



# AGC MAINE

THE CONSTRUCTION ASSOCIATION

## Testimony of Matt Marks on LD 2214

*An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State Government, General Fund, and Other Funds and to Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2024, and June 30, 2025*

Joint Committee on Appropriations and Financial Affairs  
Friday, February 23, 2024

Senator Rotundo, Representative Sachs, and distinguished members of the Joint Select Committee on Housing, my name is Matt Marks, I am a Principal at Cornerstone Government Affairs and here on behalf of AGC Maine in support of supplemental budget lines Part GG that allocates \$10,000,000 to Maine Housing for Affordable Homeownership, and Part HH that allocates \$16,000,000 to Maine Housing for the Emergency Housing Relief Fund Program.

The need for housing has reached a monumental crisis in Maine. As members of this Committee are aware, the joint report of the Maine State Housing Authority (MSHA), Governor's Office of Policy, Innovation and the Future, and the Maine Department of Economic and Community Development (DECD), published findings in October 2023 that, "Maine needs approximately 38,500 homes to remedy historic underproduction and will need an additional 37,900 to 45,800 homes to meet expected population growth and household change by 2030."

Challenges in Maine's housing market are hitting all cross sections of residents and impacting businesses that have proactively engaged in finding solutions for their workers. Our state will continue to struggle with this for decades, and any opportunity to invest in a proven program is important while the legislature works on additional reforms to increase both private and public investment.

The construction industry has grown substantially in the last decade and continues to build more capacity to meet demand. Housing projects provide a broad positive impact on our economy, both direct and indirect. Capital investment supports career growth in our market materials purchased from local vendors and salaries and benefits for skilled workers who commonly live in or near the communities where these investments will be made.

The indirect benefit of building affordable housing has gained attention in recent years as businesses struggle to attract and retain workers.

There has been increased pressure in communities where most jobs were available, and that has expanded from an urban issue to a statewide concern. With this funding, it will assist rural communities in Maine. The December 2023 state Rural Rental Program received requests from 16 projects in need of \$45 million all competing for \$17.5 million of state funding. Proposed projects are in Rockport, Newcastle, Rockland, Jay, Waterville, Rumford, Winslow, Bucksport, Sanford, Presque Isle, Orland, Biddeford, Springvale, Houlton, Hallowell and Brunswick. Due to the limited funding and strong capacity to build, only about 1/3 of the proposed 244 units will receive funding from this application round.

AGC Maine encourages the Committee to continue their strong record of housing investment by supporting this budget request. We are happy to answer any additional questions and appreciate the opportunity to provide our comments.