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Maine's Rural Development Council

**Testimony of Nancy Smith, CEO of GrowSmart Maine  
in support of LD 161, Resolve, Convene Stakeholder Group Tasked with  
Comprehensive Overhaul and Modernization of State Subdivision Statutes**

February 27, 2025

Senator Curry, Representative Gere, and Honorable Members of the Joint  
Standing Committee on Housing and Economic Development,

My name is Nancy Smith, I live in Ellsworth, and I am the CEO of GrowSmart Maine. We are a statewide non-partisan non-profit organization helping communities navigate change in alignment with smart growth. We advocate for comprehensive policies and funding for smart growth practices and outcomes.

We co-host with Build Maine a transparent crowd-sourcing of policy proposals that has drawn together over a hundred people from across Maine and beyond. This testimony represents the position of GrowSmart and Build Maine.

Policy Action 2025 follows Policy Action 2023 from the 131st Legislature. Each session we strive to meet this goal, ***“to address barriers to and create incentives for equitable, sustainable growth and development that strengthens downtowns and villages of all sizes while pulling development pressure away from productive and open natural areas.”***

Many of these bills are coming to your committee, and I am pleased to support this bill, as well as share context with an overview of Policy Action 2025. Some, like this proposal, offer pragmatic, incremental steps while others are provocative and will call for us to examine assumptions that have led to the unsustainable growth patterns of the past sixty years. All of them will improve economic, social, and climate outcomes across the state.

To the specifics of this bill, which is a refresh, presented to you in the nearly same language as LD 1787 last session. That bill passed and was funded, but died on the Governor’s desk on Veto Day. It is an important concept and we are bringing it back, with thanks to the sponsor.

Subdivision law is a tool for towns to navigate change as they determine whether a proposed development meets the land use requirements established by the state and the municipality.

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The law was written in 1971 and while small changes have been made, it is in need of a thorough overhaul. This is an opportunity to bring subdivision rules into this century, improving processes and refining priorities. It is urgent that these rules be updated to better direct development where it makes sense in the long term. This is imperative to meet our climate goals and ensure the long-term fiscal health of the state and municipalities, while also continuing to increase and streamline housing production and protect productive and natural areas. We can do it all if we are thoughtful about where and how developments are sited.

We have very few tools in Maine to protect against the low density development and loss of rural lands in Maine. Removing barriers to development in growth areas is one part of the equation. But we also need tools to disincentivize development on rural and working lands. Ideally this stakeholder group can make progress on addressing this issue too. Specific changes might include a clearer path for removing subdivision review for creation of new units within existing buildings, as the existing process is not working as intended.

LD 161 language needs to be updated to direct the Maine Office of Community Affairs to host this stakeholder group, rather than DACF. We'd also recommend broadening the stakeholder group to include conservation groups and community-based planning organizations. In addition, I believe it is worthwhile to have the report come to this committee as well as Environment and Natural Resources.

Tim St. Peter, Code Enforcement Officer for the City of Presque Isle, noted "As a code officer, I find the subdivision process complicated and difficult to understand. In turn, when developers or typical landowners look to subdivide they turn to us for guidance. How are we to explain and assist them when we too find it overly complicated? **While I see it as complicated, I am happy that we have it because it gives the municipality some control of our growth, in turn protecting the taxpayers. I think the stakeholder group is a great place to start.** I would love to be on the stakeholder group. As a code officer currently working in the economic world from rural Maine, I have an interesting perspective to offer."

The attached fact sheet outlines all the positive impacts of this work, and we welcome discussion of how to improve the review process. GrowSmart and Maine are willing to assist the committee in any way that is helpful.

