Testimony of the Maine Association of Public Housing Authority Directors In Opposition to LD 2158, "An Act to Improve the Housing Voucher System"

Joint-Select Committee on Housing January 30, 2024

Good afternoon, Senator Pierce, Representative Gere, and distinguished members of the Joint-Select Committee on Housing. My name is Chace Jackson and I am a Partner at The Resurgam Group, a public affairs firm. Today I am here on behalf of our client, the Maine Association of Public Housing Authority Directors. Our membership consists of more than twenty local Public Housing Authorities (PHAs) across the state of Maine, with Public Housing Authority Executive Directors from Sanford to Van Buren.

We are respectfully submitting testimony in opposition to LD 2158, "An Act to Improve the Housing Voucher System", a bill which we cannot support despite its good intentions as stakeholders continue working together to solve the housing crisis. MAPHD is concerned that the bill seeks to legislate a federal program from the state level, and as though the Maine State Housing Authority has oversight of municipal housing authorities like those in our membership. In fact, municipal housing authorities and Maine Housing are wholly separate entities despite many areas of overlap and collaboration, and generally interact with federal programs individually.

LD 2158's attempt to create uniformity among housing authorities' administration of HUD's Housing Choice Voucher inadvertently hinders an individual authority's ability to modulate vouchers to accommodate local market conditions. This is an important tool used by housing authorities that can help them make the HCV program available to the greatest number of local applicants possible. MAPHD is concerned LD 2158 will eliminate a local authority's latitude in annually maximizing the use of HCV funds relative to contracted vouchers, and unintentionally result in less Mainers being able to utilize the program.

Requiring all housing authorities to operate at uniform 120% statewide waiver of HUD Fair Market Rent will almost certainly result in deficit spending that forces local authorities to lease less vouchers. Diminished numbers of leased-up vouchers could jeopardize federal funds in the future, which would be a huge step backward. Considering Maine has a statewide utilization rate of 84% while spending nearly 101% of its Federal Budget Authority for HCVs, we should seek to build on the strengths in the program's current administration.

The bill also creates a number of pathways for Maine to be out of federal compliance with HUD guidelines, as well as Municipal Housing Authority Governance. These include aspects of the bill that relate to the "portability" of vouchers among housing authorities, bringing them into conflict with HUD's rules around the administration of vouchers. It also creates a compliance issue relating to the HUD-regulated process for 5-Year Plans and Annual Plans, which all Maine housing authorities must individually complete with the federal government. If LD 2158 were to be enacted and its non-compliant implications overlooked by HUD, each of our members would

be required to embark on a new planning process that would not reasonably be completed until much later this decade. Finally, the concept of a statewide waiver request conflicts with current individual waiver requests housing authorities are required to submit as per HUD guidelines and Municipal Housing Authority Governance in Maine statute.

MAPHD is undertaking an ongoing project to identify ways to streamline administration of HCVs among our members to help create efficiencies and better efficacy of the program. We also continue to advocate for federal changes to the program that could improve its administration at the local level. We are more interested in pursuing these efforts that build on current strengths of the Housing Choice Voucher Program's administration here in Maine and our shared experience with it.

MAPHD currently understands LD 2158 may be amended into a resolve, which we would be much more amenable to despite our continued concern it mischaracterizes the relationship of municipal authorities and Maine Housing. We are proud of the role we play in flexibly making housing available for Mainers in nearly two dozen municipalities across the state, and remain eager to partner with the Committee, state and federal agencies, and other stakeholders. At this time and as the bill is currently written, we respectfully ask for an "Ought Not to Pass" vote on LD 2158. We would be happy to answer any questions. Thank you.