



STATE OF MAINE  
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RYAN D. FECTEAU  
SPEAKER OF THE HOUSE

MAY 8, 2025

TESTIMONY OF SPEAKER RYAN D. FECTEAU REGARDING LD 1755, AN ACT TO INCREASE THE  
MAINE HISTORIC PROPERTY TAX REHABILITATION TAX CREDIT IN RURAL AREAS

Good afternoon Senator Grohoski, Representative Cloutier, and esteemed members of the committee on Taxation. I am House Speaker Ryan Fecteau, and I have the privilege of representing my hometown of Biddeford.

I am pleased to submit this testimony in support of LD 1755, *An Act to Increase the Maine Historic Property Tax Rehabilitation Tax Credit in Rural Areas*.

**LD 1755 would provide a 10% boost to the State Historic Tax Credit (SHTC)—but only for projects that meet two important criteria:**

1. They are located in rural communities with fewer than 12,500 residents, and
2. At least 33% of the project must be dedicated to housing.

This modest but powerful change would directly address one of the biggest barriers facing rural development: a persistent 10% financing gap that prevents many housing-focused historic rehabilitation projects from moving forward.

This bill isn't about creating a new government program. It's about optimizing an existing, successful one. The Maine Historic Tax Credit has a proven track record of sparking private investment, preserving our heritage, and revitalizing our communities. A targeted rural housing boost simply builds on what already works. This means no new red tape, no new bureaucracy, just better alignment with Maine's housing and economic development needs.

**Let me highlight a few key reasons this policy change is both smart and urgent:**

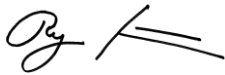
- **High Visibility, High Impact:** Rural main streets are the heart of our communities. Revitalizing even one historic building has an outsized impact—drawing new residents, supporting local businesses, and boosting community pride. For example, the historic Spinning Mill redevelopment in Skowhegan, visible to 20,000 drivers a day, turned a 20-year blight into 61 new homes and commercial vitality.
- **Low Cost, Big Return:** This credit incentivizes private capital covering a large portion of redevelopment projects that include a substantial housing component. By comparison, traditional housing programs often exceed \$185,000 in state subsidy per unit. That's nearly 3x the cost of some private projects that have been bolstered by this tax credit.

- **Private Investment First:** This is a public-private model that works. This bill would require private investment up front before any application of the tax credit takes place.
- **Employer Partnerships:** Rural employers, from hospitals to manufacturers to our education systems are struggling to hire due to housing shortages. This credit incentivizes more housing and will help strengthen our workforce in the places that need it most.

The need is urgent, the projects are ready, and the path forward is clear. LD 1755 is a smart, fiscally responsible investment in Maine's rural future. By passing this bill, the Legislature can unlock dozens of housing projects that not only address our housing crisis, but also strengthen the cultural and economic fabric of our rural towns.

I urge you to vote **Ought to Pass** on LD 1755. Thank you for your time and for your commitment to Maine's rural prosperity.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ryan D. Fecteau', with a stylized flourish at the end.

Ryan D. Fecteau  
Speaker of the House