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Sent: Wednesday, April 23, 2025 6:04 AM
To: Cmte HED
Subject: LD 1534: Opposed - An Act Enabling Municipalities to Protect Tenants and Stabilize Rents

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This message originates from outside the Maine Legislature.

I am strongly opposed to LD 1534. When you punish building owners and set price controls, you restrict natural development and growth of the housing market and the mobility of the workforce that you are hoping to benefit. At the same time, a huge clerical night mare will be created costing every town, city and the State to manage.

1. Rent control prevents the option of providing "charity" rents. In Portland I must now raise the rent to the maximum allowable every year. In the past I was able to keep rents very low for certain residents, and charged market rates for others. This is not possible now.
2. Keeping rents arbitrarily low leads to lower building maintenance. Studies have shown this every time it is implemented. This leads to less work for service providers, fewer sales of supplies, and a slow decline in the condition of the rental supply.
3. Rent control leads to less mobility in the rental community. When residents feel that they are getting a government mandated "discount", they are reluctant to move. The result is less housing exchange and thus less work force mobility. Studies show this every time it is implemented.
4. Rent control leads to less property tax for municipalities as assessed values for rental properties declines over time due to the decline in condition and market forces. In other words, no one wants to purchase rental property in rent controlled areas. This soon causes increased taxes on all other housing to make up for the loss.
5. Rent control leads to less construction of new rental housing for the same reason.

The way to increase housing availability is to reduce restrictions on new construction, and implement sensible zoning. LD 1534 will have the exact opposite effect as all bills of this type have in the past.

On a philosophical note, why not implement price controls at the grocery store, oh yeah, and the legal profession, oh yeah, and automobile dealers, oh yeah and builders, etc. etc. etc.

I have not even mentioned the terrible clerical burden this bill would create for the State, property owners and municipalities. We had better increase the State income tax to pay for that.

All in all, this is an incredibly unwise bill. It will be one more brick in the wall of "business unfriendliness" that is holding our State back. You can pretend that it will benefit the housing supply shortage, but that indicates no knowledge of where this has happened before. The one group that will actually benefit is the legal profession as this will create a tsunami of new work for it.

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