

# Maine Association of REALTORS®

## Public Policy Statement

2023-2024



## **MAINE ASSOCIATION OF REALTORS® PUBLIC POLICY STATEMENT 2023-2024 (approved by the MAR Board of Directors 12/7/22)**

The social and economic fabric of our nation, and our state, is deeply rooted in the fundamental right of all people to own, use, and transfer real property. Real property ownership has been and continues to be one of the highest personal priorities of most Americans. Real property is defined as land and anything permanently affixed to the land together with all rights exercisable in connection with such land and fixtures.

Real property ownership inspires a deep sense of personal pride and accomplishment and fosters greater interest and involvement in community affairs. Real property ownership encourages savings and investment and contributes to economic stability and self-sufficiency.

The MAINE ASSOCIATION OF REALTORS® is committed to protection and preservation of the constitutional right of every individual to acquire, occupy, use and dispose of real property as chosen within the law and in adherence to the high standards required by the National Association of REALTORS® Code of Ethics. We oppose laws, rules, and regulations that impose unreasonable restraints and limitations on the ownership, use, and transfer of real property. This includes inequitable and counterproductive property taxes and any other taxes which impact real estate.

The Association urges its members to work diligently toward effecting more efficient, and responsive government at all levels. We encourage the involvement of REALTORS® in local, state, and national government and political activities as a means of achieving public policies and laws which preserve and protect the economic interests of the real estate industry and the right of all people to own, use, and transfer real property.

### **1. BUILDING BETTER COMMUNITIES**

1.1 The MAINE ASSOCIATION OF REALTORS® believes that every individual should have opportunities to live in safe and decent housing that is affordable to them. We urge all levels of government to adopt and integrate housing policies that respond to the individual and collective housing needs of our society.

1.2 The Association supports legislative measures and initiatives that serve to increase the availability and affordability of housing through the private sector. The Association supports the right of seller/owners to sell property and take debt obligations from the buyer.

1.3 The Association favors joint public and private sector housing initiatives that encourage homeownership by individuals and families at all income levels.

1.4 The Association believes that rental housing needs are best met through private investment and recognizes the value of public incentives to accomplish the development of rental housing. MAR opposes rent control and mandatory rental registration and licensing.

1.5 The Association supports the existence of a state housing agency to advocate and administer state housing policies and programs.

1.6 The Association believes that real estate investment, development, and revitalization contribute to a sound economic base and an adequate supply of housing and related commercial entities. We support state and local policies and regulations that promote innovation and development serving the housing and commercial needs and changing market demands.

1.7 The Association believes that local planning and zoning policies should allow for development of housing which all our families and individuals can afford and commercial development that supports business and economic stability. We support and encourage education and training that increase the capacity and competence of local officials, Code Enforcement Officers, and resident volunteers who make these local land use decisions. We support laws, ordinances, and regulations which:

- zone adequate land for all types of housing and commercial development
- allow growth, including residential and commercial development
- encourage maximum site utilization and permit development at higher densities when the objectives of affordable housing and preservation of open space are at issue
- streamline the permit and approval process and eliminate unnecessary and costly time delays
- encourage innovations in development and construction techniques and materials
- encourage innovative design to meet residential and commercial real estate needs
- retain statewide standards and codes that exempt Maine's small communities based on local preferences and conditions with adequate code enforcement staffing capacity and technical competency.

1.8 The Association discourages adoption of laws and policies that allow communities to assess impact fees on developers which negatively impact homeowners, tenants, and business owners. Such fees discourage development and add to the cost of real property acquisition. Developers should be required to pay only for the costs of infrastructure and other public facilities and services directly related to the individual development project.

1.9 The Association advocates for the adoption of local planning and zoning policies that encourage housing and economic development and availability of all housing types including factory-built housing, modular housing, manufactured housing, tiny homes, and other types of housing for ownership or tenancy. We support incremental growth at the local level and

understand the importance of preserving community integrity. Updates to local zoning and land use policies should be paramount to meeting the housing needs for both today and tomorrow.

1.10 Excessive debt is a leading cause of failure to achieve homeownership. The Association supports policy proposals that promote financial literacy about topics including, but not limited to, mortgage debt, student loan debt, credit card debt, and other consumer credit. The Association supports policy proposals that encourage loan simplification, clarity and education and allow borrowers to refinance to lower interest rates.

1.11 The Association believes that a robust communications infrastructure, including cellular technology and broadband (high-speed internet access through cable, telephone, fiber, satellite and wireless technology) is imperative for Maine's economic growth and to expand opportunities for the sale of real property. We encourage joint public and private sector partnerships to stimulate the deployment of broadband and cellular, increase data speeds and coverage, and lower the cost for businesses and consumers.

