## RACHEL TALBOT ROSS SPEAKER OF THE HOUSE

## STATE OF MAINE

HOUSE OF REPRESENTATIVES SPEAKER'S OFFICE AUGUSTA, MAINE 04333-0002 (207) 287-1300

Friday, May 12th, 2023

Testimony of Speaker Rachel Talbot Ross supporting

LD 1710, An Act to Establish the Maine Rental Assistance and Guarantee

Program and Amend the Laws Regarding Tenants and the Municipal

General Assistance Program

Before the Joint Select Committee on Housing

Senator Pierce, Representative Gere and esteemed members of the Select Committee on Housing. I apologize for not being present this morning, please accept this testimony in support of LD 1710, An Act to Establish the Maine Rental Assistance and Guarantee Program and Amend the Laws Regarding Tenants and the Municipal General Assistance Program.

## Rental Assistance Programs Bolster and Close Gaps in Maine's Housing System

Guaranteeing stable, affordable housing makes our communities safer. Providing stable housing has been shown to reduce the rates of violent crime and survival crimes like theft, trespassing and loitering, and sex work<sup>1</sup>. Long-term housing assistance has also been linked with decreased incidence of intimate partner violence<sup>2</sup>. Stable housing for people recently incarcerated has been shown to reduce recidivism rates<sup>3</sup>.

Rental assistance is key to bridging the affordability gap to make rents affordable for people with really low incomes, that the housing market will not meet, with structural, long term changes. LD 1710 will help cover the cost of rent while seeking joys that pay a living wage or waiting for longer term federal rental assistance.

<sup>&</sup>lt;sup>1</sup> Kimberly Burrowes, Urban Institute, Can Housing Interventions Reduce Incarceration and Recidivism (2019). https://housingmatters.urban.org/articles/can-housing-interventions-reduce-incarceration-and-recidivism

<sup>&</sup>lt;sup>2</sup> The Network for Public Health Law (n4)

<sup>&</sup>lt;sup>3</sup> HUD, Promoting Mental Health Through Housing Stability (2022). https://www.huduser.gov/portal/pdredge/pdredge-trending-053122.html

A study showed that those on rental assistance programs who can work, do work. Of the non-disabled, working-age households, in a study, 60% had at least one person in the workforce. The majority of individuals utilized rental assistance for less than three years<sup>4</sup>.

Data on the emergency rental assistance program showed one state saw a 63% decrease in daily eviction filings from before the moratorium on evictions and after the moratorium on evictions had been lifted<sup>5</sup>.

In Maine, we have seen how cash assistance programs can single handedly cut child poverty in half. Throughout the pandemic the expanded child tax credit and the federal emergency rental assistance program which provided us with a wealth of data demonstrating the effectiveness of these programs. Child poverty hit historic lows in 2020 in part due to these programs, and you can already see child poverty rates rising since the expanded child tax credit and emergency rental assistance programs have ended<sup>6</sup>.

An article by the Center on Budget and Policy Priorities found a plethora of benefits to rental assistance programs including improvements to adult and child health, the ability to move to low poverty areas, and a reduction in poverty, homelessness, and housing instability<sup>7</sup>. In fact, rental assistance is shown to be more effective than other interventions (such as transitional housing or short-term rapid rehousing) in reducing the number of individuals and families who experience homelessness, housing instability, and overcrowding<sup>8</sup>. Families who participate in rental assistance programs are less than half as likely to have their child placed in foster care. Additionally, rental assistance programs have shown a ¾ reduction in families living in shelters and on the street, they've "reduced families living in overcrowded conditions by half", and made a 40% reduction in the number of moves over five years<sup>9</sup>. When individuals and families housing costs are more manageable they have more money to spend on food, health care, and other necessities. Disposable incomes help boost the economy.

Children whose families receive rental assistance show fewer behavioral problems, sleep disruptions, school changes, and higher academic achievements

<sup>&</sup>lt;sup>4</sup> CBPP, (n16).

<sup>&</sup>lt;sup>5</sup> HUD, FY 2022 Impact Evaluation of the Emergency Rental Assistance (ERA) Program, (2022), https://www.hud.gov/program\_offices/spm/gmomgmt/grantsinfo/fundingopps/fy22\_impacteval

<sup>&</sup>lt;sup>6</sup> Maine Children's Alliance, (n5)

<sup>&</sup>lt;sup>7</sup> CBPP, (n18)

<sup>&</sup>lt;sup>8</sup> ibid

<sup>9</sup> ibid

including closing the achievement gap by half. Long term studies of families who had the freedom to move to higher opportunity neighborhoods have shown children have higher chances for success later in life including lower incarceration rates, higher college attendance rates, and a 30% increase in annual earnings as an adult<sup>10</sup>.

## Rental Assistance Should Ensure Stability, but Stigma Leads to Instability

Choice of where to live is core to our freedoms. Landlords are the gatekeepers of housing and get to decide where families live, where they work, and where children go to school. As demonstrated by data above, discriminating against low-income tenants who participate in rental assistance programs has effects well beyond the walls of housing. To promote housing stability and opportunity, Maine must protect participants in rental assistance programs from unfair stigma and discrimination. Since, even when these families do get vouchers, many will still struggle to find safe, affordable housing. Too often, tenants face the unfair stigma that comes with participation in rental assistance programs. Maine must enact LD 1710 to prohibit discrimination based on low-income tenants' participation in rental assistance programs.

The goals of housing voucher programs are to increase access to safe, affordable housing units and to provide opportunities to low-income families to obtain rental housing outside areas of poverty. Vouchers enable tenants to afford market-rate rents. Voucher holders pay just a portion of their income towards the rent (usually one-third of their monthly income) and the rest is subsidized. The program's design promotes stability for renters and for landlords.

But voucher holders face outright discrimination because of their status as voucher holders. In theory, voucher holders can move to any community in Maine and rent a market rate apartment, but in reality, their housing choices are severely limited by their ability to find a landlord who will participate in the program. Tenants routinely apply to dozens of landlords before finding one who will accept their youcher.

Voucher holders can become and remain homeless and lose their vouchers when they can't find a landlord who will rent to them. Most voucher programs give tenants a limited amount of time to "lease up" their voucher at a new apartment, and the program can terminate rental assistance if tenants fail to find an apartment in that time. This can range anywhere from 30 to 120 days. But in 2015, Maine Housing

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 $<sup>^{10}</sup>$  ibid

reported that fewer than half of its Section 8 Voucher participants found housing in the first 30 days<sup>11</sup>. Often, tenants lose their vouchers simply because they can't find a landlord who will accept their voucher in that time. Maine Housing reports hundreds of people in Maine who have vouchers can't use them because tenants can't find landlords willing to participate in the program.

I would urge the committee to give strong consideration for LD 1710 and pass this bill for too many Mainers that will benefit and then succeed from this bill. Thank you.

<sup>&</sup>lt;sup>11</sup> This was part of Maine Housing's decision to extend their 30 day time limit to 120 days, in part to avoid the need to process extension requests. Maine Housing administers one-third of the State's 12,000 Section 8 Vouchers with the rest being administered by local housing authorities. Callie Ferguson, Homeless with 4 Kids, A Bangor Man Called Nearly 100 Landlords to Find a Place to Live, Bangor Daily News (Nov. 19, 2018), https://bangordailynews.com/2018/11/19/news/bangor/homeless-with-4-kids-a-bangor-man-called-nearly-100-landlords-to-find-a-place-to-live/.