



**Penobscot Community
Health Care**

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Good afternoon, Senator Rotundo and Representative Gattine, Members of the Appropriations and Financial Affairs Committee, Senator Ingwersen and Representative Meyer, Chairs of the Health & Human Services Committee, and members of both Committees.

My name is Lori Dwyer. I am President & CEO of Penobscot Community Health Care, the largest federally qualified health center in Maine, with independent clinical sites and school based health centers in Bangor, Brewer, Old Town, Belfast and Jackman Maine. We serve 60,000 patients across 3 counties in Maine. I am here to testify in opposition to certain proposals in Part S of the Governor's Proposed Supplemental Appropriations and Allocations.

In addition to providing integrated primary care, dental care and ancillary and specialty outpatient services, PCHC has owned and operated 48 transitional housing units for over a decade. These transitional housing units support highly vulnerable adults in their journey back to stable housing. PCHC's transitional housing facility is part of the larger Hope House Health & Living Center, a single building that includes a 54-bed emergency homeless shelter, a homeless healthcare clinic, and 48 transitional housing units under one roof. These are dormitory style rooms for single adults.

Transitional Housing is as it sounds – intended to help individuals transition from being unhoused to living independently: it's a step between a homeless shelter and renting or owning one's own home – which requires higher levels of autonomy and self-sufficiency. Transitional Housing is an important stepping stone.

Transitional housing is staffed minimally, 24/7, for safety. Tenants have access to common areas, including a common kitchen and other living spaces, and quick access to on-site medical, mental health, and substance use disorder treatment, as well as case management. They have support from each other, and from professionals.

Tenants in transitional housing sign a lease with PCHC and pay \$550/month rent. Some have jobs and pay rent without outside assistance. Many, however, are working through the social security disability process, are battling advanced biological age, infirmity, disability, and/or serious substance use and mental health disorders. Most are unable to work to support themselves at the time they enter transitional housing and have a long road ahead before they can reliably hold a job and pay rent on their own.

Having transitional housing available frees up space in homeless shelters more quickly and allows us to serve more people more efficiently in the homeless response system and reduce the number of people sleeping outside or using other costly emergency services.

These housing units, in short, fill a vital gap in the continuum of care for the unhoused.

Our transitional housing facility is somewhat unique in Maine. Currently, PCHC receives no state or federal funding for transitional housing. General Assistance covers about 45% of total rent costs at PCHC

Any reduction in the availability of funding for housing that supports vulnerable groups will exacerbate the homelessness crisis in Maine and cost the State much more in emergency services than the paltry amount of rental assistance being provided guests in transitional housing through the GA program.

In Part S of the Governor's "Act Making Unified Supplemental Appropriations and Allocations. . . for FY Ending June 30, 2025," the Governor proposes a hard three-month cap in any 12-month period on general assistance benefits that are being used to defray housing costs ("3-month cap"). PCHC opposes the 3-month cap. While the new proposed language makes an exception for "temporary housing and emergency shelters, defined by Department rule," "temporary housing" is not defined in statute, or, as far as I can tell, in the Rules. In addition, basic rules of statutory construction could easily lead to the conclusion that transitional housing is excluded from the definition of "temporary housing." Thus, I ask the committee to consider:

Not imposing the 3-month cap on housing assistance. We are in the midst of a housing crisis, and limiting the availability of these funds will substantially *increase* and shift costs to other parts of the State budget – such as emergency response, Mainecare, or the housing budget for longer shelter stays; and

Defining "temporary housing" to include transitional housing. If the Committee is inclined to accept the 3-month cap (which I do not endorse), then "temporary housing" should be explicitly defined in statute to *include* transitional housing such as the 48 units operated by PCHC. This would exempt transitional housing from the 3-month cap.

As members of this Committee are well aware, Maine's unhoused and housing insecure citizens are growing older and sicker, and this will only worsen in the coming years. It would be foolhardy to undermine what little and inadequate infrastructure we currently have to meet their needs and force them to use higher cost services in much higher cost settings.