## **2. GOVERNMENT REGULATION**

2.1 The MAINE ASSOCIATION OF REALTORS® believes that competition in a free enterprise system is the best way to meet the needs and market demands for real property. We urge government at all levels to reduce impediments which negatively impact the ability of the private sector to meet the needs and demands for real property efficiently and effectively.

2.2 The Association opposes exclusionary zoning, no-growth ordinances, and moratoriums, including retroactive moratoriums, that limit the supply of housing, restrict economic and investment opportunities, and contribute to higher housing costs.

2.3 The Association believes that government at all levels should be efficient, responsive and economical. We support and encourage the cooperation and regionalization of governmental entities in sharing provision of services to avoid duplication and cut costs.

2.4 The Association believes that government regulatory procedures, laws, judicial actions, and citizens referenda affecting real property should be limited. If they are unnecessary and complex, they delay real property transactions and increase costs associated with the transfer and use of real property. We oppose implementation of regulations which will cause undue hardship, such as protracted foreclosure and eviction processes.

2.5 The Association believes that if private property is confiscated by the government, there must be just reimbursement to the property owner, and the government must have demonstrated a proven need for the property before a confiscation can occur.

2.6 The Association supports all life safety measures while being mindful of costs to property owners. The Association supports consumer education and choice. The Association opposes mandatory requirements which add to the cost of new construction, development, and ownership of residential and commercial property without adequate funding and resources for the mandates.

### **3. TAXATION**

3.1 The Association understands that the economy has a direct impact on real estate values. Government should be restrained from creating new programs and positions when the need cannot be justified and when adequate sources of funding for these actions are not available without creating a new revenue source. We encourage all levels of government to periodically review existing programs and sunset programs for which a need can no longer be demonstrated.

3.2 The Association favors a tax system that fosters economic growth and healthy real estate markets. We oppose any primary residence property tax freeze that negatively impacts decisions about homeownership and ownership of real property. We encourage public support of homeownership and real estate investments through income tax advantages. We support income tax deductions that encourage private investment. We support the mortgage interest deduction and property tax deduction and oppose any change or diminution of their value.

3.3 The Association believes that government fees should not exceed the reasonable cost of providing the service for which the fee is charged. We oppose an increase of government fees leading to the increase of taxes.

3.4 Transfer Taxes. The Association opposes the real estate transfer tax and any increase. Given its existence, we believe that transfer tax revenues from any source should be used exclusively for housing needs, with an emphasis on the sale, transfer and ownership of real property. We support continued funding to the Maine State Housing Authority through transfer tax funds.

3.5 Speculation Taxes. The Association opposes the imposition of speculation taxes or other taxes on capital gains realized on the sale of real property because such taxes discourage private investment in housing and real estate.

3.6 Taxes on Services. The Association opposes any effort to impose a sales tax on real estate brokerage services or on any other real estate-related services (e.g., tax on commissions, rental fees, appraisal fees, tax on advertising, etc.)

3.7 Gross Receipts Taxes. The Association opposes any effort to impose taxes on the gross receipts of Maine businesses.

3.8 Exportability of Taxes. The Association opposes the imposition of additional taxes on second homes or rental lodging which are often owned and used by Maine's citizens and families, and not exported to non-residents.

### **4. ENVIRONMENTAL PROTECTION**

4.1 The MAINE ASSOCIATION OF REALTORS® supports protection and preservation of Maine's environment and natural resources without overly and unreasonably restricting

economic development, accessibility of housing for all Maine citizens, and private property rights.

4.2 The Association is mindful of the impacts of development, infrastructure, and transportation on the environment and climate change. The Association supports decision-making that employs smart growth, sound science, and balance when analyzing its impact on private property rights.

4.3 The Association urges collective and cooperative action by lawmakers, government representatives, general industry and real estate industry leaders, and environmental groups to address and resolve the problems and challenges of environmental protection and responsible land use.

4.4 The Association opposes unreasonable restriction on the use of privately-owned property including but not limited to coastal and shoreland zone controls, open space requirements, protection of public/private water supplies, moratoriums and no growth policies that have adverse economic effects on employment, housing and the tax base. The Association urges all levels of government to respect the concept that private property ownership is made up of a bundle of rights, which includes use. If such use is denied or abridged by government for the benefit of the people, the cost of "taking" should be equitably distributed. The individual property owner should not be expected to pay for measures that benefit the public good and a broad number of citizens and which, in effect, limit the individual's private property rights.

