



AGC MAINE

THE CONSTRUCTION ASSOCIATION

Testimony of Matt Marks on Behalf of AGC Maine

Joint Hearing of the Appropriations Committee and the Housing and Economic Development Committee

In Support of Targeted Investments in the Maine Office of Community Affairs and Code Inspection Pilot Program

Senator Rotundo, Senator Curry, Representative Gattine, Representative Gere, and distinguished members of the Appropriations Committee and the Housing and Economic Development Committee.

My name is Matt Marks, and I am a Principal at Cornerstone Government Affairs, testifying today on behalf of the Associated General Contractors of Maine (AGC Maine). AGC Maine represents more than 300 construction firms employing approximately 30,000 workers across the state. Our members build the homes, schools, hospitals, and commercial facilities that Maine families and businesses depend on every day.

We are here to support part of the state budget that allocates extra positions within the Maine Office of Community Affairs (MOCA) to provide technical assistance and education on statewide building codes, as well as funding for a third-party pilot program for code inspections. These practical, targeted investments will enhance code compliance, reduce project delays, and promote safe, high-quality construction throughout Maine.

As Maine continues to implement statewide building codes, the need for consistent interpretation and accessible technical guidance has become apparent. Many municipalities, especially rural communities with part-time officials or those covering multiple towns that are often many miles apart, lack the staffing and specialized expertise to fully administer complex and evolving code requirements. Expanding MOCA's capacity to offer technical assistance and education will help local code officials and builders interpret and apply codes consistently, reduce costly delays caused by conflicting interpretations, and ensure smaller communities are not left behind. This investment is not about expanding bureaucracy; it is about making sure the system works as intended for municipalities, contractors, and homeowners alike.

AGC Maine also advocates for funding a third-party code inspection pilot program. Throughout Maine, communities face shortages of qualified inspectors, causing delays in issuing certificates of occupancy, higher project costs, and completed housing units remaining vacant. A well-designed pilot program can add surge capacity when local inspectors are unavailable, uphold strict

standards through state oversight and credentialing, and produce valuable data to guide long-term policy decisions. This is a practical step to address workforce shortages while maintaining municipal authority.

AGC Maine has long been a strong supporter of statewide building codes. Uniform standards improve safety, predictability, and fairness across jurisdictions. Contractors benefit from clear expectations, and homeowners benefit from safer, more durable structures. However, as codes evolve, particularly in the energy code, we believe it is appropriate to assess whether the balance between benefits and costs remains reasonable.

We support energy efficiency and agree that no homeowner or the state should face costly repairs or upgrades due to preventable energy loss. Durable, efficient construction is a shared goal. That said, recent code updates aligned with the 2021 International Energy Conservation Code (IECC), and potential future adoption of the 2024 IECC, raise concerns about cost escalation relative to measurable benefits. Requirements such as tighter air leakage standards verified through blower door testing, higher insulation levels including continuous exterior insulation, more stringent duct leakage testing, enhanced window performance, and expanded mechanical ventilation standards each improve efficiency. Collectively, however, they can add thousands to tens of thousands of dollars to the cost of constructing a new home in cold climates like Maine's. Looking ahead, the 2024 IECC's anticipated provisions related to electrification readiness, enhanced envelope performance, and solar-ready construction may further increase upfront costs.

Maine is already experiencing a housing affordability crisis. Even small cost increases can push first-time homebuyers out of the market, raise rents as developers pass on expenses, reduce the number of units built, and worsen workforce housing shortages. Eventually, small efficiency improvements may yield diminishing returns relative to the financial strain on homeowners. AGC Maine believes Maine may be nearing or surpassing that point and urges ongoing evaluation to ensure that well-meaning requirements do not unintentionally make affordability issues worse. Increasing staff at MOCA will enhance the two-way communication needed to carefully review code adoptions and make sure we are not adding costs without clear benefits.

In addition, we understand that responsibility for manufactured housing is being transferred to MOCA. AGC Maine does not have a direct policy position on this change. However, based on our recent experience with statewide building code implementation under the leadership of the MOCA Director, we are confident she will navigate this transition thoughtfully and work with stakeholders to identify improvements. Manufactured housing plays a critical role in Maine's housing ecosystem, and a collaborative, well-organized approach will be essential to ensuring quality, safety, and affordability.

We would also like to recognize the leadership of the Director of the Maine Office of Community Affairs. Throughout the statewide code adoption process, she has demonstrated a genuine willingness to work with contractors, code officials, municipalities, and industry experts. Her organizational skills have been evident in coordinating a complex, statewide effort, and her commitment to ensuring technical experts are heard has led to meaningful adjustments when concerns were identified. This collaborative approach has built trust among stakeholders and improved the quality of implementation. The additional resources proposed in this budget will allow MOCA to continue this comprehensive, inclusive work.

In conclusion, AGC Maine endorses targeted budget investments to enhance MOCA's capacity to provide technical assistance and education, as well as to fund a third-party code inspection pilot program. These efforts will improve consistency, decrease delays, and promote safe, efficient construction throughout Maine. At the same time, we encourage policymakers to keep evaluating the cost-benefit balance of energy code provisions to ensure Maine's building codes remain safe, practical, and economically sustainable. We firmly believe that the 2015 code delivered those benefits, and it is crucial that we equip staff with the tools to assess future code adoptions. Additionally, policymakers should aim to conduct cost-benefit analyses as we move forward with code changes.

Thank you for your time, your consideration, and your service to the people of Maine. AGC Maine stands ready to work collaboratively to support effective implementation and thoughtful improvements.