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## Testimony in Support of LD 1538 ("An Act to Provide Tax Benefits to Persons Constructing Accessory Dwelling Units")

## J. Andrew Cashman on behalf of the Maine Association of REALTORS®

May 10, 2023

Senator Grohoski, Representative Perry and members of the Joint Select Committee on Taxation, my name is Andy Cashman. I am the Founder of Resolve Government Relations. We represent the Maine Association of REALTORS®, a professional trade association established in 1936 with over 6,500 members statewide. REALTORS® grow Maine's economy and build Maine communities. Our members represent buyers and sellers involved in both residential and commercial real estate transactions. Our membership also includes industry affiliates, such as lenders, closing agents, title agents, appraisers, building inspectors, surveyors, etc. The Maine Association is chartered by the National Association of REALTORS® (NAR), the largest trade association in the country.

The Maine Association of REALTORS® supports LD 1538. The bill would provide a tax incentive to a property owner building an Accessory Dwelling Units (ADUs) by reimbursing, for up to ten years, a percentage of the increase in property taxes due to the construction of an ADU. The bill is a complement to the landmark legislation sponsored by former Speaker Fecteau last session (Public Law Chapter 672, "An Act To Implement the Recommendations of the Commission To Increase Housing Opportunities in Maine by Studying Zoning and Land Use Restrictions"). This law focuses on removing regulatory barriers to increase housing production while ensuring that private property rights remain intact. Local planning and zoning policies that encourage all types of housing and economic development coupled with tax incentives is a comprehensive approach to addressing Maine's housing shortage. LD 1538 does just that: if we want to encourage the construction of ADUs as a solution to the housing shortage, then we should incentivize construction through property tax relief to those who are choosing to privately fund and add additional housing supply to Maine's needed housing inventory.

For these reasons, we support LD 1538 and respectfully urge you to vote Ought to Pass. Thank you for your time and consideration.



