



Joint Standing Committee on Housing and Economic Development

Testimony of Laura Mitchell, Executive Director, Maine Affordable Housing Coalition

IN FAVOR – LD 2224 – An Act to Reduce Certain Costs of Residential Construction

3.5.26

Senator Curry, Representative Gere, and Members of the Committee,

My name is Laura Mitchell, and I serve as Executive Director of the Maine Affordable Housing Coalition. MAHC represents 140 business members and more than 3,000 individual members, and we advocate for the construction and preservation of affordable homes for all Maine people.

MAHC and our member experts - from architects to builders to engineers - participated in the LD 1375 Work Group last fall to identify ways to responsibly deregulate residential construction so homes can be built more affordably. I am testifying today in support of LD 2224, the Committee bill that emerged from that work.

LD 2224 represents an important acknowledgment of something we see every day: **Housing in Maine is expensive because we have layered cost upon cost upon cost into the system.**

There is no single silver bullet to make homes affordable.

But we cannot afford to let complexity become an excuse for inaction.

If we want homes affordable to working people earning Maine's average wages, we must think differently.

We need to find at least **20 ways to reduce the cost of building a home by \$5,000 each.**

Reducing the cost of a home by \$100,000 is the difference between feasible and impossible for many Maine workers.

No one change will solve this.

But many targeted, technical adjustments absolutely can.

That is why I respectfully ask the Committee to incorporate six additional deregulatory cost-reduction strategies that were discussed in the stakeholder work group but were not included in the current draft. These are detailed in the letter we sent to you last week and enclosed here.

In my limited time, I'd like to briefly highlight two:

First: adding an affordable housing expert to the MUBEC Board.

The Maine Uniform Building and Energy Code Board plays a critical role in determining whether regulations truly improve health and safety outcomes — without adding unnecessary costs.

Housing regulation must balance two realities:

- We must build safe housing.



- But housing that is so expensive it pushes people into homelessness or forces them to remain in aging, unsafe units is not achieving its purpose.

An affordable housing expert on the Board would ensure that cost-benefit data is consistently gathered and considered before new requirements are adopted.

The Cato Institute recently published a piece by Emily Hamilton examining national building code reform. The article notes that while building codes serve essential safety purposes, many current requirements are not evaluated through meaningful cost-benefit analysis. The author recommends slowing code changes and incorporating formal benefit–cost review into the process.

That is exactly the kind of discipline we should apply in Maine.

Second: allowing smaller elevators in certain buildings up to three stories that do not otherwise require an elevator.

Current elevator codes require a cab large enough to lay a stretcher flat. In some contexts, that makes sense. But in small three-story buildings where an elevator is optional, this requirement significantly increases cost.

The result?

Developers often choose not to include an elevator at all.

That means upper-story units remain inaccessible — out of reach for aging Mainers, people with mobility challenges, or parents carrying groceries and children upstairs.

Allowing smaller, more cost-effective elevators in these limited cases would increase accessibility while reducing per-project costs.

The reforms we are asking for may save a few thousand dollars per unit. But together, they add up.

Right now, modest construction cost increases — even \$2 to \$3 per square foot — can add tens of thousands of dollars to a multifamily project. Those increases translate directly into higher rents or the need for additional public subsidy. And when subsidy is capped, units simply do not get built.

Maine workers — teachers, health care staff, hospitality workers, municipal employees — cannot compete in a housing market where development economics are driven by regulatory layering rather than necessity.

LD 2224 is a strong step forward. But it should also be a starting point.

I respectfully urge the Committee to:

1. Advance LD 2224 with an “Ought to Pass” recommendation.
2. Direct continued technical review to identify cost saving deregulatory reforms.



3. Commit to identifying at least twenty targeted changes capable of reducing per-home costs by up to \$5,000 each. This includes street and driveway width and transportation requirements that add costs to housing.

Housing affordability will not be restored through one sweeping reform.

It will be restored through disciplined, technical, cumulative action.

Layer by layer, we built the problem.

