



Janet T. Mills
Governor

STATE OF MAINE
DEPARTMENT OF PROFESSIONAL
& FINANCIAL REGULATION



Joan F. Cohen
Commissioner

May 2, 2025

Senator Curry, Senate Chair
Representative Gere, House Chair
Joint Standing Committee on Housing and Economic Development
100 State House Station
Augusta, ME 04333-0100

Re: **LD 1723**, *An Act to Amend the Laws Governing Manufactured Housing Communities to Prevent Excessive Rent and Fees Increases*; **and**
LD 1765, *An Act to Ensure Affordability and Stability in Housing for Mobile Home Park Residents*

Dear Senator Curry, Representative Gere and Members of the HED Committee:

DPFR's Office of Occupational and Professional Regulation sympathizes with the concerns raised by LD 1723 and 1765 but opposes provisions in those bills that would: change the appointment process for and composition of the Manufactured Housing Board (MHB), expand the MHB's jurisdiction to oversee landlord-tenant disputes and rent control, and require the MHB to collect and analyze data on rents and fees.

The Manufactured Housing Board was designed to perform an important function – to keep the people of the State of Maine safe from hazardous defects in manufactured housing, and to ensure that the construction and installation of such housing was adequately regulated to establish minimum safety standards in order to reduce those defects. While the Board does regulate communities, those regulations center on public health and safety, such as rules on drinking water, wastewater and sewage, plumbing, fuel supplies, electrical connections, life and fire safety, and nuisances.

Placing responsibility for pricing or rent control on the MHB would substantially expand MHB's jurisdiction. We are also concerned about a precedent of having any licensing program involved in pricing of its licensees' products or services.

The Board does not regulate the cost of the manufactured homes themselves or financial matters relating to lot rents and fees; and, for good reason. The Board should not be put into the position of policing financial matters; and, indeed, it lacks the tools to do so. The landlord tenant provisions of LD 1723 more appropriately belong in Title 10, Chapter 953, governing landlord tenant issues, which is enforced by the consumer protection division of

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the Office of the Attorney General or through private action under the Maine Unfair Trade Practices Act.

Our specific concerns with the bills are as follows:

- **LD 1723 places landlord tenant jurisdiction related to rent within the Maine Manufactured Housing Board.** Landlord-tenant responsibilities are more appropriately located in Title 10, Chapter 953, Regulation of Mobile Home Parks; Landlord and Tenant, which is enforced by the consumer protection division of the Office of the Attorney General or through private action under the Maine Unfair Trade Practices Act.

LD 1765 appropriately keeps rent control enforcement within Title 10, Chapter 953.

- **LD 1723 changes the appointment process for and composition of the Manufactured Housing Board.**

The bill changes the appointment process for the board. Currently, all MHB board members are appointed by the Governor. The appointment process for boards and commissions has long been within the purview of a governor. We are concerned that the proposed appointment process politicizes the board, whose sole purpose is to protect the public health and welfare (10 M.R.S. § 8008).

The bill would also increase board membership to 13¹ from 9 members by adding: 2 additional public members who are tenants (residents), a member who represents tenants in landlord tenant disputes and a member with experience providing technical assistance to resident-owned manufactured housing communities.

Licensing boards represent neither the licensed profession nor the particular interests of an individual with a complaint, and they should be neutral in their efforts to enforce the laws and rules. Without the addition of equal interests representing community owners, the proposed membership expansion creates bias.

The bill also eliminates the provision in law permitting removal of a board member for cause by the Governor. It is concerning to eliminate the mechanism to remove a board member for cause, leaving open the potential of an unchecked Board member who could violate the law or fail to fulfill their responsibilities with impunity.

Finally, we note that finding members to serve on a licensing board is very difficult – especially public members. Licensing board members are volunteers; and other than mileage and a \$35 day stipend, they are not compensated for their time.

¹ The increased board size would not be allowed if a new board were to be created today. Pursuant to 5 M.R.S. § 12015(1), boards regulating professions and occupations established after July 25, 1984, are limited to 9 members, including at least 2 public members. Even though the MHB was established prior to 1984, the committee should consider whether the principle behind the statutory limit should nonetheless be applied to this board.

- **The MHB lacks the resources and expertise that would be required to implement LDs 1723 & 1765, as they require robust data collection on lots and fees and analyses of that data for purposes of exemptions to rent control limits.**

The rent and fee tracking proposed in these bills are significant. The Manufactured Housing Board lacks the resources to track the lot rents, fees and increases and fee increases of the 486 communities it licenses.

It would be extremely difficult, if not impossible, for the board to enforce the proposed rent limits and perform the data collection proposed in LD 1723.

- The bill as drafted provides that lots vacant on October 1, 2025 will have the base rent set “to an amount equal to the average rent of lots in a manufactured housing community with equivalent services and amenities.” Who determines “equivalent services and amenities?” Does the location of the community matter? Fort Kent might need more snow removal services and snow machine storage than Kittery for example.
- Similarly, the bill provides an owner may ask the Board for an exemption from the rent and fee limitations, including an exemption if there is “[a] need for significant infrastructure improvement that is not the result of neglecting to keep up with standard maintenance that would not be met without an increase that exceeds the limits established by this section.” If the Board denied the exemption, the licensee would have the right to ask for a hearing which likely would require the board to obtain expert witnesses, additional OAG services etc., exponentially increasing the burden and the cost of the hearing for the Board.
- We saw a proposed amendment to 1723 that made changes to the tracking and mathematical analysis that is equally problematic. Section 11 of the amendment:
 - Subsection (1) requires a complicated tracking and mathematical analysis of rent over a 4-year period.
 - Subsection (3) appears to require the board to hold a public hearing on any exemption request. Normally board decisions (other than APA rulemaking or a disciplinary hearing) are accomplished in a publicly noticed meeting. Currently, the public can attend any board meeting but cannot participate. A public hearing requirement would substantially add to this volunteer board’s work.

LD 1765 would require the MHB to issue a waiver (for certain manufactured housing communities) based on a complicated formula that involves an analysis of the Consumer Price Index, requiring expertise the board does not have. The board would need to bring in advisors and subject matter experts to help it perform this function, taking away from its primary functions designed to protect the public health and welfare.

Thank you very much for your time, and Pete Holmes, Executive Director of the Maine Housing Board, or I would be happy to answer any questions at the work session.

Sincerely,

A handwritten signature in black ink, appearing to read 'Joan Cohen', with a stylized, flowing script.

Joan Cohen
Commissioner
Department of Professional and Financial Regulation.