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**Testimony in Opposition of LD 1101 (“An Act to Support Lower Home Energy Costs by Establishing a Home Energy Scoring System”)**

**J. Andrew Cashman on behalf of the Maine Association of REALTORS®**

**March 30, 2023**

Senator Lawrence, Representative Zeigler and members of the Joint Standing Committee on Energy, Utilities, and Technology, my name is Andy Cashman. I am the Founder of Resolve Government Relations. We represent the Maine Association of REALTORS®, a professional trade association established in 1936 with over 6,500 members statewide. REALTORS® grow Maine’s economy and build Maine communities. Our members represent buyers and sellers involved in both residential and commercial real estate transactions. Our membership also includes industry affiliates, such as lenders, closing agents, title agents, appraisers, building inspectors, surveyors, etc. The Maine Association is chartered by the National Association of REALTORS® (NAR), the largest trade association in the country.

The Maine Association of REALTORS® opposes LD 1101 in its current form. The bill would create a home energy scoring system for residential buildings.

We support and encourage the development and voluntary use of alternative energy sources to reduce dependence on non-renewable forms of energy and understand its importance to sustainability and energy conservation. We support voluntary energy audits, financial incentives, and tax policies to assist in decisions to purchase property, upgrade efficiency, or encourage conservation. That being said, we oppose mandatory energy audits, mandatory energy ratings, or mandatory efforts to assign scoring metrics to homes or commercial properties.

This bill would allow a county or municipality to require a home energy score before a property can be advertised for sale. We strongly oppose this requirement because it creates an unnecessary obstacle that could delay the transfer of property. Additional point of sale mandates can create unknown and substantial delays before someone can list their property for sale. In real estate, timely delays often result in increased seller expense or could jeopardize the entire transaction. Sellers have many reasons that they may want (or need) to move a transaction along quickly and their ability to do so should not be impeded by this bill.

Maine has some of the oldest housing stock in the country. We are concerned that mandatory energy audits, energy ratings, or scoring metrics will stigmatize our state’s older



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homes and potentially lead to an unnecessary decrease in home values. Sellers with lower rated homes may not have the financial resources to make improvements and those homes may not sell.

People are aware of the importance of energy efficiency. As their financial means and budgets allow, they are improving their home's efficiency for example through heating and hot water systems, appliances, and even light bulbs. Potential buyers will perform the voluntary due diligence that is most important to them, which may or may not include an energy audit. Property owners may perform a voluntary energy audit to market their property when it's their time to sell. Maine property owners and potential buyers do not need mandates and additional regulation from government for these changes to occur. Market demand will make it happen.

For these reasons, we respectfully urge you to vote Ought Not to Pass on LD 1101 in its current form. Thank you for your time and consideration.