## Testimony of the Maine Association of Public Housing Authority Directors 131st Legislature

## Joint Select Committee on Housing

RE: LD1710, An Act to Establish the Maine Rental Assistance and Guarantee Program and Amend the Laws Regarding Tenants and the Municipal General Assistance

Program (The HOME Act)

Senator Pierce, Representative Gere, and members of the Joint Select Committee on Housing, The Maine Association of Public Housing Authority Directors are in favor 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.

The Maine Association of Public Housing Authority Directors membership consists of twenty local Public Housing Authorities (PHAs) across the state of Maine, with Public Housing Executive Directors from York to Van Buren. These folks are critical to the pathway for building more affordable housing in Maine.

Housing instability poses the greatest threat to households with extremely low incomes. It's alarming to note that 72% of such households allocate over 30% of their monthly income to rent, and for 52%, this figure rises to more than half their income. According to HUD, this level of rent expenditure is critically burdensome.

In the three years prior to the pandemic, over 5,000 Maine households were on the brink of eviction, predominantly due to rent arrears. A situation that could have been circumvented with the availability of rent relief.

Moreover, the shared Section 8 waitlist in Maine, which caters to a significant portion of the state, includes more than 18,000 households. These families endure a prolonged wait for essential assistance. If rent relief were provided, it could offer a temporary solution, making rent payments manageable as they wait for their turn to receive housing vouchers.

Renters facing financial strain may find themselves in the difficult position of having to choose between covering their rent and affording other basic needs such as food, healthcare, or transportation. The provision of rent relief can serve as a buffer against such economic instability, easing monetary pressures and enabling the allocation of funds towards other essential outgoings.

Rent relief not only provides immediate assistance to tenants but also stimulates the economy. By easing rent burdens, tenants have more disposable income to invest in goods and services, creating a ripple effect that positively impacts local economies.

Furthermore, rent relief can serve as a powerful tool in addressing the disparities in Maine's housing system. By offering financial assistance to those in the lower-income bracket, Maine can solidify its housing infrastructure and set the groundwork for a robust economic recovery from the Covid-19 pandemic. This initiative can contribute to bridging the existing gaps in the housing system.

We encourage the committee to support LD 1710.