

Testimony in Support of LD 2124

An Act to Support Emergency Shelter Funding Using Revenue from the Real Estate Transfer Tax

Sponsor: Representative Gattine

Public Hearing: February 10th, 1PM Committee on Housing & Economic Development

Senator Curry, Representative Gere, and esteemed members of the Committee on Housing & Economic Development:

My name is Ruben Torres, and I serve as the Advocacy and Policy Manager for the Maine Immigrants' Rights Coalition (MIRC). MIRC is a statewide coalition of over 100 organizations, including immigrant-led groups, legal service providers, and direct service agencies. Together, we work to improve the economic and social standing of Maine's immigrant communities, recognizing that stable families and access to basic needs strengthen Maine's workforce, public health, and local economies. We are here today in strong support of LD 2124.

Emergency shelters are foundational infrastructure. They provide immediate safety and stability for people experiencing crisis, whether that crisis is driven by housing shortages, job loss, domestic violence, health emergencies, or displacement. Immigrant and non-immigrant community members alike rely on this system, and when it fails, the consequences ripple across entire regions.

The one-year funding provided through LD 698 in 2025 made a real and measurable difference. But that funding was temporary, and as many operators have made clear, it functioned as a stopgap rather than a solution. Without ongoing, predictable funding, Maine risks losing shelter beds and entire facilities, particularly in rural regions where alternatives do not exist. The closure of the York County Adult Shelter in May 2025 is a stark example. Its loss did not eliminate homelessness in York County; it displaced people and shifted costs onto municipalities, hospitals, emergency responders, and neighboring shelters already operating beyond capacity. We are now seeing similar warning signs elsewhere, including in Oxford County, where a family shelter has indicated it may not be able to continue operating without a sustainable funding solution.

Short-term fixes provide temporary relief, but they lead to renewed crises and closures, increasing human suffering and public costs. Maine's core shelter operating subsidy hasn't been updated since 2016, with the current reimbursement rate of \$7.16 per bed-night far below the actual cost of providing safe shelter and basic services, estimated at over \$100 per night. LD 2124 addresses this gap by establishing a stable, predictable funding source tied to the real estate transfer tax, a revenue stream that grows with the market and inflation. This approach allows shelters to plan responsibly, maintain staffing, preserve capacity, and focus on helping people stabilize and move forward, reducing emergency room utilization, involvement with law enforcement, and mortality. When people are forced to survive outdoors, costs increase across public systems, outcomes worsen, and lives are put at risk. A functioning shelter system benefits all Maine residents and communities.

For these reasons, MIRC respectfully urges the Committee to support LD 2124. Thank you for your time and consideration.