



Maine Water Environment Association

Protecting Maine's Water Resources

April 22, 2025

Honorable Chip Curry, Senate Chair
Honorable Traci Gere, House Chair
Joint Standing Committee on Housing and Economic Development
100 State House Station
Augusta, ME 04333

Re: *LD 1498, An Act to Limit Municipal Impact Fees on Housing Development*

Senator Curry, Representative Gere, and members of the Housing & Economic Development Committee:

The Maine Water Environment Association (MeWEA) appreciates the opportunity to provide the following testimony in opposition to LD 1498.

About MeWEA. The Maine Water Environment Association is a non-profit, all volunteer association of over 650 members. MeWEA represents a diverse group of water quality professionals throughout Maine including wastewater treatment plant operators, sewer collection system operators, utility system administrators, consulting engineers, suppliers, contractors, public works officials, stormwater system operators, and regulatory officials. The mission of MeWEA is to support and enhance Maine's water environment community through promoting training opportunities; supporting balanced environmental policy and practice; and promoting education and collaboration with the public to protect and enhance Maine's water resources.

Discussion. While MeWEA does not normally comment on matters in front of the Housing & Economic Development Committee, the nature of this proposal is so concerning to our association that we feel compelled to provide this testimony.

When a new structure connects to the sewer system, the connection is charged either an impact fee or a sewer connection assessment. The statutory provision for impact fees is found in 30-A M.R.S.A. Section 4354. Currently, the statute has certain restrictions on impact fees, which include a reasonable nexus of the capital improvement to the proposed development, a segregated account for tracking the impact fee funds once collected, and a reasonable schedule whereby the funds are either used or returned in line with the relevant capital planning portion of the comprehensive plan.

In cases of large-scale housing development, it is quite possible that an upsized sewer line or a pump station improvement is made necessary by a housing development, and by no other reason. This improvement may be located hundreds to thousands of feet away from the proposed project site. The current state statute would allow for that cost to be recovered through the use of impact fees (if the construction of the improvement was not completed as part of the development).

However, as we understand it, LD 1498 would delete any such provisions as it would require that the share of a necessary capital improvement is unnecessarily limited to a development site and abutting

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property. This requirement would be a substantial change to impact fee provisions in this state and requires greater collaboration to truly understand and quantify the long term impacts of such a revision.

While MeWEA understands that the state has significant documented housing needs, we recommend that these needs be implemented in a balanced approach that allows for our publicly owned treatment works to be planned, coordinated and funded in a collaborative method to help support greater density and smart growth.

We encourage the Legislature to reconsider this proposal with these concerns in mind. We would be happy to answer any questions or attend a future work session to discuss in more detail. Lastly, we recommend that any committee to study impact fees in the state include representation from the clean water industry overseeing a wastewater treatment facility.

Conclusion. For the above reasons and the fact that we believe additional information and collaboration is needed before such revisions are made to this state statute, we strongly recommend that LD 1498 ought not to pass.

Sincerely,

Terry Tucker

President

Emily Prescott

Past President

cc: James I. Cohen, Verrill Dana, LLP, Legislative Counsel