

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

SECOND REGULAR SESSION-2026

Legislative Document

No. 2230

S.P. 912

In Senate, March 10, 2026

An Act to Invest in the Construction of Industrialized Housing

Reported by Senator CURRY of Waldo for the Joint Standing Committee on Housing and Economic Development pursuant to Resolve 2025, chapter 105, section 7.

Reference to the Committee on Housing and Economic Development suggested and ordered printed pursuant to Joint Rule 218.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 5 MRSA §3241, sub-§1**, as enacted by PL 2025, c. 388, Pt. D, §13, is
3 amended to read:

4 **1. Program established; administration.** The Housing Opportunity Program,
5 referred to in this section as "the program," is established within the Maine Office of
6 Community Affairs, established in section 3202 and referred to in this section as "the
7 office." The program must encourage and support the development of additional housing
8 units in the State, including industrialized housing, housing units that are affordable for
9 low-income ~~and~~, moderate-income and middle-income individuals and housing units
10 targeted to community workforce housing needs. The office shall administer the program
11 and provide technical and financial assistance to support communities implementing
12 zoning and land use-related policies necessary to support increased housing development.
13 The program must support regional approaches and municipal model ordinance
14 development and encourage policies that support increased housing density, where
15 feasible, to protect working lands and natural lands. The program must provide housing
16 manufacturers, developers and the general public with information about housing needs
17 throughout the State and options available to meet those needs.

18 As used in this subsection, "industrialized housing" means a structure designed to be used
19 for residential housing consisting of or constructed using one or more modular buildings,
20 modular components or panelized systems that is designed and constructed in compliance
21 with standards established by the State and is in whole or substantial part fabricated or
22 assembled in manufacturing plants for installation, or assembly and installation, on a
23 separate building site and that has been manufactured in such a manner that all parts or
24 processes cannot be inspected at the installation site without disassembly of, damage to or
25 destruction of the structure.

26 **Sec. 2. 5 MRSA §3241, sub-§4**, as enacted by PL 2025, c. 388, Pt. D, §13, is
27 amended by enacting at the end a new blocked paragraph to read:

28 The office shall adopt rules defining "low income," "moderate income" and "middle
29 income" for purposes of the program.

30 **Sec. 3. 5 MRSA §13059-A** is enacted to read:

31 **§13059-A. Industrialized Housing Incentive Program; fund**

32 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
33 following terms have the following meanings.

34 A. "Fund" means the Industrialized Housing Incentive Program Fund established in
35 subsection 3.

36 B. "Industrialized housing" means a structure designed to be used for residential
37 housing consisting of or constructed using one or more modular buildings, modular
38 components or panelized systems that is designed and constructed in compliance with
39 standards established by the State and is in whole or substantial part fabricated or
40 assembled in manufacturing plants for installation, or assembly and installation, on a
41 separate building site and that has been manufactured in such a manner that all parts or
42 processes cannot be inspected at the installation site without disassembly of, damage to
43 or destruction of the structure.

1 **2. Industrialized Housing Incentive Program established; administration.** The
2 Industrialized Housing Incentive Program, referred to in this section as "the program," is
3 established within and administered by the department to provide grants or loans to
4 manufacturers of industrialized housing that meet the eligibility requirements of subsection
5 4.

6 **3. Industrialized Housing Incentive Program Fund established; administration;**
7 **administrative expenses.** The Industrialized Housing Incentive Program Fund is
8 established within and administered by the department as a revolving, nonlapsing, interest-
9 bearing fund to provide funds for the program. The fund may receive funds from
10 appropriations and allocations for the fund, bond proceeds and interest from investment of
11 bond funds, gifts, donations and other money from public and private sources. The fund
12 may be used by the department for its reasonable expenses administering the program and
13 the fund.

14 **4. Eligibility.** To be eligible for a grant or loan under this section, a person must own
15 or operate:

16 A. A manufacturing facility in the State that manufactures industrialized housing; or

17 B. A business in the State that manufactures housing in a manner determined by the
18 department to be innovative, such as housing that uses insulated concrete forms, kit
19 homes installed on a permanent foundation or 3-dimensional printed housing, which is
20 a housing unit constructed using a digital file in a process in which construction
21 material is deposited, joined or solidified under computer control, with the construction
22 material being added together typically layer by layer.

23 **5. Grants or loans.** The department may award a grant or loan to a person eligible
24 under subsection 4 in an amount not less than \$1,500 and not more than \$6,000 per housing
25 unit manufactured by the person and installed in the State, except that the department may
26 give a grant or loan in a higher amount for a housing unit that is affordable and energy
27 efficient. The department may award more than one grant or loan to an eligible person
28 under this section.

29 **6. Rules.** The department may adopt rules to implement this section. Rules adopted
30 pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375,
31 subchapter 2-A.

