

130th Maine Legislature
Joint Standing Committee on Labor and Housing

Testimony of Erik C. Jorgensen, MaineHousing, in favor of

LD 773 An Act to Assist Public School Students and Families who are Homeless

2 April, 2021

Senator Hickman, Representative Sylvester, distinguished members of the Labor and Housing Committee, my name is Erik Jorgensen, Director of Government Relations at the Maine State Housing Authority (MaineHousing).

MaineHousing has been helping Maine people own, rent, repair, and heat their homes since 1969. MaineHousing is an independent state authority created to address the problems of unsafe, unsuitable, overcrowded, and unaffordable housing. We are authorized to issue bonds to finance single family mortgages for first time homebuyers and for affordable multi-family housing.

We are also authorized to administer a number of state and federal programs including rental subsidies, weatherization, fuel assistance, two housing block grants, the low-income housing tax credit program, and homeless grant programs. We receive state general fund revenue for homeless programs and receive a dedicated portion of the real estate transfer tax for the Housing Opportunities for Maine (HOME) Fund.

I am speaking today in favor of LD 773. We are always in support of chipping away at the problem of homelessness, and homeless students and their families are a population whose needs have special urgency. While we support this bill, we do feel there are some issues that need to be thought through. As you know, there are many different bills before the legislature this year dealing with various aspects of homelessness and would note that the committee needs to consider how these, if all passed, might interact on a policy level.

Two days ago we received Rep. Brennan's amendment replacing the original language of the bill, and my comments are directed to the bill as amended.

First I thought it would be useful to review how homeless student referrals are currently managed. Under current policy, unaccompanied students should be referred to DHHS, while those who are part of families should be referred to local public housing authorities or, where those don't exist, to Maine State Housing Authority. Each local public housing authority has

established priorities for issuing housing vouchers. MaineHousing prioritizes homeless people; others prioritize local residents or other groups in need. A major issue is one that is familiar to this committee: providing a voucher is one thing, but finding a unit is something entirely different. We currently have a larger affordable housing construction pipeline than maybe ever before, but the supply deficit is not going to be overcome soon. So there's not much we can do about that supply of affordable housing units in the short term. That said, the other part of the problem is funding, and as is the case in every state the federal government does not offer enough funds for vouchers, so adding new funds would make a positive difference.

The bill refers these families to the Maine State Housing Authority. We would ask that the language be amended so that these referrals are broadened to go to DHHS, MaineHousing or local housing authorities depending on the case or the jurisdiction.

As for the financing, this bill proposes to fund the program with \$2 Million from the General Fund, as well as \$2 Million from the American Rescue Plan. While the general fund money would be straightforward, and we could create a short term voucher program with that, the American Rescue plan resources would be from a grant that we have not yet received and for which we have not received treasury guidance. This is one-time funding that may need to be directly COVID related. We don't know. We do know that it will include a certain amount of funding to support housing vouchers for people experiencing or at risk of homelessness. So it will help this population. We are a little uncomfortable, however, about specifying a dollar value from this future grant for this particular program. If we restrict 2 million dollars for this particular population, that means there will be 2 million less for other needs as identified by the Statewide Homeless Council. That's not to say this would not be a good use of the funds – just that it's important to be deliberate in why this one group should be funded ahead of others.

Finally, a small request: in 4763 subsection 4 as outlined in the sponsor's amendment, the bill specifies that the "MSHA shall adopt rules to implement this section". We would ask that the "shall" be changed to "may" – as we believe we likely already have rules in place that would cover this sort of program.

The issue of homeless students in our public schools is important and pressing. We fully agree with the aim of this legislation.