LEGISLATIVE ADVOCACY



Legislative Update – Spring 2025

March 17, 2025

Maine Real Estate & Development Association

Supporting Responsible Development

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

Housing and Economic Development Committee Begins Hearing Bills on Land Use, Building Regulation

During the week of March 10, the Housing and Economic Development Committee (HED Committee) heard public hearings on three bills that deal with land use and building code regulation.

<u>LD 128</u>, was sponsored by Senator Teresa Pierce but brough forth by the DEP. The bill proposes to move the threshold for SLODA subdivision review up from the current 3 units to 4 units, effectively allowing quadplexes without triggering SLODA subdivision. MEREDA testified in support of this bill and will continue to work to support it.

<u>LD 659</u>, sponsored by Representative Lydia Crafts, would prohibit a municipality from implementing a sprinkler requirement in single family and duplex buildings. MEREDA supported this legislation and will engage closely with the HED Committee during its upcoming work session.

LD 427, sponsored by Rep. Amy Roeder, would prohibit any municipality or the state from imposing parking requirements for any new development, land use or occupancy of land or a building. The HED Committee heard concerns from rural communities, and MEREDA will work with the committee at its upcoming work session to try to compromise on an amended version that would implement a low statewide standard for parking requirements. Additionally, the bill would apply to all projects, not just residential, but the committee seemed inclined to confine it to residential property. MEREDA will work to try to ensure the policy covers any building that contains a residential unit, to protect multi-use projects.

Maine Historic Rehabilitation Tax Credit Expansion Considered by Taxation Committee

MEREDA is working closely with Maine Preservation and our coalition partners to advance an omnibus expansion of the Maine Historic Rehabilitation Tax Credit (MHRTC). Our bill, LD 435, will have a work session on Wednesday, March 19, in conjunction with LD 179, which deals strictly with accelerated

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accrual for the major project portion of the program. MEREDA testified in support of both bills, and is hopeful the committee will advance them both, either in a combined format, or separately. We will work closely with the Appropriations and Financial Affairs Committee to encourage them to fund the expansion, if we are successful in getting a supportive committee vote.

Many, Most Housing Bills Still to be Printed

With respect to housing, most of the major bills have yet to be printed. There are some exceptions, including the bills listed above. Additionally, this week Speaker Fecteau's bill to modernize the Real Estate Transfer Tax to provide permanent funding streams for certain housing programs, was printed as LD 1082. Similarly, the Speaker's \$300 million bond proposal to provide housing and infrastructure for housing, was printed as LD 483. Representative Gere's LD 546 to require the state to prepare preapproved building types for use in municipalities, has also been printed. None of these bills have yet had a public hearing.

Additionally, we are awaiting the printing of bills including:

- MEREDA's own Workforce Infill Neighborhoods (WIN) Act legislation to provide density bonuses for workforce housing units;
- MEREDA's own subdivision threshold bill (statutorily mandated municipal subdivision);
- State zoning board of appeals (similar to current New Hampshire version of same);
- Growth Management Act rewrite;
- Building codes cost drivers study bill;
- Single stair egress bill;
- Limitations on local impact fees;
- Regulatory revisions to promote modular construction;
- and MORE!

Given the budgetary machinations currently underway in Augusta, and the slower-than-usual release of bills from the Revisor's office, it is possible some of these bills may be carried over for consideration in the Second Regular Session. Much remains to be seen with respect to timing and the schedule for the current legislature over the next few months.

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 policymaking to contact Shelly R. Clark, MEREDA's Executive Director at info@mereda.org.