Layer by layer, we can fix it.

Thank you for your leadership and your commitment to making housing attainable for Maine people.

Reforming US Building Codes, The Cato Institute, by Emily Hamilton, Winter 2024–2025 - The International Code Council needs to compare the costs and benefits of its recommended requirements.

“Building codes that regulate how new buildings can be built serve essential safety purposes. They fall squarely within states’ police power to protect residents’ health and safety. However, few current building codes achieve their ostensible objectives in a cost-effective way. Building codes in the United States are largely based on model codes developed by a nonprofit organization called the International Code Council (ICC), and its code development process fails to elevate technical analysis. The ICC should slow down its code change process, provide benefit–cost analysis of its new and existing rules, and replace its unwieldy rule-change adoption process.”

“There are indications of limits on stakeholders’ willingness to accept costly ICC mandates. For instance, starting with the 2009 edition, the IRC has included an automatic fire sprinkler mandate for one- and two-family houses. In part because of trade association opposition to the change, only California and Maryland have implemented this requirement at the state level, and 29 states preempt local government officials from requiring sprinklers. A study analyzing the benefits and costs of sprinkler mandates in Massachusetts found that requiring fire sprinklers for all one- and two-family houses does not pass a cost–benefit test (Zemel 2023).”

Source: <https://www.cato.org/regulation/winter-2024-2025/reforming-us-building-codes>



February 19, 2026

Dear Chairs Curry and Gere and distinguished members of the Housing and Economic Development Committee,

Thank you for your leadership and support of housing reforms to meet Maine's urgent need for 80,000 new homes by 2030 for all Maine people. Housing is foundational for Maine's economy, workforce, and the health of our communities.

Last year, the Maine Affordable Housing Coalition, Maine Real Estate & Development Association, Maine State Chamber of Commerce, and Portland Region Chamber of Commerce launched **Build Homes Build Community**, a statewide partnership focused on advancing housing as a solution to many of Maine's challenges — from workforce shortages and economic growth to demographic shifts and community wellbeing.

The Legislature and this Committee have made meaningful progress in improving the land use and funding landscape for housing production. This session, building code and permitting reform – cutting unnecessary red tape – is especially critical to sustaining momentum in housing production, a key driver of Maine's economy.

We appreciate the Committee's work to incorporate recommendations from the LD 1375 Work Group, *Addressing Barriers to Housing Production*. The work group brought together diverse stakeholders and developed thoughtful, consensus-based recommendations grounded in real-world experience and shared urgency.

To fully realize the work group's intent, we respectfully urge the Committee to include additional reforms that were discussed by the work group that align squarely with its mission of reducing cost, delay, and uncertainty in housing development:

1. **Allow up to 6 stories of single-stair residential construction**
2. **Expand municipal subdivision review thresholds from 3 lots to up to 5 lots**
3. **Increase the residential sprinkler threshold from 3 units to 5 units**
4. **Prohibit municipal requirements for sprinklers in single-family housing**



5. **Add a MUBEC board member with affordable housing experience to ensure cost impacts of code decisions are fully considered**
6. **Allow smaller, readily available elevators in buildings up to 3 stories where elevators are not otherwise required**

These pragmatic updates would reflect the work group's mission to modernize Maine's regulatory framework, and meaningfully lower development costs while maintaining safety standards — enabling housing to be built at the scale and speed Maine people need.

We also thank the Committee for your support of LD 128 and the Department of Environmental Protection's leadership in reducing permitting barriers consistent with the LD 1375 report's recommendations. Please support this through the House and Senate.

Streamlining regulation is one pillar of the Build Homes Build Community agenda. We also strongly support continued investment in housing production, including LD 2116 to extend the State Affordable Housing Tax Credit, funding in the Supplemental Budget, and a housing bond.

Thank you again for your leadership and partnership in advancing practical, balanced solutions to Maine's housing shortage. We look forward to continuing this work together.

Sincerely,

The Build Homes Build Community Founding Partners

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