

I'm a resident of Fairfield. I'm deeply involved in rental housing in Central Maine, I love building science, building efficiency, construction, and I'm proud of the improvements we've made to our community's old housing stock. I don't like this bill as I'll explain in detail below.

This proposed energy efficiency legislation, while presented with good intentions, fails to account for the realities of Maine's existing housing stock and the practical, often extensive, efforts responsible landlords already undertake. It imposes a rigid, one-size-fits-all approach that is not only financially burdensome but can be technically infeasible or even damaging to older properties, ultimately hurting both property owners and the availability of rental housing.

Here are some of my thoughts on this bill:

1. **Responsible Landlords Already Prioritize Efficiency:** Many landlords, particularly those viewing their properties as long-term investments, are already actively improving energy efficiency during renovations. We *do* invest heavily when opportunities arise – for instance, during a recent siding replacement, we incorporated thick continuous exterior foam insulation and advanced peel and stick house wraps to air seal the building. We strive for high attic insulation levels (like R-60), air sealing, and invest significantly in modern systems like heat pumps and heat pump water heaters. We do this because it's the right thing to do for the longevity of the building, tenant comfort, and improving the overall housing stock for future generations. We don't need additional, inflexible mandates and red tape to encourage what good practice already dictates **when feasible**.
2. **Mandates Ignore Building Science in Older Homes-Basements:** The bill's push towards universal standards, likely mirroring those promoted on disclosures (like 2" of basement foam), demonstrates a dangerous lack of understanding of older construction. While basement insulation offers a high theoretical ROI by reducing heat loss (easily \$500+/year), applying it incorrectly to typical 1900s Maine foundations (fieldstone or brick, often without pressure-treated sills or proper capillary breaks) is disastrous. Interior spray foam, the common recommendation, prevents inward drying. This traps moisture wicking up from the ground within the foundation wall, leading directly to rot in the untreated wooden sills and framing – compromising the entire structure. This isn't a high ROI; it's a recipe for catastrophic failure.
3. **"Correct" Solutions are Prohibitively Expensive:** The *only* safe ways to insulate these old basements effectively without causing rot involve either jacking the entire house off the foundation to install a capillary break and proper sill protection, or massive exterior excavation to apply continuous insulation and waterproofing from the outside. Both options are extraordinarily expensive, often costing more than the rental income justifies or even approaching the value of the building itself, especially for modest multi-family properties. Quality deep energy retrofits can range from 75k to 200k on a single-family house – this work is prohibitively expensive unless coupled with other necessary repairs like siding replacement.
4. **Similar Issues Exist Elsewhere (Structural Brick):** This isn't just about basements. Applying interior insulation to older buildings with structural brick walls carries significant risks. It can

shift the freeze-thaw cycle within the brick itself, leading to spalling and long-term structural degradation. Again, a blanket mandate ignores these critical building science realities.

5. **One-Size-Fits-All Doesn't Work:** Modern energy standards are effective and generally cost-efficient for *new construction* where they can be designed in from the start. Applying these same rigid standards retrospectively to diverse, older housing stock via legislative mandate is impractical and harmful. This bill fails to differentiate, creating requirements that are simply not achievable safely or economically for a large portion of Maine's rental properties.
6. **Building Science Expertise:** Lawmakers should consult resources like Building Science Corporation to understand these complexities. A deep dive into their research highlights the risks and costs associated with retrofitting older structures improperly. Mandating standards without accounting for these specific building science challenges is irresponsible and potentially destructive to the housing stock.
7. **Driving Landlords Out & Reducing Housing Stock:** Faced with mandates requiring technically inappropriate or ruinously expensive upgrades, landlords will be forced into difficult choices. Many small operators, unable to bear the costs or risks, will be driven out of business. There will be a strong financial incentive for owners of small multi-family buildings (duplexes, triplexes) to simply convert them into single-family homes and sell them to owner-occupants. In other cases, properties will be sold to large corporations with deeper pockets. This cashing out strategy avoids the compliance nightmare but directly *reduces* the number of rental units available in the state, worsening the existing housing shortage.
8. **Existing Disclosure & PUC Overreach Concerns Remain: Existing Disclosure is Effective; New Penalties & PUC Overreach are Problematic:** Maine already has an energy efficiency disclosure requirement (under the existing Title 14, §6030-C that this bill seeks to amend). The disclosure form currently in use, developed by the Efficiency Maine Trust and the Maine State Housing Authority, **already does a good job of explaining the relevant energy efficiency details of a structure to potential tenants, providing valuable transparency.** The significant issue introduced by this new bill (Sec 1) is not the disclosure itself, but the harsh new penalties: allowing tenants to terminate leases and landlords potentially forfeiting security deposits simply if a building is not or cannot be insulated property. Separately, the concern remains that expanding the Public Utilities Commission's (PUC) authority (Sec 5, Sec 7) to create mandatory standards and rules for residential rental properties represents **inappropriate jurisdictional overreach** into housing matters, adding unnecessary complexity for landlords.
 - a) Who is going to be in charge of the exemptions in section 5? Are we going to have to go to court each time a tenant wants to end a lease early and they use this law as a reason to get out of a lease or get out of property damage they caused without paying for it?
9. **A Better Approach: Incentives, Not Punitive Mandates:** I acknowledge the need to improve building energy efficiency. But how can this be done thoughtfully, without creating a bureaucratic nightmare that shutter small businesses and reduces housing supply?

- a) **Successful Efficiency Maine Model:** The Efficiency Maine rebates for heat pumps and heat pump water heaters are a great example of a successful program that encourages adoption through positive incentives.
- b) **Proposed Solution:** Instead of mandates with severe penalties, why not **create a robust incentive model** specifically designed for the challenges of older buildings? Focus state and federal resources on programs that encourage and financially support voluntary air sealing, insulation upgrades, and well-planned Deep Energy Retrofits, leveraging programs like Efficiency Maine rather than imposing top-down requirements that ignore on-the-ground realities.

In conclusion, this bill imposes unrealistic and potentially damaging requirements on existing buildings, ignores the voluntary efforts already being made by responsible landlords, and fails to recognize the immense cost and technical challenges of retrofitting Maine's older housing stock. It risks damaging historic structures, driving small landlords out of business, reducing the overall rental housing supply through conversions, and ultimately increasing housing costs for tenants as the remaining landlords pass on unavoidable expenses.

Regards,

Justin Giroux