

Good afternoon, chairpersons Gere and Pierce, and all members of the Housing Committee. My name is Josie Phillips, and I am representing the Maine Center for Economic Policy. I am testifying in favor of LD 2, An Act to Address Maine's Housing Crisis. Housing First is a proven model to reduce or even eliminate chronic homelessness. This in turn helps alleviate the strain that chronic homelessness places on people experiencing homelessness and the financial burden homelessness places on our health care and criminal justice systems.

First and foremost, Housing First is the most promising model we have to reduce homelessness. To maintain the kind of employment that allows people to pay for housing — something that has become increasingly difficult in Maine's expensive housing market — people need to be healthy and have stability. Housing First provides both things, in the form of immediate housing and "wraparound services" that connect clients with health care and services that support job searches.

Without these supports, it is extremely difficult for people experiencing chronic homelessness to provide for themselves. It is difficult to find or maintain a job when you do not have a permanent address or regular place to shower, or when you are dealing with untreated mental health challenges, which are commonly both a cause and result of homelessness.ⁱ In short, once the floor has fallen out beneath you, it is nearly impossible to stand up again. Housing First is successful because it provides people with this floor, helping them to find their footing and climb back to a stable living arrangement where their needs can be met. This model of homelessness prevention is so successful that a literature review of Housing First programs across the country found that they reduce homelessness by 88 percent.ⁱⁱ Housing First is a repeatedly proven way by which we can provide Mainers experiencing chronic homelessness across the state with stability and support so they can work toward fully supporting themselves and their families and contribute to the broader economy.

In addition to its many benefits to people experiencing chronic homelessness, Housing First is also a critical investment in the financial wellbeing of state and local budgets. Homelessness is a very expensive problem to state and local governments, and the costs of failing to address it are high.ⁱⁱⁱ Because of how we effectively criminalize homelessness^{iv} and the many threats a lack of shelter poses to personal health, people experiencing homelessness frequently wind up either incarcerated or in hospital emergency departments.^v Both outcomes are costly to the person experiencing homelessness as well as state and local governments. In 2011, Maine's Office of Program Evaluation and Government Accountability found that incarceration costs \$42,538 per adult per year.^{vi} Updated for inflation, this amount would equal \$57,824 in present dollars.^{vii} Furthermore, each visit to hospital emergency departments can cost up to \$1,714, depending on the severity of the case, not including costs of services like diagnostic labs or imaging.^{viii} Because of the high costs of chronic homelessness, every dollar invested in Housing First saves an estimated \$1.44.^{ix}

Taxpayers are already on the hook for homelessness through these costs to our criminal justice and health care systems. The choice before the legislature now is whether to put that money towards sustainable solutions rooted in care and prevention or towards a patchwork of costly band-aids rooted in punishment and ostracization. If the legislature wishes to end chronic homelessness in Maine, then it must pursue policies that increase the stock of housing

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affordable to Mainers with low income. These solutions will take time to come to fruition, though, and homelessness is already threatening the safety and wellbeing of too many Mainers. Housing First is a necessary and demonstrably successful first step towards meeting the immediate needs of the more than 3,400 Mainers experiencing homelessness, and it would help address the racial inequity present in our housing system, as Black and Latino renters are disproportionately likely to have evictions filed against them, and more than one third of homeless Mainers are Black.^{xxi} Because of this, I urge this committee to vote yes on LD 2.

ⁱ University of Southern California Homeless Policy Research Institute, "Homelessness and Employment."

<https://socialinnovation.usc.edu/wp-content/uploads/2020/08/Homelessness-and-Employment.pdf>

ⁱⁱ National Library of Medicine, "Permanent Supportive Housing With Housing First to Reduce Homelessness and Promote Health Among Homeless Populations With Disability: A Community Guide Systematic Review."

<https://pubmed.ncbi.nlm.nih.gov/32732712/>

ⁱⁱⁱ National Alliance to End Homelessness, "Ending Chronic Homelessness Saves Taxpayers Money."

<https://endhomelessness.org/resource/ending-chronic-homelessness-saves-taxpayers-money-2/>

^{iv} National Low Income Housing Coalition, "Criminalization of Homelessness."

https://nlihc.org/sites/default/files/AG-2021/06-08_Criminalization-of-Homelessness.pdf

^v CDC, "QuickStats: Rate of Emergency Department (ED) Visits, by Homeless Status and Geographic Region — National Hospital Ambulatory Medical Care Survey, United States, 2015–2018."

<https://www.cdc.gov/mmwr/volumes/69/wr/mm6950a8.htm>

^{vi} Maine Office of Policy Evaluation and Government Accountability, "Cost Per Prisoner in the State Correctional System: Maine's Methodology Reasonable but Statistic of Limited Use in Comparing States."

https://www.maine.gov/legis/oepga/GOC/GOC_meetings/Current_handouts/6-8-12/Final%20CPP%20Info%20Brief%206-8-12.pdf

^{vii} Bureau of Labor Statistics CPI Inflation Calculator, February 2011 to February 2023.

https://www.bls.gov/data/inflation_calculator.htm

^{viii} CompareMaine, "Compare Costs & Quality: Emergency department visit, problem with significant threat to life or function (visit only, does not include other services received, such as diagnostic labs or imaging)."

https://www.comparemaine.org/?page=report&page=report&view=list&search-insurance=XXXXX&search-radius=25&search-zipcode=&sort-by=provider_name&procedure=99285

^{ix} National Low Income Housing Coalition, "The Case for Housing First."

<https://nlihc.org/sites/default/files/Housing-First-Research.pdf>

^x Eviction Lab, "Racial and Gender Disparities among Evicted Americans." <https://evictionlab.org/demographics-of-eviction/>

^{xi} Maine Housing, "2022 Point in Time Count." https://mainehousing.org/docs/default-source/housing-reports/2022-point-in-time-survey---statewide.pdf?sfvrsn=1aa68615_7