



*Testimony of*

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*Before*

The Joint Standing Committee on Housing and Economic Development (132<sup>nd</sup>)

*In Opposition to*

**LD 1693: "An Act to Establish a Sustainable Housing Development Prison Work Program"**

Senator Beebe-Center; Representative Hasenfus, and members of the Joint Standing Committee on Criminal Justice and Public Safety, I am Erik Jorgensen Senior Director of Government Relations and Communications at the Maine State Housing Authority (MaineHousing) and I am submitting this testimony in respectful opposition to : *LD 1693 - An Act to Establish a Sustainable Housing Development Prison Work Program* .

MaineHousing has been helping Maine people own, rent, repair, and heat their homes since 1969. We are an independent state authority (not a state agency) created to address the problems of unsafe, unsuitable, overcrowded, and unaffordable housing. We are authorized to issue bonds to finance single family mortgages for first time homebuyers and for affordable multi-family housing.

We are also authorized to administer a number of state and federal programs, including rental subsidies, weatherization, fuel assistance, two housing block grants, the low-income housing tax credit program, and homeless grant programs. We

receive state general fund revenue for homeless programs and receive a dedicated portion of the real estate transfer tax for the Housing Opportunities for Maine (HOME) Fund.

We certainly appreciate the issues that the bill is trying to address: we (the state) do need to enhance and find new people to participate in our building trades, and we also need to find homes for formerly incarcerated individuals. That said, our agency cannot perform the role specified in the bill as currently drafted.

LD 1693 has MaineHousing developing a work program for prison residents. This would be outside of our expertise and our mission – while we do have people on our staff who work with the construction process, we don't do construction ourselves, and we would not be qualified to have a role in teaching these skills. We would suggest that other state entities might be a better fit for that.

MaineHousing is a housing finance agency – we are a bank that makes loans and mortgages, and we don't own, construct, or rent out any housing. We are also not a state agency, and we don't get operating funding from the state or have state employees on our staff. We therefore would not have a way of paying for such a program even if it were something we could do.

We would therefore request that MaineHousing not be included in this bill if it moves forward, and suggest that the bill be amended as follows:

**1. Establishment.** In accordance with the requirements of this section, the department, in consultation with the Department of Labor ~~and the Maine State Housing Authority~~, shall establish and administer a sustainable housing development work program, referred to in this section as “the program,” for eligible residents

committed to the department. For the purposes of this section, "resident" has the same meaning as in section 3015, subsection 1, paragraph B.

**In Section 13/C/3** –we would ask that this section be amended:

(3) Homes constructed through the program must be owned by the State, ~~through the Maine State Housing Authority or other~~ through a state entity as determined by the commissioner; and

**6. Program oversight committee.** The commissioner, in consultation with the Department of Labor ~~and the Maine State Housing Authority,~~ shall establish a committee to provide independent oversight of the program, including by monitoring the program's implementation and continued adherence to the requirements of this section and the rules adopted by the department pursuant to subsection 8.

Thank you for hearing our testimony.