



Cameron Reny
Senator, District 13

THE MAINE SENATE
132nd Legislature

3 State House Station
Augusta, Maine 04333

Testimony of Sen. Cameron Reny introducing
**LD 554, “An Act to Encourage Resident-owned Communities and Cooperatives
and Preserve Affordable Housing Through Tax Credits,”**
before the Joint Standing Committee on Taxation
March 5, 2025 at 1:00 p.m.

Senator Grohoski, Representative Cloutier, and honorable members of the Joint Standing Committee on Taxation, I am Senator Cameron Reny, and I represent District 13, which includes most of Lincoln County and the towns of Washington and Windsor. Today, I am presenting LD 554, “An Act to Encourage Resident-owned Communities and Cooperatives and Preserve Affordable Housing Through Tax Credits.”

Mobile homes and manufactured housing parks are some of the last truly affordable housing options in our state. Many of Maine’s elderly, low income families, and veterans live in these parks. The way parks traditionally work is a land owner rents out the property lots to tenants, the tenant pays property taxes, and the residents own their actual mobile home. This is why the cost of rent on mobile home parks is typically lower than a traditional living situation, because you are simply paying for the land. However, there are some mobile home and manufactured housing parks that provide quality of life incentives to tenants, such as trash pickup, lawn maintenance, well-water maintenance, etc. These fees are typically laid out in a rental agreement to ensure tenant and land-owner are in agreeance.

What’s happening across our state to residents of these parks is changing this dynamic. Out-of-state companies are buying mobile home parks and increasing the rent to almost double. I’ve seen responses from these companies saying, “If tenants were genuinely concerned with the price of the lot, they would move.” This shows a complete disregard to what Mainers are going through, and a disconnect of the cost to not only move, but how much the cost of rent has gone up across all mobile home parks due to out of state buy-outs. If tenants try to move, it can be expected to cost anywhere from \$1,500 to \$10,000 depending on the home.

An article in the Bangor Daily News highlights a group of residents from a mobile home park in Wiscasset working together to create an informal tenants’ group with a goal to fight rent increases for poor living conditions within neighboring parks. This group began meeting after rent had been hiked 32% in some cases. On top of that, residents began to notice unnecessary fines and fees on top of necessary repairs being delayed. Residents have even been photographed clearing out their own culverts to avoid flooding, and in one park, residents rely on a 19-year-old living with his grandmother who does repairs with his own funds to be able to safely drive down the roads within the park. One park in my district did not have reliable potable water for 7 months. That means no reliable means to cook, bathe, or wash.

This bill, if passed, will create a tax deduction to incentivize the sale or transfer of housing developments, housing parks, or apartment complexes to resident-owned communities or cooperative affordable housing corporations. This bill allows for an income tax exemption of up to \$750,000 on capital gains. This gives residents a leg up when they try to buy their homes – which is increasingly difficult these days. This has the potential to also help our state as we continue to combat our housing crisis, as it will help to preserve and increase the number of units of affordable housing in manufactured housing parks and apartment buildings throughout Maine.

Additionally, the bill outlines specific performance measures that provide a clear path for oversight of this program and a thorough assessment of the bill's effectiveness in promoting resident- and cooperative-owned housing.

I would love for this bill to be unnecessary. We made good progress in protecting this valuable form of affordable housing last session, including requiring owners to notify the residents before they sell a park and giving the residents a chance to organize financing. However, this continues to be an issue. Just this year, two parks in Old Orchard Beach, about 370 units, were sold to a large company from California with holdings nationwide — instead of the residents who were able to match the large company's offer. Maine has more than 700 manufactured and mobile home parks, and I worry what we will do if this trend of transfer to out-of-state interests continues.

The very first housing park co-op in Maine, Medomak Mobile Home Cooperative, is in my district. Here is a direct quote from a resident: "The corporate people didn't care if people were fighting... All they cared about was collecting rent. Here, we care about everybody. Everybody owns this now. People take care of what they own. . . That's what this is all about." Testimony like this shows why this bill is necessary.

Bills similar to this one have come close to passing before. In the 129th Legislature, there was a similar proposal, LD 1520, which aimed to accomplish the same objectives as LD 554, in addition to a cooperative business incentive. That bill received unanimous, bipartisan support from this committee, bipartisan support in the Senate and the House, but died due to the COVID-19 pandemic causing an early adjournment. In the 131st Legislature, LD 1276 had the same goal and also received unanimous support in committee. It also died upon conclusion of the Legislature.

Thank you for your time and consideration. I am happy to answer any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Cameron Reny". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Cameron Reny

State Senator, District 13

Representing Lincoln County and the towns of Washington and Windsor