

THE MAINE SENATE 131st Legislature

3 State House Station Augusta, Maine 04333

Testimony of Senator Stacy Brenner introducing LD 1538, "An Act to Provide Tax Benefits to Persons Constructing Accessory Dwelling Units" Before the Joint Standing Committee on Taxation May 10, 2023

Senator Grohoski, Representative Perry, and Distinguished Colleagues on the Joint Standing Committee on Taxation, my name is Stacy Brenner I represent Senate District 30, which includes all of Gorham and most of Scarborough I am here to introduce LD 1538, "An Act to Provide Tax Benefits to Persons Constructing Accessory Dwelling Units"

This legislation would allow for a reimbursement by the State for a percentage of the property taxes paid as a result of the construction of an accessory dwelling unit, which I will refer to as an ADU ADUs would be defined as, 1) an attached or detached dwelling unit on the same lot or parcel as an existing or proposed single-family or multi-family residence that allows for, 2) independent living for one or more persons and, 3) contains kitchen and bathroom facilities and sleeping accommodations

The aim of this legislation is to help address the lack of affordable housing in Maine This bill would incentivize builders to construct lower cost, affordable housing We have the ability to help create more supply in the current market by encouraging Maine residents to build ADUs that could house families in need Nationwide, median rent <u>increased by 22 percent</u> between the years of 2016 and 2021 In that same time, median household incomes have grown by only 15 percent Maine Housing estimates that in 2022, the state <u>approximately 20,000 to 25,000 units</u> short of what it would take to solve the affordable housing crisis Incentivizing the construction of ADUs would allow more residents access to housing

This bill would also help the average Maine family participate more readily in being a part of the solution to the housing crisis through a distributed approach in the investment and construction of new units By expanding accessibility for residents all over the state to build ADUs, we can work together to address this mounting issue affecting so many members of our communities

There are two suggestions for potential amendments that I believe are worth considering One came from Maine Equal Justice who proposed including the child, sibling, or parent of the homeowner under the section on requirements And, the other proposed amendment is to include language about income eligibility of the tenant to qualify for the relief

Thank you for your time and consideration

Stacy Brenner Senator, District 30