January 2023.

MEREDA Proactive Policy Agenda Updates

The MEREDA Public Policy Committee is currently working on submitting three bills for consideration by the 131st Legislature. The three proactive policies discussed below stem from member suggestions and conversations by the Public Policy and Local Issues Committees.

LEGISLATIVE ADVOCACY

- 1. Substantial Commencement/ Promote Fairness in Housing Creation.** MEREDA will be submitting legislation that would allow housing creators to count on existing ordinances at the point at which the project application is deemed final by the municipality. The purpose of this legislation is to reduce the risk associated with housing creation and real estate development in Maine at a time when demand exceeds supply, and NIMBYism is rampant in our communities. The Public Policy Committee will be finalizing its draft language for this bill by early December, and welcome MEREDA member input!
- 2. Clarifying State Law on Elevator Requirements.** MEREDA has met with and will, to the extent possible, coordinate with the Commissioner of the Department of Professional and Financial Regulation to clarify confusion regarding a statute that governs elevator access. The purpose of this legislation is to ensure uniform application of fire access rules for elevators across Maine.
- 3. Clarify State Law to Allow Transfer of Unfinished Commercial Condominiums.** MEREDA will seek to amend state law regarding the transfer of commercial condominium units to allow for such transfers in certain circumstances. The current law does not reflect modern land use practices and creates unnecessary barriers to real estate transactions. MEREDA will be finalizing the draft language of the coming weeks and welcomes member input!

We look forward to moving ahead with our proactive advocacy agenda now that the elections have concluded. We'll be putting together final drafts of our bill submissions and taking meetings with key stakeholders. Please reach out to either Shelly Clark at info@mereda.org or Elizabeth Frazier at efrazier@pierceatwood.com if you have any questions or suggestions as we move ahead with the work.

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. 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 Executive Director at info@mereda.org.

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