



131st Maine Legislature
Joint Committee on Housing

LD 2158 An Act to Improve the Housing Voucher System

Testimony of Christopher LaRoche, Westbrook Housing Authority

Senator Pierce, Representative Gere, and members of the Joint Committee on Housing. I am Christopher LaRoche, Executive Director of the Housing Authority of the City of Westbrook, (Westbrook Housing Authority). I am presenting testimony outlining reasons to consider Not to Pass LD 2158.

Westbrook Housing Authority is a municipal Public Housing Authority servicing the community of Westbrook and those communities in its shared jurisdiction of municipalities within 10 miles as defined by M.R.S Title 30-A. Established in 1969, Westbrook Housing issues and manages 1026 HUD Housing Choice Vouchers and owns and manages 763 affordable housing apartments. Following Maine Housing and Portland Housing Authority, Westbrook Housing Authority is the third largest provider of the HUD Housing Choice Voucher Program (HCV) in the state. Since 2014, Westbrook Housing has maintained an HCV utilization rate, (vouchers issued and leased up) of 99.27% with the year of 2014 being our lowest utilization rate of 98.5% (only as a result of the Federal Budget cuts due to sequestration). In 2023 Westbrook Housing had a utilization rate of 99.15% while expending 102% of its Federal Budget Authority, doing so with a payment standard of 110% of the HUD Fair Market Rent. I state these statistics as a point of credentials to affirm the testimony provided.

The apparent goal of LD 2158 is to provide statewide uniformity and standardization of the HUD Housing Choice Voucher program to increase access and utilization of the Housing Choice Voucher Program that is currently operating at a statewide utilization rate of 84.35% while spending 100.69% of its Federal Budget Authority.

The proposed legislation is modeling what already exists per Title 24 U.S.C Subtitle B Chapter 9. The current U.S. Code and related HUD Housing Choice Voucher Regulations already codify Municipal Housing Authorities and Maine Housing to operate with the bill’s proposed activities – including: 1. Enter into contracts with landlords at the highest rental rates permitted by HUD; 2. Establish Reasonable time limits for the use of Housing Choice Vouchers; 3. Permit Housing Choice Vouchers to be used anywhere within the state; 4. Obtain Waivers from HUD to exceed Fair Market Rents; 5. Waiver for time limits for securing housing with a Housing Voucher; 6. Waiver for Expansion of geographical use.

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WESTBROOK HOUSING
30 LIZA HARMON DRIVE, WESTBROOK, MAINE 04092 ~ (P) 207.854.9779 (F) 207.854.0962
WWW.WESTBROOKHOUSING.ORG ~ INFO@WESTBROOKHOUSING.ORG



The Housing Choice Voucher Program already exists with regulatory uniformity that addresses the points addressed in the bill. In its attempt to increase production and make more accessible, the Housing Choice Voucher Program, it will in fact curtail the efficacy of the program. It will result in removing the Municipal Housing Authority's ability to modulate the federal program to maximize the program's ability to respond to local and regional conditions. This bill will eliminate the local Housing Authority's ability to maximize the use of federal funding related to contracted vouchers on an annual basis that will result in lower production and less households being served with the HUD Housing Choice Voucher Program.

The following highlight federal regulatory requirements that each Municipal Housing Authority and Maine Housing are subject to. If implemented LD 2158 will hinder or void the HUD regulations of municipal Housing Authority's ability to administer its HCV program.

- Each Housing Authority operates on a separate Housing Choice Voucher Annual Contributions Contract with HUD that specifies the number of Housing Choice Vouchers and the Annual Budget Authority.
 - Requiring all Housing Authorities to operate at statewide waiver of 120% of the HUD Fair Market Rent will result in municipal housing authorities going into deficit spending that will result in them being forced to lease less vouchers and remove people from the program.
 - Runs the risk of loss of future federal funds due to Congressional Budget actions in future years that is related to production – maximizing the number of vouchers leased up in an annual year.
 - Even if a statewide rent rate that is a percentage above the HUD FMR is implemented, there are multiple FMR rates related to the multiple HUD AMI tracts. This will come into conflict with each individual Housing Authority's ability to apply that standard. This will impose a logistical problem for each housing authority to operate its program.
 - The HUD regulations to move vouchers from housing authority to housing authority through the regulated process known as “portability” will be in conflict with HUD rules to administer vouchers by housing authorities.
- Each Housing Authority must submit a 5-Year Plan and Annual Plan updates on how it will operate its programs. The HUD regulated process is addressed in the USC. Each Housing Authority's plans must undergo a public process, approved by its Board of Commissioners, and submitted to HUD for approval.
 - LD2158 will pose an impediment to this process whereas housing authorities will not be operating within the HUD regulations and will force a challenge from HUD. Housing Authorities will be out of federal compliance.
 - If the proposed actions outlined in LD2158 can be brought into line with HUD and approved by HUD, the HUD program rules result in a timeline of completing the 5-year and Annual Plan process that would realistically take all housing authorities to complete and be approved no earlier than 2026 which could be realistically a 2027 implementation.
 - Each Housing Authority will have to revise their Administrative Plans. The Administrative Plans will need be a significant amendment to the Housing

Authority Annual Plan and will require its own public hearing process and approval process that could further lengthen timeline to implement such a statewide Housing Choice Voucher Program.

- Each Municipal Housing Authority is required to submit its own waiver request as overseen by its Board of Commissioners.
 - A statewide waiver request would be in conflict with existing HUD Waiver guidelines and Municipal Housing Authority Governance.

These three significant general items listed are significant conflicts that LD 2158 poses with HUD and U.S. Code. Without getting into the minutiae of extensive HUD rules and regulations related to the Housing Choice Voucher Program, there will be many other areas of program rules that will have to be addressed prior to addressing the consolidation of municipal housing authority's HCV programs under the umbrella of one Housing Authority, Maine State Housing. This bill will not increase program efficiencies for the consumer but will administratively restrict its operation of the program.

As to the areas of the bill that address reporting of waivers and HCV utilization data. This information is readily available to the public. HUD Waivers are published in the Federal Register and HCV utilization is readily available from the HUD HCV Dashboard – web link: [Housing Choice Voucher \(HCV\) Data Dashboard | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#) . I would like to note that Maine Housing reports regularly to its Board of Commissioners and makes ongoing reports to the Legislature. This information can be made readily available in its reports as they already provide extensive housing data.

I am grateful to the 131st Legislature for its prioritization of Affordable Housing and the most recent significant legislative advancements addressing housing that have been made in the Legislature since 1985. The intent of LD2158 is to increase access and utilization of the HUD Housing Choice Voucher program. It does not add any uniformity or efficiency to the HUD Program as it already exists. In fact, it will be in conflict with existing HUD regulatory oversight of Housing Authorities and the Housing Choice Voucher Program. And this bill will result in logistical impediments that will have an initial and long-term reduction in full federal funding and less people served. There is only one way to increase HCV utilization throughout the state and that is Housing Production. I laud the 131st Legislature in all that you are doing for Affordable Housing at all levels and recommend that the focus remain on funding production and removing zoning barriers. If focus remains on production the current HUD HCV practices that already exist and mirrored in this bill will be fully utilized without impediment. I am opposed to this bill and recommend to and request of the Committee on Housing to vote **Ought NOT to Pass**.

Respectfully submitted,
Christopher LaRoche
Executive Director
Westbrook Housing Authority