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Testimony of Alice A. Neal, Pine Tree Legal Assistance in Support of LD 847, An Act to Prohibit Housing Discrimination.

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Good afternoon Senator Carney, Representative Kuhn and members of the Joint Standing Committee on the Judiciary. My name is Alice Neal and I am an attorney at Pine Tree Legal Assistance. Pine Tree Legal Assistance is a nonprofit organization with offices in Portland, Lewiston, Augusta, Bangor, Machias, and Presque Isle. Since 1967, Pine Tree has represented low-income Mainers in civil legal matters including representing tenants in a range of rental housing matters. In 2024, we assisted low-income Mainers in 4,422 rental housing cases.

Pine Tree Legal Assistance supports LD 847 because rental assistance programs are a critical resource for low-income people but the value of rental assistance programs is significantly diminished when landlords refuse to rent to voucher holders.

Housing Choice Vouchers (formerly known as Section 8 Vouchers) enable low-income families to afford decent, safe housing and allow families to choose the community they want to live in. Unlike public housing or subsidized projects, this housing subsidy is portable and puts money directly in the hands of private landlords. A tenant takes the voucher into the private market and the landlord receives the rent from the government and from the tenant. The purpose of this federally funded transfer of money from government to private landlords is to allow low-income families to move to areas of greater opporunity – to neighborhoods where families can access the jobs and good schools which will enable families to move out of poverty.

This brings federal money into circulation into Maine's communities. Generally, the tenant's share of the rent is set 30% of their income; this means that those tenants have money they would have spent on rent that they can now use for other needs.

The Housing Choice Voucher Program avoids homelessness because if a tenant loses their job, their rent share is readjusted by the housing authority, and they continue to be able to afford their home. In contrast, many low-income people who are unable to find a landlord who will take their voucher are paying nearly all their income toward housing costs. They do not have money for other needs, and they may be one unexpected medical bill or job loss away from eviction and homelessness.

An eviction always means disruption. Children change schools; adults lose jobs; mental health deteriorates, medical care may be interrupted, and the family and community lose the connections that were built in that place.

Federally supported housing, like Housing Choice Voucher Program, makes the housing market less vulnerable to fluctuations due to emergencies like the COVID-19 pandemic. During the pandemic, tenants paying out of pocket were more likely to be unable to pay their rent than those with subsidies. More tenants using Housing Choice Vouchers would have made the housing market more stable.

The Housing Choice Voucher Program requires that participating landlords provide housing that meets certain minimum quality and safety standards. If landlords could not so easily opt out of engaging with the Housing Choice Voucher Program, there would be a larger stock of safe and decent housing available to the community.

Discrimination against people who receive public assistance is an issue of equity, since a high proportion of people receiving public assistance are non-white, disabled, female-headed households, and/or families with children. Discrimination against people receiving public assistance disproportionately impacts people in these groups.

The purpose of public assistance programs, and of Housing Choice Vouchers particularly, is to give low-income people access to stable housing in neighborhoods with good jobs and good schools. Discrimination against recipients of public assistance keeps people from using this resource which would help them move out of poverty.

It takes years for a family to get a Housing Choice Vouchers in Maine. As of January 2024, the statewide waiting list for Housing Choice Vouchers had over 22,500 people on it. At Pine Tree Legal we work with families all over the state who have spent years waiting to get vouchers only to risk losing those vouchers when they are unable to find a landlord who will accept them before the deadline to use their voucher expires. This is a problem we see in Southern Maine as well as in Presque Isle and Caribou.

For one example, beginning in late 2019 Katherine McGovern, a Portland-based Pine Tree Attorney, worked with seven families who lived in an apartment complex in Portland. An out-of-state investor purchased the complex and issued eviction notices to at least 16 families telling them that the new owner did not want to participate in the section 8 program. These eviction notices were issued to families because of their status as section 8 vouchers holders and regardless of the length of their tenancy or their record as good tenants who paid their rent on time. Each of these households included children or people with disabilities. Each of these families had lived in the complex for at least five years. One had lived there for more than twenty years. After significant media attention, the owner said the notices were due to miscommunication with their attorney. Many of the families moved because they were concerned that they could be evicted at any time. Those who stayed were required to "apply" to rent the units they already occupied and many were denied and required to move after credit checks.

Pine Tree does not know why this landlord did not wish to rent to Housing Choice Voucher holders, but the experience has been that rejection of voucher holders is often either based on stereotypes about low income people or inaccurate information about what the voucher program requires of landlords.

Previously, Katherine McGovern asked a client to describe her experience so we could share it with you. This client does not want to speak publicly because of the stigma associated with her situation. She was a long-term tenant in a complex, having raised her kids there. She enjoyed living in this apartment because it felt safe and because it included parking and she needed a car to get to her job. When she found out the complex had been sold and the new owner intended to evict voucher holders, she was in shock. She felt very vulnerable and scared. She was afraid she would become homeless. She felt the new landlord must not understand that having tenants with vouchers was a good thing because it meant that a good portion of the monthly rent was guaranteed. She has PTSD and, as the uncertainty of her housing situation wore on, she felt a loss and a fear that she compared to losing a family member. She wondered every day if there would be a new notice on her door. She also felt that it wasn't right that she had to go through this experience. She is proud of the work she does, she takes pride in her contributions to her community and the fact that she's been a great tenant for many years. She knew that she didn't deserve to feel this fear and uncertainty.

The potential for this large-scale displacement of low-income families and the trauma this client experienced was made possible by the Law Court's decision in *Dussault v. RRE Coach Lantern Holdings, LLC*. We support this bill because it would remedy the gaps in Maine's source of income protection opened up by the court in *Dussault* and help ensure that the mobility and opportunity that are the goals of the Housing Choice Voucher program are not out of reach in Maine.

Circling back to the 4,422 rental housing cases that Pine Tree assisted with in 2024, of those cases, 64% were people worried about or facing eviction for any reason. 29% of the 4,422 were worried or facing eviction because of their inability to pay rent. The proposed law would not require landlords to take on a tenant regardless of amount of income, just type of income. The legislature is being asked to require landlords to accept tenants whose income is relatively stable, like Social Security Income. Even if it is General Assistance, the municipality would pay the landlord directly if the tenant qualifies. Most working individuals in Maine are at-will employees, subject to pay cuts or termination. The housing market is unstable for most tenants and requiring landlords not to discriminate against people who have enough income to pay their rent just because their income is from the government would bring more stability.

Thank you for the opportunity to testify in support of LD 847.