

Testimony in Support of LD 214: "An Act to Amend the Laws Regarding Zoning and Land Use Restrictions to Limit Certain Requirements to Municipalities with a Population of More than 10,000"

Senator Pierce, Representative Gere, and the distinguished members of the Committee on Housing, my name is Nick Murray and I serve as director of policy for Maine Policy Institute. We are a free market think tank, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to testify on LD 214.

A sweeping housing policy bill passed last session, LD 2003, imposed certain mandates on localities related to accessory dwelling units, affordable housing development, and local zoning. Some of these mandates are dependent on whether a town has a comprehensive plan. The law established that enforcement of these mandates would begin on July 1, 2023.

LD 214 is necessary because it would delay the enforcement of those mandates until October 1. It is prudent because it would also distinguish that only towns "with a population over 10,000" would be subject to comply with LD 2003's requirements. Many voices in the last session, including ours, questioned the wisdom of applying the mandates in LD 2003 to all towns, no matter their population.

Municipalities will be on the hook for not only the overt requirements, but the potential unintended consequences of LD 2003. With greatly increased housing density, many towns would have to increase funding for water and sewer infrastructure, school systems, and everything in between. Article IX, Section 21 of the Maine State Constitution says that "the State may not require a local unit of government to expand or modify that unit's activities so as to necessitate additional expenditures from local revenues unless the State provides annually 90% of the funding for these expenditures," and notes that this provision "must be liberally construed."

Would a liberal construction of this passage allow the technical assistance funding currently provided in the bill to fulfill the state's constitutional responsibility to fund 90% of the cost of requiring localities to "expand or modify" their activities?

In reality, the LD 2003 mandates are not necessary for the vast majority of towns. The oft-cited housing crisis is located squarely in Southern Maine, as a report

¹ Maine State Constitution. https://www.maine.gov/legis/const/

from Up For Growth denoted last summer.² It told us that, among the estimated 9,000 housing units that the state is currently short of, according to demand, more than 8,000 of them are in the US Census's Portland-South Portland Metro Statistical Area, made up of York and Cumberland counties. The region has about 540,000 residents, or 40% of the state's population, living in nearly 227,000 households.

In other words, 90% of the housing problem is affecting 40% of the population.³ Therefore, mandating all towns follow the extensive mandates of LD 2003 is nonsensical and unlikely to solve the problem before causing widespread confusion and higher costs for small towns across the state. Broad mandates are rarely, if ever, the best policy solution. That is quite evident in state housing policy.

Passage of LD 214 would provide smaller towns with an out, and other localities with much-needed breathing room to figure out how to comply with the coming mandates. Please deem it "Ought To Pass" and provide space for local officials and residents to formulate a culture of growth of their own accord. Thank you for your time and consideration.

²

https://mainepolicy.org/the-housing-crunch-is-in-southern-maine-thats-why-statewide-policy-and-broad-mandates-a-bad-idea/