

Joint Standing Committee on Housing and Economic Development

Testimony on LD 698 – An Act to Sustain Emergency Homeless Shelters in Maine

April 14, 2025

Senator Curry, Representative Gere, and distinguished members of the Joint Standing Committee on Housing and Economic Development, I am Deborah Laurie, City Manager of the City of Bangor. On behalf of the Bangor City Council I am providing testimony in support of LD 698, "An Act to Sustain Emergency Homeless Shelters in Maine."

On any given night across Maine, you're likely to find all of the State's emergency shelters completely full, and still there are people sleeping outside as the need for shelter beds nearly always exceeds capacity. As one of the more direct routes to safety and permanent housing, emergency shelters play a crucial role in supporting unhoused individuals and yet funding to support continued operations continues to fall woefully short of the amount it costs to run a shelter safely and successfully.

Of the 47 shelters listed on MaineHousing's website, 41 receive funding through the state's Emergency Shelter and Housing Assistance Program (ESHAP). While the costs associated with running each shelter will vary by geographic location, the average cost per bednight is \$102, an amount far below what is actually paid out via the Operations Subsidy which averages at \$7.16 per bednight. The roughly 93% gap in funds must be made up via other means like General Assistance, fundraising, endowments, etc.

This shortfall in funds further stresses operations capacity as shelters must still account for workforce challenges, rising costs in food and utilities, and the associated challenges of continued stagnation within the homeless services continuum. Additional financial supports are needed now, particularly as the inflow of folks experiencing homelessness into the system is outpacing our ability to access available permanent housing options for people to exit the continuum.

The funding allocated in LD 698 will not alleviate the struggle Maine's emergency shelters continue to face, but it is a necessary first step. Increasing the Operations Subsidy to \$19 per bednight, as proposed via the \$5M in funding from LD 698, will aid shelters in starting to reverse deficits and increase breathing room in budgets and will better enable emergency shelters to serve those in need across Maine.

With the full support of the Bangor City Council, I urge you to support and fund LD 698. Thank you for your consideration, and please do not hesitate to reach out with questions.

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