

City of Portland | City Council

Mark Dion, *Mayor*



To: Joint Standing Committee on Appropriations and Financial Affairs

From: City of Portland Mayor Mark Dion

Date: 2/23/2024

Re: LD 2214 (Part II)

Testimony in Opposition to LD 2214, Part II

(Limiting municipalities from exceeding maximum levels of emergency general assistance)

Senator Rotundo, Representative Sachs and distinguished members of the Joint Standing Committee on Appropriations and Financial Affairs:

On behalf of the City of Portland, I write to you in opposition to Part II of LD 2214, which seeks to amend the municipal general assistance statute in order to limit municipalities from exceeding maximum levels of assistance past 30 days in a 12-month period for any household.

The City of Portland recognizes that municipal and state general assistance expenditures increased dramatically as a result of COVID-19 and the end of federal benefits enacted during the pandemic. In particular, we recognize the long term use of hotels as emergency shelters as unsustainable. We strongly support the Governor's work to clarify the purpose of general assistance and manage the cost of municipal implementation.

However, the City of Portland is concerned about the unintended consequences of Part II of LD 2214, if enacted as written. For one, this change would result in an unsustainable increase in the cost of providing emergency shelter in the City of Portland, and very likely at other shelters across the state. The City of Portland operates three emergency shelters, making 400+ shelter beds available to unhoused individuals and families each year. The cost of providing shelter has risen significantly in the last year; LD 2214 (Part II) may result in a reduction in shelter capacity, or even closures, due to the consequential increase in operating costs.

Second, this change may impact clients' housing stability, as exceeding maximum rates can be necessary to prevent an individual or family from losing their housing. For example: in 2023, we prevented approximately 85 households from being evicted from permanent housing by exceeding maximum rates for more than 30 days. Had this proposed policy been in effect, it is likely many of those individuals would have become unhoused.

Third, we are also concerned about the impact Part II may have on clients' access to medical treatments and services. There are instances in which exceeding the maximum rate for more than a 30-day period is essential to the health or even survival of a client - for example, in the

effective treatment of diseases that require medications or supplies not reimbursable through MaineCare.

To address these concerns, we suggest that the language be amended to establish maximum rates related to the use of inns, hotels, or motels as emergency shelter, and shall not exceed those maximum rates for more than 30 days in a 12-month period.

Alternatively, the following changes could also be considered:

- Introduce a carve-out for shelters that receive funding from MaineHousing, allowing allow those shelters to exceed the maximum rate by 100% and be exempt from the 30-day limit; and
- Include language that allows overages for the purposes of providing essential medical treatment and services not covered by MaineCare, preventing eviction from permanent housing, and preventing the discontinuation of essential utilities.

We hope this information assists in your deliberation of LD 2214 and the development of any changes to Part II as written.

Thank you for your consideration.