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Good afternoon, Senators Rotundo and Ingwersen and Representatives Gattine and Meyer, and Appropriations and Financial Affairs and Housing and Economic Development Committee members,

My name is James Dowd, and I am Preble Street's Vice President of Finance. I was formerly the CFO of a nonprofit that provides housing for low-income men, many of whom used GA to stay housed. Preble Street operates 16 programs throughout Maine, and its staff works daily alongside hundreds of individuals and families who struggle with housing insecurity. Our mission is to provide accessible, barrier-free services to empower people experiencing problems with homelessness, housing, hunger, and poverty and to advocate for solutions to these problems.

Preble Street vehemently opposes the GA budget proposal due to the adverse harm it will cause the most housing-insecure Mainers. It will result in a significant rise in homelessness, and it does not make fiscal sense.

Limiting GA emergency housing assistance to three months out of a 12-month period and restricting a municipality's ability to grant above-maximums to 30 days in a 12-month period will cause people who are safely housed right now to become unhoused.

Like yours, my responsibility at Preble Street is to ensure the budget is balanced and the accounting makes sense. This proposal doesn't make sense. For example, using GA to keep people housed is far less expensive than paying for shelters. The maximum GA reimbursement for a 0-bedroom heated unit in Portland is \$1,434/month. MaineHousing estimates that an average shelter bed cost is \$3,776/month. This calculates an annual savings of \$28,104 per person on GA. Keeping people housed by GA is 163% less expensive than supporting them in a homeless shelter.

This proposal cuts support to zero and low-income Mainers who rely on GA rent assistance due to limited low-income housing options, housing shortages, and rising rents. Mainers utilize GA as

a last-resort funding source; limiting GA rental assistance will increase homelessness, which is already unsustainable in Maine.

GA spending has already been reduced by \$23 million in this fiscal year from fiscal 2023. Sadly, the present GA spending reflects the tremendous need throughout Maine for general assistance. According to the 2024 study published by the National Low Income Housing Coalition, Maine ranks 26th in the nation for its rental cost. The Fair Market Rent (FMR) for a two-bedroom apartment is \$1,372. To afford this level of rent and utilities — without paying more than 30% of income on housing — a household must earn \$4,572 monthly or \$54,863 annually. That figure is unreachable for someone of low to zero income.

This dramatic GA slash comes amid the nonavailability of housing vouchers (continued frozen since July 19th, 2024). Since these vouchers are on pause, many Maine people remain in emergency shelters or, horrifically, sleep outside. Now is the worst time to slash GA-supported housing. It'll be from there to homelessness. Who are some people we work with who access GA to escape homelessness and stay secure in housing? Veterans from our Veteran Housing Services; people escaping human trafficking from our Anti-Trafficking Services; young adults who leave our Teen Shelter launching into independence; and families that are safely housed with the help of our Rapid Re-Housing team. What do all these people have in common? The rooms or tiny apartments they rent all cost more than they earn with their weekly paychecks or limited income. Make no doubt about it. General Assistance keeps them housed. There is no other way they'd be able to make it.

Preble Street also opposes Part VV, which proposes cuts to the essential SNAP and TANF benefits for unemployed noncitizens with work authorization. These state-funded benefits for certain noncitizens are already minimal. They are intended to bridge the gap between permission to work and finding or losing a job when people don't have the means to purchase essentials like food. Cutting them will increase food insecurity and homelessness, forcing families to make the impossible choice between paying rent, covering utilities, or putting food on the table. Suppose we share the goal of ending hunger in Maine and building a strong workforce. In that case, we must invest in the whole person,