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Maine Equal Justice

People Policy Solutions

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Testimony on behalf of Maine Equal Justice on the housing portions of LD 210, *An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026 and June 30, 2027*

February 5, 2025

Good Afternoon Senator Rotundo, Representative Gattine, and members of the Appropriations and Financial Affairs Committee, and Senator Curry, Representative Gere, and members of the Housing and Economic Development Committee. My name is Kathy Kilrain del Rio, I use she/her pronouns, and I'm the Advocacy & Programs Director at Maine Equal Justice, a nonprofit civil legal aid organization. Through direct legal representation for people with low income and representation through our systemic advocacy, we are working to increase economic security, opportunity, and equity for all people in Maine. Thank you for the opportunity to testify

Language Part QQ

We are deeply concerned about this proposal to take funds from the HOME Fund. Instead, we urge you and your colleagues on Taxation to consider proposals to increase the Real Estate Transfer Tax to provide additional funds for the HOME Fund in order to meet urgent housing needs of Mainers across our state. The housing crisis is still a significant barrier for families and individuals in every county. With further uncertainty about rising costs in other areas of the economy, and reduced support for federal rental assistance, this crisis will only worsen. We must look at options to increase the state's ability to support the housing stability of Mainers.

Additional Investments Needed

The Eviction Prevention Program (EPP), referred to as the Stable Home Fund Z408 in MaineHousing's testimony, was established as a pilot in the supplemental budget passed in 2024. It went into effect on October 1, 2024 and has already kept over 375 households in their homes and communities. The program is estimated to assist more than 1,000 households once all of the program's funds have "gone out the door." At Maine Equal Justice, we have clients who remain safely housed thanks to this program. They include a home healthcare worker, parents expecting their first child, a single mom of four who was suddenly laid off from her job. The EPP provides an opportunity for these families to get back on their feet without the upheaval, trauma, and financial instability an eviction would create.

In a community survey conducted by MEJ in 2024 with more than 700 responses, housing remained a top concern for folks from individuals who spent over 90% of their income on rent to those who are already making

difficult choices between their medication, food, and rent. These exorbitant housing costs are affecting everyone, but are hitting individuals with low incomes the hardest.

We heard from Mainers in every county. Here are some of their words:

- “They have NO IDEA what disabled low-income seniors have to do to survive and not lose home, meds, treatment, etc”
- “We go without what most people consider basic, we then avoid paying basic bills to afford unexpected expenses...”
- “We are surviving; not living...More opportunities need to be available to get people on their feet and sustain that.... The immense stress is taking a toll on our health and causing earlier health problems and death. Families are broken.”

We urge you to take serious proposals to increase revenue by increasing taxes in an equitable way so that those who are least impacted by the housing crisis are paying their fair share to ensure we have the ability to adequately meet the housing needs of those who are struggling every day. There will also be a bill for your consideration to strengthen and continue the EPP program, for which there is clearly such need. We ask that you consider including language from and funding for LR 2260, An Act to Maintain Housing Stability by Strengthening Support for Eviction Prevention, in the budget.

Investing in Emergency Shelters

Our emergency shelters have and will continue to provide critical services in our communities and often serve as the conduit to other referrals and services, however; the current appropriation for emergency shelters does not reflect this. The allocation for emergency shelters has not been increased since 2016, meanwhile, Maine has seen an unprecedented rise in those without shelter. This investment in our emergency safety net is a modest and necessary increase in the face of rising costs and inflation.

We understand the many needs that you are considering as you begin to work this budget proposal. Without safe, stable, affordable housing, our families, friends, neighbors, classmates, and coworkers cannot thrive. The housing crisis harms our health, wellbeing, academic achievement, and workforce. We urge you to consider every option to support the housing needs of low-income Mainers. Thank you for the opportunity to share these thoughts with you today. We will be available for any of your work sessions and are happy to answer any questions.