4.5 The Association supports application of evidence-based science for the protection of vernal pools, sizing of culverts, and testing for naturally occurring elements such as radon, arsenic, and uranium.

4.6 The Association supports consumer education about voluntary testing and inspections so that buyers and sellers can make their own informed decisions. We oppose mandatory testing and inspections at the time of sale.

## **5. ENERGY CONSERVATION AND SUSTAINABILITY**

5.1 The MAINE ASSOCIATION OF REALTORS® supports voluntary energy conservation measures including favorable performance-based incentives and financing for costs incurred to reduce energy consumption. The Association supports a robust consumer education and outreach program to encourage the adoption of voluntary measures to achieve public policy energy conservation goals.

5.2 The Association supports the development and voluntary use of alternative energy sources to reduce dependence on non-renewable forms of energy.

5.3 The Association supports voluntary energy audits, financial incentives, and tax policies to assist in decisions to purchase property, upgrade efficiency, or encourage conservation. The

Association opposes mandatory energy audits or mandatory energy ratings for homes and commercial properties.

5.4 The Association supports the voluntary design, construction, and management of buildings in an environmentally conscious, sustainable, and energy-efficient manner.

## **6. AGENCY**

The Association supports agency disclosure on all properties that contain one to four residential dwelling units. The disclosure requires that all licensees provide a timely, written list of agency relationships available under state law. "Agency" is defined as the relationship that results when one person authorizes another to act on their behalf, subject to their control, and the other person consents to act as their agent.

## **7. LICENSE LAW AND REAL ESTATE PRACTICE**

7.1 The Association supports and endorses real estate brokerage and appraisal licensing and regulation. We support existence of a competent and adequately funded state regulatory agency to oversee the business and professional conduct of real estate licensees. We recognize the importance of minimum competency standards of home inspectors and building contractors that may include licensure, registration, certification, mandatory continuing education, dispute resolution, and standards of conduct.

7.2 The Association believes that real estate brokerage license laws and regulations must reflect the practical demands and dynamics of real estate brokerage practice and business operation and also reflect the innovative technologies being used and requested by consumers and industry partners in the marketplace.

7.3 The Association believes that appraisal license laws and regulations must reflect the practical demands and dynamics of appraisal practice and business operation and also reflect the impact and availability of current technologies.

7.4 The Association advocates professionalism and competency in real estate brokerage practice through formal and informal education, training and research. We support mandatory pre-licensure education and mandatory continuing education for all licensees.

7.5 The Association supports the use of technology in the practice of real estate and supports continuing education courses that help real estate licensees use current technology and embrace future technologies to serve consumers and enhance the practice of real estate.

7.6 The Association recognizes and supports the essential component of human interaction between REALTORS® and consumers. REALTORS® are critical to the ability of consumers to navigate a real estate transaction. Technology alone cannot replace the human element.

7.7 The Association endorses measures which optimize the opportunity for our members who are generally independent contractors to procure adequate health insurance coverage at economically viable levels.

## **8. FAIR HOUSING**

8.1 The MAINE ASSOCIATION OF REALTORS® acknowledges and supports the right of all people to freely choose where they will live, regardless of race, color, religion, sex, disability, familial status, ancestry, source of income, sexual orientation, gender identity, or national origin. This right is protected under federal and/or state fair housing laws.

8.2 The Association believes that equal opportunity in housing can best be achieved through observance of the law, public and industry education, and mutual cooperation of the real estate brokerage industry and the public in a free and open housing market.

8.3 The Association supports fair housing objectives related to equal treatment and professional real estate brokerage services.

## **9. CONSUMER PROTECTION**

The MAINE ASSOCIATION OF REALTORS® supports and encourages dissemination of information which helps buyers, sellers, lessors, lessees, and other parties in a real estate transaction know and understand their rights and obligations as clients and customers, such as the MAR Residential Property Transaction Booklet.

## **10. ANTITRUST COMPLIANCE**

10.1 The Maine Association of REALTORS® believes that vigorous and fair competition is essential to the preservation of our free enterprise system. We advocate strict compliance with federal and state antitrust laws.

10.2 The Association recognizes that compensation is a matter of individual agreement between agent and client and that any individual or collective attempt to fix, set, or control rates of compensation by the association or any of its members is a violation of federal and state antitrust law.

## **11. POLITICAL AFFAIRS**

The Maine Association of REALTORS® supports the purpose and objectives of political action committees and will continue to operate and encourage the activities of our political action committee (MARPAC).