

126 Sewall Street Augusta, Maine 04330-6822 TTY/Voice: (207) 626-7058 www.maineequaljustice.org Kathy Kilrain del Rio Advocacy & Programs Director (207) 626-7058, ext. 210 kathy@mejp.org

MEJ Testimony *in support of* LD 1723, An Act to Amend the Laws Governing Manufactured Housing Communities to Prevent Excessive Rent and Fees Increases

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Good morning, 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 and Programs Director for Maine Equal Justice, a nonprofit legal aid provider working to increase economic security, opportunity, and equity for people in Maine. Our organization has decades of experience working with people with low incomes to support access to health care, food security, housing security, education and training programs, and other programs that support individuals and families in moving toward financial security so they can thrive. I'm testifying in support of LD 1723.

As you have discussed before, Maine is facing a housing crisis that disproportionately affects renters. Average rents are increasing more than 14% year to year. From 2001 to 2018, "renter incomes grew by 0.5 percent" while "rents increased by 13 percent." According to Pine Tree Legal Assistance, the number of complaints they received from clients concerning rent increases quadrupled between 2019 and 2022. At the same time property values continue to increase. Maine's traditional single-family home market saw a substantial jump from a median sale price of \$225,000 in 2019 to \$390,000 last year³ making it difficult for people with lower incomes to move into home ownership.

For a long time, manufactured homes were an affordable option for people with lower incomes. Their popularity is clear from the number of manufactured home parks (MHPs) in Maine – more than 600, which is more than other state in New England.⁴ Those living in manufactured homes usually own their home and pay rent for their lot. They straddle home ownership and being a renter. They are also more likely to have lower incomes than both other types of homeowners and other renters.⁵

As homeowners, they have the types of responsibilities others have for maintaining their home. But while manufactured homes are often referred to as "mobile homes", they aren't easily moved to a new location – and moving is a costly process. Therefore, these homeowners are at

¹ Lily Katz & Tim Ellis, Rental Market Tracker: Rents Rise 14% in December—Biggest Jump in Over Two Years, Reprin News (Jan 21, 2022), https://www.redfin.com/news/redfin-rental-report-december-2021/.

² SAMMI AIBINDER & LINDSAY OWENS, THE ROOSEVELT INSTITUTE, NO ROOM FOR RENT: ADDRESSING RISING RENT PRICES THROUGH PUBLIC INVESTMENT AND PUBLIC POWER 3 (2021), https://rooseveltinstitute.org/publications/no-room-for-rent-addressing-rising-rent-prices-through-public-investment-and-public-power/.

³ https://www.pressherald.com/2025/03/09/more-maine-homes-are-selling-for-millions

⁴ https://www.mainehousing.org/docs/default-source/policy-research/presentations/2019-maine-affordable-housing-conference/destigmatizing-manufactured-housing-presentation.pdf?sfvrsn=4190b115_2

⁵ https://www.urban.org/urban-wire/22-million-renters-and-owners-manufactured-homes-are-mostly-left-out-pandemic-assistance

the mercy of the owners of the lots for what those rental costs are. In recent years, corporate real estate entities across the country have come to see MHPs as a good revenue source. Today one in five MHPs in our state are owned by out-of-state corporations.⁶ Those corporations often significantly raise lot rents, which pushes out low-income homeowners who simply can't afford that price gouging.

In recognition of these challenges, this committee has taken steps to help protect MHP homeowners. LD 1723 is another bill that can protect these homeowners from the loss of stable housing. As has been discussed here before, keeping people stably housed is one of the most important things we can do for their wellbeing and to prevent higher costs for municipalities and the State when people become unhoused.

Increasing rent, often, can be the same as eviction. There are many Mainers that live paycheck to paycheck, and many other Mainers (especially elder Mainers) who live on fixed incomes. Regulating rent increases can keep people housed. With so many households living on a razor thin edge to make rent, it is no surprise that in 2024 Maine Courts handled between 4,843 eviction cases. According to a study by the Maine Affordable Housing Coalition, 73% of evictions are for non-payment of rent. This means that an average 13 households faced loss of their homes every day - these include families with children, seniors, veterans, and single adults striving to make ends meet. These individual experiences of displacement ripple out into Maine's economy.

Evictions trap people in poverty because unstable housing makes it extremely difficult to maintain steady employment. Evictions have been linked to psychological trauma and have been identified "as a risk factor for suicide." Those evicted have 63% higher odds of losing Medicaid coverage, and getting prescriptions filled or storing prescriptions becomes extremely difficult. A housing change during childhood can lead to half a year of loss in school. Children that are forced to move three or more times generally have lower earnings, fewer work hours, and less educational attainment. Children with unstable housing "are more likely to be truant, and are more likely to drop out" and they "are at higher risk for developmental delay, decreased academic achievement, anxiety, depression, behavioral disturbances, and even death."

⁶ https://www.bangordailynews.com/2024/04/01/business/business-housing/investors-own-1-in-5-of-maines-mobile-home-parks-joam40zk0w/

⁷ https://www.courts.maine.gov/about/stats/statewide.pdf

⁸ https://mainehousingcoalition.org/wp-content/uploads/2020/09/Maine-Eviction-Report-FINAL-September- 2020.pdf , p.9.

⁹ ACLU, No Eviction, supra note 5, at 3.

¹⁰ Matthew Desmond et al., Evicting Children, 92 Social Forces 303, 303 (2013).

¹¹ ACLU, No Eviction, *supra* note 5, at 6; The Network for Public Health Law, The Public Health Implications of Housing Instability, Eviction, and Homelessness (2021), https://www.networkforphl.org/wp-content/uploads/2021/04/Fact-Sheet-Public-Health-Implications-of-Housing-Instability-Eviction-and-Homelessness.pdf.

¹² ACLU, No Eviction, supra note 5, at 5

¹³ Id.

¹⁴ Matthew Desmond et al, *supra* note 9, at 320.

¹⁵ Ericka Petersen, *Building a House for Gideon: The Right to Counsel in Evictions*, 16 STAN. J. C.R. & C.L. 63, 69 (2020).

In 2020, 62,000 of the state's 747,000 housing units were mobile homes, about 8 percent.¹⁶ The median manufactured homeowner spends only 16% of their income on housing and less than 25% are cost burdened, making this a stable housing option.¹⁷ You can see how important it is to protect MHPs as an affordable housing option for Mainers across our state.

For these reasons, we urge you to support LD 1723. Thank you for the opportunity to testify and I'm happy to answer any questions you may have.

¹⁶ https://www.centralmaine.com/2022/09/02/maine-voices-trailer-parks-wrongly-overlooked-inaffordable-housingdebate/#:~:text=Mobile%20homes%20make%20up%20a,mobile%20homes%2C%20about%208%20percent.

¹⁷ https://www.mainehousing.org/docs/default-source/policy-research/presentations/2019-maineaffordable-housing-conference/destigmatizing-manufactured-housing-presentation.pdf?sfvrsn=4190b115_2