

2025 Maine End of Legislative Session Report

Community Associations Institute (CAI) and the Maine Legislative Action Committee (ME LAC) spent the 2025 legislative session advocating on behalf of the <u>approximately 127,000 Mainers who live in 55,000 homes in fewer than 2,000 community associations</u> across the state. Maine's legislative session began December 4, 2024 and ended on March 21, 2025. The legislative session will carry over into 2026.

This session, ME LAC actively monitored nearly 60 bills that either directly or indirectly impacted community associations across the Pine Tree State. Below is a brief overview:

LD 1132 - "LOW-IMPACT" LANDSCAPING

ME LAC opposed this legislation, which would have impacted community associations by disallowing a condominium or common ownership association from prohibiting so-called "low-impact landscaping" anywhere on the Condominium or Association property, including common areas. The bill also would have prohibited the application of any type of pesticide anywhere on the Condominium or Association property within 50 feet of a unit, including common areas, without express permission from the owner. ME LAC worried that this legislation would cause confusion due to its lack of clarity and definitions and would unfairly allow individual unit owners to dictate maintenance and appearance of common areas.

CAI launched a virtual call-to-action campaign before this bill was heard in the Committee on Judiciary, asking advocates in Maine who are constituents of a committee member to reach out to their legislators ahead of the hearing and let them know that they support community self-governance. As a result, 5 Mainers contacted 4 members of the committee to request amendments to this legislation. Notably, 4 of these advocates had not previously engaged with a call-to-action from CAI.

As per its <u>public policy on Sustainable Landscape Practices</u>, CAI supports environmental and energy efficiency policies that recognize and respect the governance and contractual obligations of community association residents as the best mechanism to enact sustainable environmental policies. The bill was ultimately defeated.

Status: Bill Successfully Failed.



LD 1133 – ELECTRIC VEHICLE CHARGING STATIONS

ME LAC sought amendments to this legislation, which prohibits community associations from limiting an owner's ability to install or use an electric vehicle charging station within their own unit or parking space. This introduces new costs, which need to be equitably allocated to those utilizing the charging stations, and could also impact insurance and liability coverage for an association.

As per its <u>public policy on Electric Vehicle Charging Stations</u>, CAI supports legislation that recognizes the core principle of self-governance and co-ownership of common property and the community association housing model. As each association is unique, legislation should allow the community to determine the most efficient, fair, and effective method to provide electric vehicle charging stations. Legislation or policy must respect the financial capability of associations to provide for the stations and allow associations to equitably allocate the cost of the charging stations to those who benefit.

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During the legislative process, the bill was successfully amended to further emphasize an association's ability to establish reasonable rules and regulations around the installation and operation of electric vehicle charging stations, improving alignment with CAI's public policy.

Status: Became Law, Signed by Governor on June 12, 2025. Now Chapter 280 Public Law.

LD 760 – COMMISSION TO STUDY THE ADOPTOPN OF THE MAINE COMMON INTEREST OWNERSHIP ACT

ME LAC monitored this legislation, which would establish in Maine the Commission to Study the Need to Codify or Recodify Laws Regarding Residential Community Ownership Associations by Adopting the Uniform Common Interest Ownership Act. This commission would be tasked with reviewing data on existing condominium and noncondominium community ownership associations in Maine, reviewing state statutes that govern and case law that affects condominium and noncondominium community ownership association



developments, review efforts in other states to address problems with community ownership associations, and consider whether the adoption of the Uniform Common Interest Ownership Act or other laws may be suitable for Maine.

Under this legislation, the commission would consist of 12 members:

- 2 members of the Senate appointed by the President of the Senate, including 1
 member from each of the 2 parties holding the largest number of seats in the
 Legislature;
- 3 members of the House of Representatives appointed by the Speaker of the House, including at least 1 member from each of the 2 parties holding the largest number of seats in the Legislature;
- 2 members of the Maine State Bar Association with a substantial practice in condominium or community ownership association law, 1 appointed by the President of the Senate and 1 appointed by the Speaker of the House;
- 1 member representing the real estate development community, appointed by the President of the Senate;
- 1 member from an association representing municipalities in the State, appointed by the President of the Senate;
- 1 member representing the State's lending community, appointed by the Speaker of the House;
- 1 member representing condominium owners or homeowners in community ownership associations in the State, appointed by the Speaker of the House; and
- 1 member of the Commission on Uniform State Laws, as established by the Maine Revised Statutes, Title 5, section 12004-K, subsection 8, appointed by the Governor.

Status: CARRIED OVER.

LD 554 – ENCOURAGING RESIDENT-OWNED COMMUNITIES AND PRESERVE AFFORDABLE HOUSING THROUGH TAX DEDUCTIONS

ME LAC monitored this legislation, which provides tax deductions for those selling ownership interests of more than 50% in privately-held businesses to cooperative affordable housing corporations or municipal housing authorities. The legislation caps deductions at \$750,000. This legislation is aimed at preserving and increasing affordable housing units in manufactured housing parks and apartment buildings by encouraging resident ownership. The measure includes ongoing legislative review, emphasizing



evaluating performance through metrics such as job retention, housing units created or retained, and economic impact.

As the country continues to see a shortage of affordable housing located near employment and transportation, <u>CAI continues to engage in conversations</u> on how condominiums and housing cooperatives can be positioned as solutions for housing affordability. CAI supports incentives providing access to sustainable homeownership, including the construction and rehabilitation of affordable housing units, within the community association housing model. CAI does not support government preemption of lawful zoning and land use policies adopted by municipalities or of community association covenants that govern property use. Community association autonomy over lot size and use, including placement of multi-family structures on lots designated for single-family use by association covenants and placement of accessory dwelling units, should not be diminished by state policy.

