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February 25, 2025

Re: LD 210, An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026 and June 30, 2027

Senator Rotundo, Representative Gattine, Senator Ingwersen, Representative Meyer, and members of the Joint Standing Committee on Appropriations and Financial Affairs and Health and Human Services, my name is Cullen Ryan, and I am the Executive Director of Community Housing of Maine (CHOM). CHOM creates housing and inclusive communities for vulnerable populations in Maine.

I am testifying in opposition to a Budget Initiative in the Biennial Budget (LD 210) that would restrict GA rental assistance to no more than three (3) months in a 12-month period (*originally Part S of the Supplemental Budget but was moved into the Biennial Budget for consideration*).

Without access to GA for rent, more people will languish in homelessness, and people currently stably housed could fall into homelessness. Because Maine's homeless shelter system is full, that would mean people will land unsheltered outside, very likely in encampments. Our homeless response system is already overburdened. Limiting a pathway out of homelessness to housing would exacerbate a crisis situation.

Maine is on the precipice of widespread unsheltered homelessness. We experienced this briefly in 2023. Our shelter system is currently full, and it is starting to overflow, which will leave people no choice but to congregate outside.

When you're considering the idea of eliminating our ability to house people who will otherwise be homeless, please consider the costs of not housing them:

Chronically homeless populations in particular are up to 29 times more likely to be in the hospital and up to 57 times more likely to be in jail than when unhoused than when housed.

It costs:

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- \$150 per day when someone is in jail.
- \$1,000 per day when someone is in the hospital.
- \$3,073 per day when someone is at Riverview.
- \$2,910 per month to be in a homeless shelter. In FY 24, the average length of stay across all Maine homeless shelters was 97 days, not only the highest average length of stay in Maine's history, but also at a cost of \$9,409 for each of the 4,744 people homeless in Maine in FY 24, meaning their average aggregate shelter costs were \$44,636,295.

Comparatively, on average it costs \$1,096 per month to have someone in a one-bedroom apartment in Maine*. This means that it is:

- 4 times more expensive to be in jail than in housing.
- 27 times more expensive to be in the hospital than in housing.
- 84 times more expensive to be at Riverview than in housing.
- 2.65 times more expensive to be in shelter than it is to be in housing.
- 1.3 times more expensive to be in shelter than it is to be in permanent supportive housing.*

Please also consider expensive and deadly health outcomes: According to 2023 state overdose data, 73 people died of overdoses within the homeless population versus 533 who died of overdoses within the 1.395 million population of Maine. That meant that a person was 32 times more likely to die of a fatal overdose if unhoused than if housed. People are more likely to die of a fatal overdose in an encampment than they are in a supervised shelter. And encampments create other problems beyond a much higher risk of overdose.

Encampments are miserable and hopeless places where people who do not feel good about themselves experience trauma and take enormous risks. People are more apathetic about living when they are in these kinds of desperate circumstances, and that affects their decision making, and has health consequences.



In 2024, 14 people in the entrenched Bangor encampment contracted HIV and that same group of 14 also contracted Hepatitis C. According to state DHHS data, it costs \$30,000 for a one-time Hepatitis C treatment – a generally successful cure for Hepatitis C. That one-time treatment cost is the equivalent of 2.77 years of housing. The treatment for HIV is \$36,000 annually *in perpetuity*. The first year (and each successive year) of treatment for HIV is the equivalent cost of 3.33 years in housing. This means that the first year of treatment for this group of 14 will cost the same as if we had housed them each for 6 years at \$900 per month. Otherwise put, that first year of treatment is the equivalent of 84 years of housing. We could have housed 84 people (more than the entire encampment) for a year but did not and instead will pay for the consequences of leaving them unhoused.

Please do not eliminate our ability to house people experiencing homelessness. Please do not reduce the maximum length of GA rental assistance – the costs and health consequences of not housing this population far outweigh any potential savings to the state through this change.

Thank you for the opportunity to comment.

*According to MaineHousing, shelter costs an average of \$99.07 per night. It costs \$17,152 per year to house someone in permanent supportive housing (PSH), our most expensive housing intervention reserved for people who are chronically homeless, derived from \$13,152 to house someone for an entire year and approximately \$4000 a year for support services. With an entire year of shelter costing \$36,161, shelter is 1.3 times more expensive than PSH.