

May 8, 2023

To the Distinguished Members of the Housing Committee:

Testimony in OPPOSITION to LD <u>Opposition</u> to LD <u>1710</u>: "An Act to Establish the Maine Rental Assistance and Guarantee Program and Amend the Laws Regarding Tenants and the Municipal General Assistance Program"

The Central Maine Apartment Owners Association (CMAOA) is a landlord membership organization of over 650, as well as a cooperative team member of other landlord associations across the State of Maine including: Southern Maine, Lewiston Auburn, Greater Bangor Area, and Augusta Area. We provide educational events, sponsor community events, provide access to discounts on supplies and industry needs like fuels, flooring materials and paint. Our overall goal is to support Landlords in providing safe and affordable housing in collaboration with the valuable good renters in our area. CMAOA and the other organizations are neutral, nonpartisan, member led groups that have the common goal of keeping the rental housing industry safe, educated, and competitive.

Although this bill has many areas of concern of detrimental effects to the offering of private rental housing, the most concerning are the 4th and 14th Amendment attacks. Specifically, the act of forcing private property owners to participate in the voluntary Federally funded Section 8 program is a case that has been tried, appealed and found in favor that a private owner is not found to be discriminating primarily because of persons' status as recipient of public assistance if they did not wish to bind themselves to the terms of the tenancy addendum required to be signed, attached, and modifying the Lessor's rental contract. Further, it was found that private owners' who are unable or unwilling to participate in the voluntary program due to business necessity (i.e. not wanting to contract for a fixed term lease, etc.) do not waive their protections from due process. That is to say, disparate impact liability is not established by executing business necessity. The appeals case of Dussault vs Coach Lantern Holdings, LLC (found summarized here:

mailto:https://www.mainelawreview.org/volume-67-no-1-2015/dussault-v-rre-coach-lantern-holdings-llc/)

Sec. 3. 5 MRSA changes proposed in this bill would be the equivalent of mandating that landlords accept terms of tenancy that are otherwise required only if the landlord chooses to participate in a voluntary federal program. The program and ultimately, private housing contracts, would no longer be voluntary. This would mean that ALL private property would be subject to forced contracts or ownership, usurping private contracts and skirting eminent domain laws. CMAOA contends that if Maine believes they can be better landlords then they should make a fair market offer for a rental property and upon purchase they can institute, enforce, and assume all the liability for, their preferred contracts in rental housing.

We urge you to oppose LD 1710.

Board of Directors of Central Maine Apartment Owners Association, Waterville, Maine

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