Status: Became Law, Signed by Governor and Enacted on July 1, 2025. Now Chapter 455 Public Law.

LD 1 - INCREASING STORM PREPAREDNESS FOR MAINE'S COMMUNITIES, HOMES AND INFRASTRUCTURE

ME LAC monitored this legislation, which establishes the Home Resiliency Program is within and to provide grants to homeowners for the purpose of performing home resiliency projects. It also established the Home Resiliency Fund and the Safeguarding Tomorrow through Ongoing Risk Mitigation Revolving Loan Fund aimed at supporting county, municipal and tribal government infrastructure projects that reduce risks from extreme weather events and other natural hazards such as flooding and damaging winds. The legislation contains stipulations about the ongoing funding of this program, including g a state match for United States Department of Homeland Security, Federal Emergency Management Agency disaster and hazard mitigation revolving low-interest loan funds

CAI knows that timely preparation for natural disasters will help keep communities and families safe and believes that every community should have a disaster plan. The Foundation for Community Association Research published a <u>Best Practices Report on Natural Disasters</u> with an emphasis on disaster planning and preparedness for community associations.

Status: Became Law, Emergency Signed by Governor and Enacted on April 22, 2025. Now Chapter 33 Public law.



LD 184 - COMMISSION TO STUDY THE FORECLOSURE PROCESS

ME LAC monitored this legislation, which would have established a commission to study the foreclosure process in Maine. The commission would have been tasked with considering the laws and state agency rules governing the foreclosure process, the various timelines of specific procedures in the foreclosure process and how those timelines affect the availability of foreclosed properties for affordable housing; the effect on the foreclosure process of mortgages sold in the secondary mortgage market by large financial institutions and the ability of small financial institutions in Maine to work to keep property owners out of foreclosure and to make foreclosed property available for sale quickly; and how problems in the foreclosure process can be mitigated without losing existing consumer protections.

This commission would have consisted of 7 members:

- 2 members of the Senate appointed by the President of the Senate (including a member from each of the 2 parties holding the largest number of seats in the Legislature, with preference given to members of the Joint Standing Committee on Housing and Economic Development);
- 2 members of the House of Representatives appointed by the Speaker of the House (including a member from each of the 2 parties holding the largest number of seats in the Legislature, with preference given to members of the Joint Standing Committee on Housing and Economic Development;
- 1 member representing a credit union, appointed by the President of the Senate;
- 1 member representing the Maine Bankers Association, appointed by the Speaker of the House; and
- The Director of the Maine State Housing Authority, or the director's designee.

ME LAC monitored this legislation for any potential impacts on community associations in Maine. As per its <u>public policy on Foreclosures by Community Associations to Collect Delinquent Assessments</u>, CAI endorses legislation that provides a fair and equitable process for the foreclosure of association liens for common expense assessments that protects homeowners, property values, and the financial health of community associations by ensuring foreclosures by community associations are completed in a timely and reasonable manner. CAI believes that foreclosure should be a final resort after other reasonable attempts have been made to compel owners to fulfill their obligations to the association.



Status: Bill Failed.

LD 1181 - DESIGNATION OF SHORT-TERM RENTAL UNITS AS COMMERCIAL OR RESIDENTIAL IN USE

ME LAC monitored this legislation, which sought to clarify that a municipality may require the municipal assessor to assign a land use code to a short-term rental unit that designates the short-term rental unit as commercial in use or residential in use. ME LAC monitored this legislation for any amendments that may have impacted a community association's ability to create its own reasonable rules and regulations around the operation of short-term rental properties within the association.

A board of directors, with input from homeowners, is in the best position to decide whether short-term rentals are appropriate for their community and is the appropriate governing body to craft suitable policies. This is assuming the association's governing documents allow or could be amended to permit short-term rentals to reflect the preferences of homeowners. As per its <u>public policy on Short-Term (Vacation) Rentals</u>, CAI opposes governmental regulations that would intrude upon community associations' board of directors' autonomy to serve the best interest of the association. Short-term rental regulation should not impair association contractual covenants and take decision-making authority away from community association homeowners. This degrades the very core of community association governance, which is based on private contractual obligations of the community's homeowners. CAI supports short-term rental regulation that is consistent with the association's governing documents, federal, state, and local law, and serves to protect and preserve the ability of community association homeowners to manage their affairs.

Status: Bill Failed.



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CAI provides advocacy trainings and opportunities, education programs, best practices, and robust resources to help you stay up-to-date on the latest news, laws, legislation, policies, and issues affecting homeowners associations, condominiums, and housing cooperatives. As a CAI member, you'll also get a membership to your local chapter and gain a network of industry colleagues — over 50,000 of them in 64 chapters worldwide.

Join today!

GET INVOLVED IN CAI MAINE ADVOCACY EFFORTS!

Track ME Legislation CAI keeps track of legislation throughout the year, so you can stay informed. You can check the legislation that CAI is monitoring around the clock here.

Support and Donate Today CAI depends on professional lobbyists funded by community associations, businesses, and individuals to create the best public policy for the community association industry in Maine. To support their efforts, visit caionline.org/lacdonate and select "Maine."

Help Shape Future Legislation Join our CAI Advocacy Ambassador program and become a part of the movement to create positive change. Your voice matters, so sign up now to make your mark!

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