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April 14, 2023

Testimony of Rep. Colleen Madigan introducing
**LD 462, An Act to Assist Persons Experiencing Homelessness in
Areas of High Rent by Seeking a Waiver from the Federal
Government**

Before the Joint Select Committee on Housing

Good morning Senator Pierce, Representative Gere and members of the Joint Select Committee on Housing. I am Colleen Madigan and I represent House District 64. I am here to present LD 462, An Act to Assist Persons Experiencing Homelessness in Areas of High Rent by Seeking a Waiver from the Federal Government.

Last year in my district, I began to hear more concerns about rising rents and increased homelessness. I started a group of area service providers and others who helped the homeless. Everyone shared their perspective about the scope of the problem, what they were seeing on the ground. They shared information about resources and strategized about what to do. In Waterville, we are lucky enough to have the Mid Maine Homeless Shelter serving our area. I heard from them something I hadn't heard before, something that I am sure you have heard a lot about in this committee. What they told me and what was corroborated by others was this: rents had increased so quickly that the value of a housing voucher was less than the costs of a rental in our area. People were staying longer in the homeless shelter with a voucher in their hands. They couldn't leave the shelter because they could not find an apartment where the rent was at or below the maximum allowed by that voucher. Mid Maine Homeless Shelter once had the best record in the state for getting people into stable housing quickly. This is not the case anymore.

I spoke with people in my community and in the state more. I am sure I don't have to tell you that this issue was happening all around the state. I also discovered that perhaps in Waterville, the problem was more acute. Our problem was exacerbated by other factors that were driving the rise in rents higher and faster than in other communities. We have two colleges in our area and there was an increase in students and a shortage of on campus housing. The students had more money to spend on rent and landlords could get more by renting to these students.

So, I had this idea. I sit on the Health and Human Services Committee. When we as a state want to do something different with our Medicaid program or other social programs funded by the

federal government, we ask the federal government by applying for a waiver. That is what we did when we added a dental benefit to MaineCare or added community based services for brain injury patients. Can we do the same with housing vouchers? Federal law says a landlord can't charge a person with a housing voucher more than the value of that voucher for rent. The federal government adjusts the value of these vouchers based on the average rent in any area, usually annually. However, rents have been rising faster than those adjustments. This bill asks that in areas where the average rent is higher than the value of a voucher, that we apply for a waiver. This way, a homeless person with a voucher can move into stable housing, use their housing voucher and the added cost in rent can be paid and not violate the law. How it is paid I think can be worked out.

There are funds for keeping people in stable housing. There are local groups that work with individuals and families to help with rent. In addition, I would suggest that shelters such as the Mid Maine Homeless Shelter in my area are specialists. They do great work in helping people stay in a stable job and housing and make a plan to budget. Many of these vouchers are temporary.

I hope the Committee will give this idea consideration and I would be happy to answer any questions.