*Nancy E. Smith*

# Build Maine + GrowSmart Maine

# POLICY ACTION 2025

Policy Action Working Group #3  
SUBDIVISION RULES

CONTACT:  
Francesca "Ches" Gundrum, Maine Audubon  
fgundrum@maineaudubon.org

## LD 161

### Resolve, Directing the Department of Agriculture, Conservation and Forestry to Convene a Stakeholder Group Tasked with a Comprehensive Overhaul and Modernization of the State Subdivision Laws

Sponsor: Rep. Jack Ducharme

#### OVERVIEW: What does the bill do?

LD 161 will charge the Department of Agriculture, Conservation and Forestry (DACF) with convening a stakeholder group to review and make recommendations to comprehensively overhaul and modernize subdivision laws. LD 1787 – a previous version of this bill – was enacted and funded by the 131st Legislature, but failed to progress through its final phase. LD 161 renews this effort to update Maine's subdivision laws. As written, the bill tasks the stakeholder group with submitting a report that includes:

- Recommendations for a comprehensive overhaul and modernization of the subdivision laws that promotes development in growth areas;
- Reduces development pressure in rural areas;
- Protects public health, safety and welfare;
- Advances state goals to produce affordable housing;
- Streamlines the development review process.

At a minimum, the stakeholder group must include representation from the Department of Environmental Protection (DEP), Department of Inland Fisheries and Wildlife (DIFW), and DACF; county registry of deeds; municipal government; regional planning agencies; real estate development industries; large landowners; and members appointed by legislative leadership.

DACF is required to submit the group's report to the legislature by December 3, 2025. Based on DACF's findings and recommendations, legislative committees are then authorized to report out bills in the 132nd Legislature's second session.

#### PROS:

- Requests support in updating decades old statutes that are sorely in need of reform and improvement.
- Provides an opportunity to reduce confusion on definitions, exemptions, and other aspects of the laws.
- Removes frustration and cost associated with antiquated procedures.
- Supports directing development to designated growth areas by moving away from a one-size fits all approach that ultimately steers development to rural land at the fringes of villages and downtowns.

#### POTENTIAL CHALLENGES:

Subdivision statutes are out of date and are in need of updating. However, there are three opportunities to enhance this bill: 1) ensure the group considers the "conservation of water quality, natural resources, and recreational access" in their report; 2) expand the group to include representation from conservation and community-based planning organizations; and 3) direct the newly-established Maine Office of Community Affairs (MOCA), which is tasked with assisting municipalities in long-term planning, to convene the group.

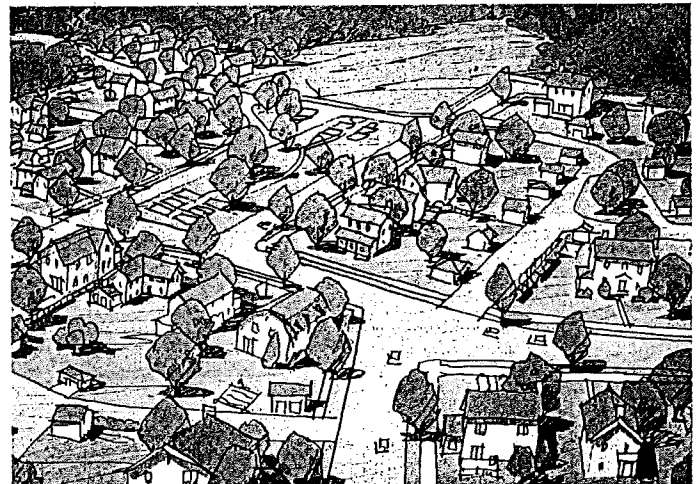
#### IMPACTS: Why does it matter?

**Transportation Safety and Choice:** Current subdivision law incentivizes development on rural land that is far afield, resulting in vehicle trips and pressure on the road system.

**Climate Action:** Updating subdivision law to remove barriers to development in growth areas will reduce vehicle miles traveled by allowing people to live near where they work.

**Fiscal health:** Current subdivision law pushes development out to areas where new infrastructure is needed, driving up maintenance and replacement costs for municipalities.

**Quality of Life:** A well crafted subdivision law balances increased housing in downtowns and villages, and helps preserve open spaces that are important to Maine people and wildlife.



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# POLICY ACTION 2025



**PROBLEM STATEMENT** Maine's current uncoordinated approach to building places is causing real, unintended, and significant social, environmental, financial, economic, and cultural challenges and requires the creation of a cohesive approach to land development, redevelopment, and placemaking.

**THE GOAL** of Policy Action 2025 is to address barriers to and create incentives for equitable, sustainable growth and development that strengthens downtowns and villages of all sizes while pulling development pressure away from productive and open natural areas. We do so acknowledging that Maine has urban, rural, and suburban settings for which any solution may/may not be a fit and a variety of people who deserve to be welcomed to their communities.

