



Dear esteemed members of the Appropriations and Financial Affairs and Health and Human Services Committees:

Quality Housing Coalition (QHC) is a nonprofit organization dedicated to creating and supporting quality housing opportunities for those in need. Our flagship program, Project HOME, addresses barriers to rental housing access and stability through housing navigation for low-income individuals. QHC collaborates with over 100 committed landlord partners in 7 counties, unlocking access to approximately 6,000 rental units that would otherwise be unavailable to people experiencing homelessness or housing insecurity. QHC secures these partnerships by: 1) financially guaranteeing leases to cover potential damages or losses, 2) providing year-long tenant support to prevent lease violations and evictions, and 3) navigating programs such as Housing Choice Vouchers, General Assistance, SNAP, TANF, and Medicaid. Since 2018, Project HOME has provided stable housing for over 1,049 households, with over 200 per year, benefiting more than 3,000 adults and children. Further, 99% of OHC households maintain long-term housing stability and the majority become self-sufficient and end their reliance on government assistance of all kinds between 12-18 months.

Maine's Housing Crisis Strategy

Maine has three broad strategies to address the biggest housing crisis we have ever experienced for the approximately 5,000 students and individuals experiencing homelessness, and the 41% of Maine renters, approx 60,000, low wage workers and their children, older adults on fixed incomes, who are housing cost burdened paying more than 30%, 40% and 50% of their income on their rent.

The first strategy is to build more below market housing using state and federal tax credits/funds (Maine's Rural Affordable, Senior Housing, Housing First, and the Federal Low Income Housing Tax Credit programs). We hope this first strategy will have built 5,000 units of housing towards our 80,000 unit need by 2026, however, building new housing takes time and we believe it will take 7-10 years to make a true dent in the housing supply crisis. The second strategy is tied to the first strategy by carrying out LD 2003 to remove the regulatory barriers to creating the 80,000 units of new housing that Maine currently needs to bring the market into balance. The third strategy, and that one we are commenting on today, is rental assistance support for the lowest income folks experiencing homelessness or currently renting but are extremely housing cost burdened and at-risk of eviction.

Rental Assistance Programs In Maine

- 1) Maine receives 12,179 federal Housing Choice Vouchers (HCV) per year and they are all being utilized. HCV vouchers are administered by local housing authorities and require residents to pay 30% of their income on their rent. This housing program is 100% funded by the federal government. About 20,000 Maine households are on the federal waiting list.
- 2) Maine's state funded rental assistance programs are run by the Department of Health and Human Services (DHHS) programs - Bridging Rental Assistance Program (BRAP) and General Assistance (GA).



- a) As far as we understand, approximately 1,000 vouchers are issued through BRAP for those with serious mental illness or substance use disorder. The State pays 60% of the rent for these tenants and applicants are eligible for 2 years.
- b) Maine's General Assistance program provides rental assistance, among other social determinants of health such as food and medication assistance, on a month to month basis, for the lowest income earners with no or very little income. This program is unlimited for citizens, and limited to two years for asylum seekers because of the time period it takes for the federal government to approve work permits.

QHC's Comments on LD 209, Part S related to General Assistance

After seven years of navigating the intricacies of General Assistance for clients in 7 counties, we believe it is time to focus on improving this critical program and recommend that the Committee take this section of the budget up with the Biennial Budget as opposed to in the Supplemental Budget. With more time and community participation, it will be helpful to explore the utilization and demographic data in terms of cost for rental, shelter, and recovery housing and average household length of received services broken down by category in a work session.

GA is critical to ensure that adults and children experiencing homelessness and those who fall on hard financial times and are at-risk of losing their housing, many of whom are on HCV waiting lists, have a bridge to stable housing. However, the changes proposed by the Department would effectively end this housing assistance because landlords will simply not enter into a year-long lease with a household limited to 3 months of rental support. GA, similar to the HCV program and BRAP, is a public private partnership and requires landlord participation, largely private sector landlords who make up 90% of housing ownership in Maine. Additionally, we believe these changes will result in higher costs due to longer stays in shelters (over \$100 per night), hospital emergency rooms (approximately \$1,000 per night), jails, and other costs related to policing, EMT/paramedic/ambulance services, etc.

Thank you all for your service and we look forward to further discussions to improve the outcomes of GA for Mainers in need while at the same time actualizing cost savings across systems.

Sincerely,

Victoria Morales
Executive Director, Quality Housing Coalition
victoria@qualityhousingcoalition.org
207-216-0643