



Executive Director



Diane Small

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Diane Small
Executive Director, Sanford Housing Authority

**Testimony In Support of LD 2124
An Act to Support Emergency Shelter Funding Using Revenue from the Real Estate Transfer Tax**

Senator Curry, Representative Gere, and esteemed members of the Committee on Housing and Economic Development, my name is Diane Small, and I serve as the Executive Director of the Sanford Housing Authority. Thank you for the opportunity to share my strong support for *LD 2124, An Act to Support Emergency Shelter Funding Using Revenue from the Real Estate Transfer Tax*.

In May 2025, York County experienced an unprecedented loss when York County Shelter closed the county's only emergency overnight, adult shelter, located in Alfred, after more than 40 years of service, citing insurmountable financial strain and an inability to sustain operations. As many of you on this Committee are acutely aware because of the impact on your constituents, the shelter left a huge hole – having served approximately 650 men, women and children each year. And the 2025 closure resulted in the immediate displacement of approximately 37 residents, some of whom came up here to Augusta to share their stories. It also forced staff and community partners across the region and state scrambling and collaborating to identify last-minute alternatives—some residents were moved to shelters in Portland or Biddeford, others sought short term help from friends, and still others were forced to consider tents as a last resort. None of these options are ideal or sustainable.

The collapse of that single shelter reverberated across every corner of our region and created ripples throughout the lean network of shelter providers and affiliated service providers across our state. It was not simply the loss of beds; it was the loss of a *regional stabilizing force and a pushing of those needs to the next closest in the system*. As many of you know, Maine's emergency shelter network is inherently interconnected. When one link breaks—particularly in a rural state like ours—the pressure shifts onto surrounding shelters, municipal systems of last resort, and other, more costly services like hospitals, psychiatric facilities and emergency rooms, police departments and jails, and friends' couches or local encampments. The aftermath in York County made this painfully clear. Yet even under extraordinary strain, Maine's collaborative spirit showed through. Agencies including MaineHousing, York County Community Action, Sanford Housing Authority, Homeworthy, Preble Street, Caring Unlimited, First County Foundation, Seeds of Hope, legislative, county and municipal leaders, and other service partners came together to coordinate placements, preserve food pantry services, and support the transition of displaced residents.

Their rapid and compassionate response demonstrated exactly why a statewide, regional approach—supported by predictable, ongoing state level funding—is essential.

And the root cause of this most recent crisis in York County is not a mystery. For years, Maine's emergency shelters have operated while only receiving a small portion of reimbursement to cover the per-night cost of providing a shelter bed and associated supports. In fact, Maine's state funding for emergency shelter operations has remained flat at \$2.5 million since 2016, even as demand and costs have risen – some steeply. This has created an unsustainable funding gap that providers have attempted to bridge with philanthropy, overstretched local dollars, and constant crisis management.



And, while invaluable and appreciated, the one-time funding provided in 2025 through LD 698 offered desperately needed, but only short-term relief. Because that funding was temporary, but the crisis is ongoing – we find ourselves before you today asking again for a reliable, ongoing increase in funding for Maine emergency shelter operations.

LD 2124 provides another important piece of the ongoing “funding stack” via a transparent, predictable, sustainable, statewide funding mechanism through the Shelter Operating Subsidy Program, strengthening the entire statewide system and helping to ensure no other community faces the type of collapse we faced in 2025.

For these reasons, and on behalf of the residents and communities of York County who are still feeling the effects of last year’s closure, I respectfully urge the Committee to vote Ought to Pass on LD 2124.

Thank you for your consideration and for your commitment to supporting Maine’s most vulnerable residents.



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LD 2124

Please see attached document.