



Testimony in Support of LD 556:

“An Act to Preserve Heating and Energy Choice by Prohibiting a Municipality from Prohibiting a Particular Energy System or Energy Distributor”

Senator Baldacci, Representative Salisbury, and the distinguished members of the Committee On State and Local Government, my name is Harris Van Pate, and I serve as policy analyst for Maine Policy Institute. Maine Policy is a free market think tank, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to provide testimony in support of LD 556.

This bill is a necessary safeguard against local prohibitions on the types of heating and energy systems that individuals and businesses may use. It protects Mainers' right to choose how they heat their homes, fuel their vehicles, and power their businesses. The ability to make such decisions free from undue government restriction is a fundamental element of economic freedom and personal property rights.

Preserving Energy Choice and Consumer Rights

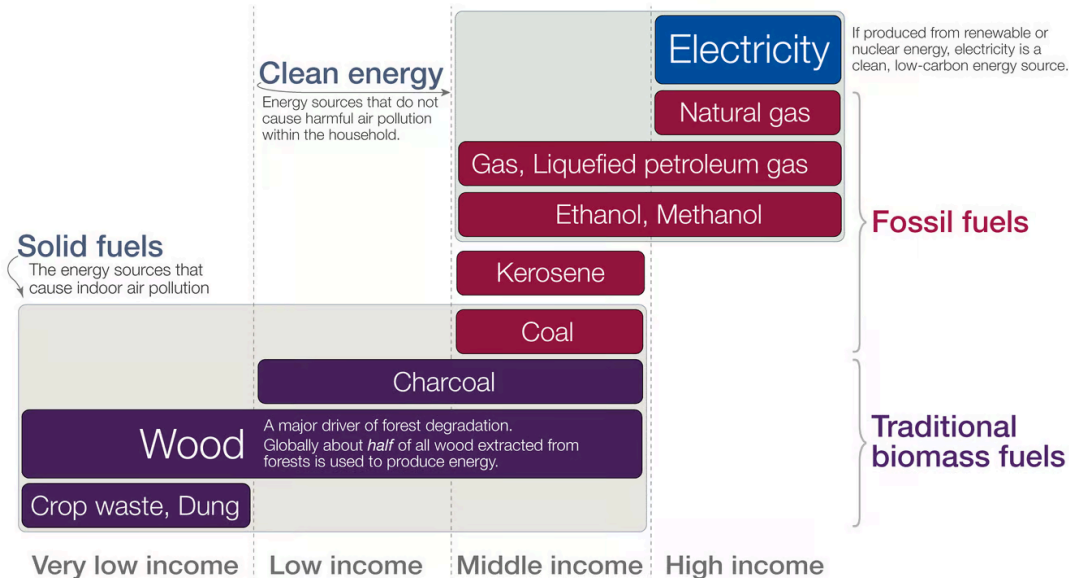
LD 556 ensures that no municipality can dictate which energy sources individuals and businesses may use unless explicitly authorized by state law. This protection is critical in a state like Maine, where heating needs are diverse and affordability is a top concern for homeowners and businesses alike.

Restricting access to certain energy sources in favor of others would harm low-income families and rural communities who often rely on propane, heating oil, wood, or natural gas—all of which might be targeted by energy bans in the name of climate policy.¹ Experts describe this as the “energy ladder,” where the higher someone’s income is, the more likely they are to use clean energy sources, which are less likely to face local bans. The policies this bill seeks to prevent not only inhibit consumer choice, they have a significant risk of targeting lower-income Mainers. Mainers should have the right to choose the most affordable and reliable option for their specific needs.

¹ <https://ourworldindata.org/energy-ladder>

The 'Energy Ladder'

The dominant energy source for cooking and heating, by level of income



Based on: WHO – Fuel for life: household energy and health.
OurWorldinData.org – Research and data to make progress against the world's largest problems.

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Lessons from Other States: Bans Hurt Affordability and Reliability

Municipal energy bans are becoming a growing issue across the country. Cities in states such as California and Massachusetts have moved to prohibit natural gas hookups in new buildings, driving up housing costs and reducing consumer choice.² In New York, restrictive energy policies have led to higher utility prices and grid reliability concerns.³

Maine must not follow this failed approach. Market-driven energy innovation, not government mandates, should guide the transition toward cleaner energy options. When consumers are free to choose, competition drives technological advancements, increasing efficiency and affordability.

Protecting Small Businesses and Economic Competitiveness

LD 556 is also a pro-business measure. Maine's small businesses, especially those in hospitality, agriculture, manufacturing, and transportation, depend on access to diverse

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<https://www.franklinmatters.org/2024/01/first-communities-in-mass-to-ban-gas.html#:~:text=Saturday%2C%20January%206%2C%202024&text=They%20include%20Acton%2C%20Aquinnah%2C%20Brookline,from%20oil%20and%20gas%20hookups.>

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<https://www.utilitydive.com/news/new-york-energy-policies-will-raise-electricity-costs-and-air-pollution-sl/619748/>



energy sources. Forcing them to switch energy systems—often at great expense—would place an undue financial burden on their operations. At a time when Maine is already facing an uphill battle in attracting and retaining businesses, energy restrictions would further erode our economic competitiveness.

Conclusion

Mainers deserve the freedom to heat their homes, fuel their vehicles, and power their businesses without government interference. LD 556 preserves consumer choice, prevents unnecessary regulations that increase costs, and protects the livelihoods of Maine’s residents and businesses. For these reasons, we urge the committee to vote “Ought to Pass” on LD 556. Thank you for your time and consideration.