



Joint Standing Committee on Housing and Economic Development

Laura Mitchell, Executive Director, Maine Affordable Housing Coalition

In Favor - LD 2124 An Act to Support Emergency Shelter Funding Using Revenue from the Real Estate Transfer Tax Housing and Economic Development Committee

February 9, 2026

Chair Curry, Chair Gere, and members of the Committee on Housing and Economic Development:

My name is Laura Mitchell. I serve as the Executive Director of the Maine Affordable Housing Coalition, a nonprofit with 140 member organizations that build, design and finance affordable housing that advocate for the creation and preservation of housing affordable for all Maine people.

Depending on where a person lives in Maine, becoming homeless can mean traveling hours to the nearest shelter, with no guarantee a bed will be available. Maine does not have enough shelter beds to meet the needs of the thousands of individuals and families experiencing homelessness. At the same time, the shelters that provide lifesaving care and stability are operating on the brink, year after year, due to the lack of sustainable, permanent funding.

LD 2124 offers a smart solution. By dedicating a portion of Real Estate Transfer Tax revenue to emergency shelter funding, this bill would help ensure that Maine's approximately 40 shelters can continue providing accessible services across all 16 counties. This stability matters for entire communities. People experiencing homelessness are often pulled into the corrections system that counties help pay for, or health care, police, and EMS. Providing safe, stable shelter is a much more cost-efficient use of tax dollars.

- **Shelters reduce pressure on police, jails, and EMS - especially in rural Maine.**
Access to shelter is associated with **60–75% reductions in jail days** and fewer police and EMS calls. In communities without shelters, law enforcement and emergency responders often become the default system of care, at a much higher cost to taxpayers. *Source: Urban Institute; Larimer et al., AJPH.*
- **Avoided public safety costs add up quickly for Maine communities.**
An Urban Institute analysis found annual cost avoidance per person of roughly **\$2,400 in jail costs, \$400 in police costs, \$1,600 in ambulance/EMS costs, and \$500 in emergency department costs** when people have access to shelter and housing supports. *Source: Urban Institute, 2020.*

Emergency shelters are not just places to sleep; they are pathways to housing. Most shelters provide intensive case management, housing navigation, and connections to employment, healthcare, and behavioral health supports. These services help people exit homelessness quickly and enter stable housing. Without shelters, people rarely get a chance to access the housing programs designed to help them.

Sustainable shelter funding also makes sense for local and state budgets. When shelters lack resources or close entirely, people are forced to survive outdoors in dangerous cold. A 2025 study found that even temporary access to shelter reduces strain on emergency systems, including police calls, emergency room



visits, jail time, and medical transports. These services are far more costly to taxpayers than shelter operations.

- **Shelters reduce emergency room and hospital costs.** National studies consistently show **40–50% fewer emergency department visits** when people move from unsheltered homelessness into shelter or housing, saving **\$10,000+ per person per year** in avoidable health care costs. In Maine’s rural regions, where hospitals already operate on thin margins, this cost avoidance matters. *Source: National Low Income Housing Coalition; American Journal of Public Health.*

Current funding levels are simply not sufficient. One-time state funding last year put a short-term, partial band aid on an ongoing crisis. The primary funding source many shelters rely on has not increased since 2016, despite rising costs for staffing, food, utilities, insurance, and security. The consequences of this underinvestment are real and immediate. **In May 2025, the York County Adult Shelter closed its doors,** leaving an entire region without this critical resource and many neighbors with nowhere to turn. Every shelter closure reduces Maine’s already limited bed capacity and shifts the burden to police, jails, EMS, hospitals, municipalities, and neighboring shelters that are already full.

- **When shelters close, costs don’t disappear, they just shift.** The closure of a shelter forces people to travel long distances or remain unsheltered, increasing emergency medical calls, hospital visits, and law enforcement involvement in neighboring communities that are already stretched thin. *Source: U.S. Interagency Council on Homelessness; CDC.*

LD 2124 would provide the stability shelters need to keep their doors open and continue serving people safely and effectively. As Maine works to increase housing supply, we must also ensure that emergency shelters remain a reliable part of the housing continuum.

Please vote **Ought to Pass** on LD 2124. Thank you.