32 **Sec. 4. Construction extension partnership program.** The Department of
33 Economic and Community Development shall, by January 1, 2027, design and begin
34 implementing a public-private construction extension partnership program.

35 1. The purpose of the construction extension partnership program includes, but is not
36 limited to:

37 A. Facilitating the adoption and certification of industrialized housing construction,
38 such as cover panel building envelopes, volumetric modular construction, crossover
39 modern home construction and manufactured housing modalities;

40 B. Providing technical support to builders of industrialized housing;

41 C. Using industry knowledge to inform curriculum at Maine's community colleges and
42 career and technical education schools;

- 1 D. Collecting data on construction costs and speed of industrialized housing
- 2 construction; and
- 3 E. Supporting apprenticeships and other workforce programs.
- 4 2. The department shall design the construction extension partnership program in
- 5 consultation with representatives of the following:
 - 6 A. Maine's public and private institutions of higher education, including community
 - 7 colleges and career and technical education schools;
 - 8 B. The Department of Labor;
 - 9 C. The Department of Education;
 - 10 D. The Maine Office of Community Affairs;
 - 11 E. The Maine State Chamber of Commerce;
 - 12 F. An organization representing general contractors;
 - 13 G. A community development organization;
 - 14 H. An organization representing architects designing residential housing;
 - 15 I. An organization representing home builders and remodelers; and
 - 16 J. An organization representing building supply companies.

17 By January 15, 2027, the Department of Economic and Community Development shall
18 submit a report to the joint standing committee of the Legislature having jurisdiction over
19 housing matters with details on the proposed design of the construction extension
20 partnership program and any recommended legislation needed to support the construction
21 extension partnership program. The committee may report out legislation related to the
22 report to the 133rd Legislature in 2027.

23 **Sec. 5. Competitive innovative housing construction pilot program.** By
24 January 1, 2027, the Department of Economic and Community Development shall establish
25 and administer a pilot program to promote the efficient construction of multifamily housing
26 units. The pilot program must include a competitive process that provides financial awards
27 upon the completion of an innovative housing project of 2 or more dwelling units in the
28 State. Criteria used to determine awards must include, but are not limited to, the cost to
29 construct the housing project, the time needed to complete the project and the level of
30 innovation demonstrated by the project. By January 1, 2028, the department shall submit
31 a report on the pilot program to the joint standing committee of the Legislature having
32 jurisdiction over housing matters. The committee may report out legislation related to the
33 report to the Second Regular Session of the 133rd Legislature.

34 **Sec. 6. Maine Office of Community Affairs to adopt rules.** By January 1,
35 2027, the Maine Office of Community Affairs shall adopt rules pursuant to the Maine
36 Revised Statutes, Title 5, section 3241, subsection 4.

37 **SUMMARY**

38 This bill is reported out by the Joint Standing Committee on Housing and Economic
39 Development pursuant to Resolve 2025, chapter 105. The committee has not taken a
40 position on the substance of this bill. By reporting this bill out the committee is not

1 suggesting and does not intend to suggest that it agrees or disagrees with any aspect of this
2 bill. The committee is reporting the bill out for the sole purpose of having a bill printed
3 that can be referred to the committee for an appropriate public hearing and subsequent
4 processing in the normal course.

5 The bill does the following.

6 1. It provides that the Housing Opportunity Program established within the Maine
7 Office of Community Affairs encourages and supports the development of housing units
8 in the State, including industrialized housing and housing that is affordable to middle-
9 income individuals. It requires the office to define the terms "low income," "moderate
10 income" and "middle income" for purposes of the program.

11 2. It requires the office to provide information about housing needs in the State and
12 options available to meet those needs to housing manufacturers, developers and the general
13 public.

14 3. It establishes the Industrialized Housing Incentive Program and a fund within the
15 Department of Economic and Community Development to provide grants or loans to
16 eligible manufacturers of industrialized housing. Grants or loans must be in an amount not
17 less than \$1,500 and not more than \$6,000 per manufactured housing unit.

18 4. It requires the department to design a public-private construction extension
19 partnership program by January 1, 2027. The department is required to submit a report
20 detailing the design of the construction extension partnership program along with any
21 recommended legislation to the joint standing committee of the Legislature having
22 jurisdiction over housing matters. The committee may report out legislation related to the
23 report to the 133rd Legislature in 2027.

24 5. It requires the department to establish and administer, by January 1, 2027, a
25 competitive innovative housing construction pilot program to promote the efficient
26 construction of multifamily housing units. The department must submit a report to the joint
27 standing committee of the Legislature having jurisdiction over housing matters by January
28 1, 2028 on the pilot program. The committee may report out legislation related to the report
29 to the Second Regular Session of the 133rd Legislature.