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Testimony on behalf of Maine Equal Justice in *Support* of LD 690 "An Act to Authorize a General Fund bond Issue to Provide Funding for Affordable and Low-income Housing Program"

Good afternoon Senator Rotundo, Representative Gattine, and distinguished members of the Committee on Appropriations and Financial Affairs. My name is Andrea Steward (she/her), and I am a policy advocate at Maine Equal Justice. We are a civil legal services organization that works with and for people with low incomes to create solutions to poverty through policy, education, and legal representation.

Thank you for the opportunity to submit testimony in strong support of LD 690, *An Act to Authorize a General Fund Bond Issue to Provide Funding for Affordable and Low-income Housing Programs*. This bond bill represents a critical and strategic investment in addressing one of Maine's most urgent crises: housing.

Bonds Are a Smart, Scalable Tool for Housing Investment

Bonds are one of the most effective tools we have to make transformational investments in public infrastructure—and housing *is* infrastructure. Just like we bond for roads, schools, and water systems, we must treat housing with the same urgency and long-term vision. The need is immediate, and the scale is massive. A bond allows the state to make a large, up-front investment that can be used to build affordable housing, and leave additional funding available for programs that help stabilize low-income renters through targeted assistance programs.

Bonding for housing means leveraging public investment to unlock federal dollars, local matching funds, and private capital. It provides predictability for developers and partners while allowing the state to direct funds where they are most needed—from rural communities with aging housing stock to urban centers facing severe rent burdens.

Matching Construction with Rent Relief: A Two-Part Strategy

Maine Equal Justice has long supported efforts to build more affordable housing. We've also testified extensively on the urgent need for rental assistance to keep people housed while construction catches up with demand. LD 690 provides the opportunity to strategically bond for

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housing infrastructure—ensuring that housing is built while freeing up funds for further investments in ensuring housing is *affordable* for the people who need it most.

Even with strong programs like the Low-Income Housing Tax Credit (LIHTC) and the Rural Affordable Rental Housing Program (RTC), rents in new “affordable” developments are still out of reach for Mainers with extremely low incomes. For example, a family of four earning 30% of the Area Median Income (\$23,580 in 2021) cannot afford units priced for households at 60% or 80% AMI. Nearly 44,000 renter households in Maine fall in this income bracket—and over half of them are paying more than 50% of their income in rent.

Unless we pair construction with rent relief, we will continue to see thousands of evictions and rising homelessness, despite new buildings going up. Bonding gives us the financial capacity to fund both pillars—construction *and* relief—at the scale that the crisis demands.

A Just and Inclusive Future

Importantly, housing investments through this bond will advance equity. Low-income renters include many of Maine’s essential workers—childcare providers, ed techs, bus drivers, home care workers—as well as veterans, seniors, students, and people with disabilities. They are Mainers who contribute every day to our communities and economy, yet they are increasingly shut out of the housing market.

By directing bond funds to truly low-income programs and pairing them with rental assistance, we also help close persistent racial gaps in income, education, and health. Housing is foundational to every other opportunity in life. When families don’t have to stretch to meet unaffordable housing costs, they can invest in food, child care, transportation, and education—and contribute more fully to their communities.

Conclusion

We are in a housing emergency that requires immediate, bold, and comprehensive action.

Thank you for your commitment to building a more secure, equitable, and housed Maine. We urge your support for this essential bond.