



Testimony in Opposition to LD 741:

“An Act to Increase Preparedness for Solar Power Adoption in Maine”

Senator Curry, Representative Gere, and the distinguished members of the Committee on Housing and Economic Development, my name is Harris Van Pate, and I serve as policy analyst for Maine Policy Institute. Maine Policy is 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 provide our perspective on this proposal and its potential negative impact on Maine’s economy, energy market, and taxpayers.

Maine Policy Institute strongly supports energy policies that promote affordability, reliability, and free-market competition. Unfortunately, LD 741 would impose unnecessary government mandates on commercial property owners by requiring them to construct solar-ready zones on their rooftops, as outlined in the 2021 International Energy Conservation Code (IECC) Appendix CB. This top-down approach disregards market forces and burdens businesses with costly compliance requirements that may not align with their needs or economic realities.

Primary Concerns with LD 741

- **Unfunded Mandates on Businesses.** Requiring commercial buildings to include solar-ready zones forces property owners to incur additional construction and design costs, even if they have no intention or need to install solar panels. This arbitrary imposition on private property owners disregards individual business needs and financial considerations. The National Association of Home Builders found that green energy construction mandates can discourage development, and Maine desperately needs to encourage more development for housing and businesses.¹
- **Increased Costs Passed onto Consumers.** The compliance costs associated with mandated solar-ready zones will ultimately be passed down to tenants, businesses, and consumers through higher rent and operating expenses. At a time when Maine businesses are already grappling with inflation and high energy costs, this policy further exacerbates economic strain.²
- **Impact on housing availability.** Under the 2021 IECC, any building not within the definition of “Residential Building” counts as a commercial building, which means that multi-family dwellings, especially those with more than three stories, will be impacted by this requirement. This will further exacerbate Maine’s

¹ <https://www.nahb.org/blog/2024/04/new-energy-codes-mandate-blow-to-housing-affordability>

² <https://www.accounting-for-transparency.de/how-corporate-taxes-impact-consumers/>



housing crisis by imposing yet another unnecessary requirement on housing developers.³

- **Market Distortion and Reduced Flexibility.** The bill assumes that solar power is the optimal energy solution for commercial properties, ignoring variations in energy needs, roof structural integrity, and geographical suitability. Businesses should be free to pursue the most efficient and cost-effective energy solutions without being forced to preemptively accommodate a technology they may never use.
- **Government Overreach and Regulatory Creep.** Codifying this rule into state law represents an unnecessary expansion of government control over private development decisions. Rather than letting businesses and property owners assess whether solar energy benefits their operations, this bill mandates compliance regardless of practicality or financial feasibility.
- **Potential for Future Expansion of Costly Mandates.** By setting a precedent for requiring solar-ready zones, this policy opens the door to future mandates, such as compulsory solar panel installation or additional green energy retrofits, further driving up costs for Maine businesses.

A Better Path Forward

Rather than imposing burdensome mandates on commercial property owners, Maine should:

- Encourage voluntary solar adoption: If solar is genuinely beneficial and popular among Mainers, they won't need government mandates or interventions to use it.
- Foster a competitive energy market: Reducing regulatory barriers and promoting innovation will naturally encourage diverse energy solutions without forcing compliance with a one-size-fits-all rule.
- Support cost-effective energy efficiency measures: Instead of mandating solar-ready zones, Maine should focus on policies that allow businesses to optimize energy use to best fit their operational needs.

For these reasons, Maine Policy Institute urges the committee to vote "Ought Not to Pass" on LD 741. The government should not dictate private development choices, especially when the financial burden falls on businesses and consumers with no guaranteed return on investment. Thank you for your time and consideration.

³ <https://codes.iccsafe.org/content/IECC2021P2/chapter-2-ce-definitions>