



United Way
of Southern Maine

LIVE UNITED

Testimony In Support of LD 2136: An Act to Provide Financial Support for Shelters for Unhoused Individuals

January 23, 2024

Senator Pierce, Representative Gere, and honorable members of the Joint Select Committee on Housing. My name is Jared Gay, and I am the Director of Public Policy and Advocacy at United Way of Southern Maine (UWSM). I submit this testimony today on behalf of all United Ways of Maine in support of LD 2136, "An Act to Provide Financial Support for Shelters for Unhoused Individuals."

UWSM is an organization that mobilizes the caring power of community by bringing people, organizations, and resources together to address immediate needs and find long-term solutions to the challenging problems of our times. And one of our most challenging problems today and the foreseeable future is the housing shortage across the State of Maine.

I am here to express our unwavering support for this bill, which proposes to increase state funding for homeless shelters by \$10 million.

For a decade, state funding for homeless shelters has remained flat at \$2.5 million annually. This level of funding has not kept pace with the escalating challenges faced by shelters, and consequently, by those they serve.

The need for this bill is prevalent. For instance, the recently released ALICE Report, a comprehensive study of financial hardship conducted by United Ways of Maine, revealed that a staggering 42% of Maine households struggle to afford basic living expenses. This report sheds light on a deepening crisis that is echoed in the significant budget shortfalls faced by shelters across the state.

Preble Street, a beacon of hope for many and a proud partner of UWSM, has highlighted the critical situation at its shelters, Elena's Way and Florence House, along with Hope House and others across the State. These shelters collectively face a daunting funding shortfall of several million dollars this year alone. This gap severely hampers their ability to provide essential services.

Hope House in Bangor stands on the brink of closure by October of this year unless additional support is secured. The closure of Hope House would not only be a loss of a vital community resource but a direct blow to our collective efforts to uplift the most vulnerable in our state.

On top of these factors, the current situation saddles our municipalities with a challenge that General Assistance alone cannot solve as unhoused populations rapidly rise. In Sanford, the unhoused population living outside increased by 1420% in just three years from 2021 to 2023. Kennebunk has seen a 375% increase in spending for General Assistance from 2022 to 2023. Sanford's General Assistance budget is expected to increase 333% from FY22/23 to FY23/24. The increase in homelessness, staffing challenges, and inadequate revenue sources have all contributed to this crisis. This bill is a necessary step to address these challenges. By increasing funding, we are not merely supporting shelters; we are investing in the health and financial stability of those experiencing homelessness.

The troubling data from the ALICE Report, which highlights the vast number of Maine households struggling to meet basic living expenses, coupled with the significant budget shortfalls faced by shelters previously mentioned, underscore the urgent necessity of the proposed bill.

We encourage you to support and pass this bill so that those in much need in our state can thrive, not just survive. Thank you for your time and consideration.