**FOR TALKING POINTS AND MORE:** [Public Folder for PA25](#)

## Policy Action 2025 Priority Bills Supporting the Above Problem and Goal Statements

Working Group	BILL TITLE + Fact Sheet	SPONSOR	Bill # + Text	Committee and Status
1. Improved Transportation Funding	Resolve, to Implement Recommendations of the Public Transit Advisory Council	<a href="#">Rep Crafts</a> and <a href="#">Sen Farrin</a>	LR 2261	
1. Improved Transportation Funding	Resolve, to Establish a Working Group to Create a Plan to Reorganize the Maine Turnpike Authority Under the Department of Transportation	<a href="#">Sen Stacey Brenner</a>	LR 1890	
1. Improved Transportation Funding	An Act to Strengthen the the Sensible Transportation Policy Act	<a href="#">Sen Stacey Brenner</a>	LR 1915	
1. Improved Transportation Funding	An Act to Eliminate Wasteful Bonding and Spending by the Maine Turnpike Authority	<a href="#">Sen Stacey Brenner</a>	LR 1879	
1. Improved Transportation Funding	An Act to Improve the Economy, Safety and Stewardship of Taxpayer Dollars by Prioritizing the Selection of Transportation Projects	<a href="#">Rep Adam Lee</a>	LR 1653	
2. Modernize the Growth Management Law	An Act to Revise the Growth Management Program Laws	<a href="#">Rep Melanie Sachs</a>	LR 289	
3. State Regulations for Development in the Right Places	<del>Resolve, Convene Stakeholder Group Tasked with Comprehensive Overhaul and Modernization of State Subdivision Statutes</del>	<a href="#">Rep Jack Ducharme</a>	<a href="#">LD 161</a>	Housing: <b>PUBLIC HEARING 2.27</b>
3. State Regulations for Development in the Right Places	An Act to Support Permitting of Certain Multifamily Housing Developments Under the Site Location of Development Laws	<a href="#">Sen Teresa Pierce</a>	<a href="#">LD 128</a>	
4. Strengthen Historic Rehab Tax Credit	An Act to Expand the Historic Property Rehabilitation Tax Credit	<a href="#">Rep Tavis Hasenfus</a>	<a href="#">LD 435</a>	Taxation: <b>PUBLIC HEARING 3.5</b>
5. Tax Policy to Reduce Sprawl	An Act to Incentivize Improvements to Land by Providing for an Alternative Municipal Property Tax Assessment Rate	<a href="#">Rep Marc Malon</a>	LR 2265	
6. Improve Municipal Capacity	An Act to Restrict Municipal Ordinance Requirements Regarding Housing Developments	<a href="#">Rep Traci Gere</a>	LR 1935	
6. Improve Municipal Capacity	Resolve, to Require the Preparation of Preapproved Building Types	<a href="#">Rep Traci Gere</a>	<a href="#">LD 546</a>	Housing: <b>PUBLIC HEARING 3.4</b>
6. Improve Municipal Capacity	An Act to Create the Statewide Housing Appeals Board	<a href="#">Rep Traci Gere</a>	LR 2140	
6. Improve Municipal Capacity	An Act To Reduce Housing Costs By Not Requiring Fire Sprinkler Systems For Single-Family Homes And Duplexes	<a href="#">Rep Crafts</a>	<a href="#">LD 659</a>	Housing: <b>PUBLIC HEARING 3.6</b>
6. Improve Municipal Capacity	An Act To Prohibit Mandatory Parking Space Minimums In State And Municipal Building Codes	<a href="#">Rep Roeder</a>	<a href="#">LD 427</a>	Housing: <b>PUBLIC HEARING 3.6</b>
7. Government Coordination	LD 1673 from last session, Thriving Corridors (no new bill)	<a href="#">Rep Traci Gere</a>	<a href="#">Pending</a>	
7. Government Coordination	An Act to Require and Encourage Safe and Interconnected Transportation Construction Projects	<a href="#">Rep Adam Lee</a>	<a href="#">LD 287</a>	