

LEGAL SERVICES FOR THE ELDERLY, INC.

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March 9, 2023

Testimony of Leo J. Delicata, Esq., Legal Services for the Elderly, in support of L.D. 701 An Act to Increase the Notice Period for Rent Increases before the Joint Standing Committee on Judiciary

Senator Carney, Representative Moonen and members of the Joint Standing Committee on Judiciary

Legal Services for the Elderly is a non-profit legal services organization that was established in Maine following the passage of the Older American's Act in 1974. Since then, we have provided free legal assistance to our disadvantaged older adults when their basic human needs are at stake.

Maine law currently requires a landlord to give tenants a written 45 day notice before raising their rent. This bill changes the time to 90 days. It recognizes the housing crises that is undeniably present in our State. And it attempts to provide a small breathing space for tenants experiencing the intense pressures created by circumstances over which they have little control. There is plenty of data that describes the challenges of living in Maine if your income is low or moderate and you rent your home. Statistics from Maine Housing reported to the Legislature last November are but one example.

Here's an excerpt from Maine Housing's Director Dan Brennan's contribution to the Report of the Commission to Increase Housing Opportunities in Maine by Studying Land Use Regulations and Short-term Rentals (Appendix E) .

<https://legislature.maine.gov/opla/completed-study-reports/9289>

“HUD's Fair Market Rent for a 2-bedroom is unaffordable for the average renter household in all areas of Maine.

- 41.5% of renters are cost-burdened, paying more than 30% of their income on housing. Low- income renters are of course hit hardest by cost burden.
- Approximately 39,716 renter households are extremely low-income (at or below 30% Area Median Income).
- Extremely low-income renters paying over 50% of their income on housing comprise 16% of all renters.
- 45% of all renter households are below 50% Area Median Income.
- Small family renter household comprise the largest share of extremely low-income households.
- 54% of extremely low-income renters have substandard housing (defined as lacking complete plumbing or kitchen facilities).”
- Small single parent and older adult renters face the greatest housing challenges and greatest need. Nearly 15% of households with at least one person over 75 have extremely low incomes. 36% of households with one or more children aged 6 or under have extremely low incomes or low incomes.

Maine Housing’s Federal Emergency Rental Assistance Program Data Dashboard Report dated December 7, 2022 is also instructive. During the time that it operated (March of 2021 through November 2022), the program disbursed \$137,098,735 for rent, \$87,493,956 for rent arrearages, and over \$58,000,000 for other housing related costs. Those funds supported over 34,000 households and provided 248,357 months of rental assistance.

Unfortunately, that Federal rental assistance program has ended. Although it is still much needed, other pandemic related Federal assistance will end soon. The increased Federal Supplemental Nutritional Assistance Program (SNAP) benefits will return to much lower pre-pandemic levels at the end of this month. MaineCare members whose eligibility was frozen by pandemic rules will begin to have their eligibility redetermined in April. Over the next twelve months, literally tens of thousands will lose their medical benefits.

In our work, we expect that we will see even more evictions of our retired adults this year. Each case carrying a worrying risk of homelessness. We also expect to see more older adults in the workforce doing a part-time post-retirement job just to meet rising costs.

While we are not unmindful that there are economic cost drivers that are problematic for higher income households, even those who own rental housing, we are confident that they will have more options than the more needy population that I have described. At a different hearing before you last month on a different housing bill, a caring and financially savvy landlord remarked that as a rule she never increased the rent until a tenant moved. She valued long term tenants and they reciprocated by paying their rent and taking care of their apartments. She had a relationship with her tenants that resulted in a stable rental business with rare evictions.

It does not seem, on balance, that extending the notice period for increasing a tenant's rent is unreasonable. Finding another apartment, if your rent increases but your income does not, is a challenge that realistically cannot be met in 45 days. Given the perfect storm of high housing costs, the low stock of rental housing and the impending disappearance of programs keeping the most disadvantaged among us fed, housed and healthy, we believe that more time is little enough to give.

Thank you for giving us the opportunity to share our thoughts with you today and we hope that you vote ought to pass on this bill.