

## *130th Maine Legislature* Joint Standing Committee on Labor and Housing

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

## LD 1269: An Act to Preserve Fair Housing in Maine

5 May 2021

Senator Hickman, Representative Sylvester, members of the Joint Standing Committee on Labor and Housing, 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.

MaineHousing has had, as Maine's largest public housing authority, both an institutional focus and a policy structure that prioritizes fair housing. We have operated under HUD's Disparate Impact Rule since that rule was first implemented, and we have continued to do so even in the face of that rule's suspension. Rooted in the Federal Fair Housing Act, this rule requires that HUD programs and activities be administered in a manner affirmatively furthering fair housing. This demands that we take proactive steps --beyond simply combating discrimination-- to foster more inclusive communities and access to community assets for all persons protected under the Fair Housing Act.

While we absolutely support the intent of this bill, we feel that MaineHousing is not able to comply with it unless this bill is tightened to focus exclusively on MaineHousing's programs.

The issue lies in the fact that MaineHousing is not a state government agency and does not have any sort of regulatory authority beyond those programs that it operates and administers. This bill calls on us to ensure that "any federal funding or any state and local funding is used to affirmatively further fair housing in this state." We can ensure that federal funds disbursed by us are used to affirmatively further fair housing, but we don't have the ability to ensure that federal funds disbursed by other housing authorities in Maine do that, any more than Norway Savings can assure the state that Gorham Savings is complying with the Community Reinvestment Act. We know that Maine's other housing authorities take this issue very seriously, but we cannot guarantee their compliance with HUD rules. We would be happy to work with the analysts to make sure that the language of the bill is adjusted to focus on MaineHousing funding.

HUD is currently in the process of reinstating the 2013 disparate impact rule that had been repealed by the last administration. MaineHousing never stopped following and reporting on that rule, which requires us to develop a five-year fair housing plan and then to report annually on specific progress benchmarks aimed at reducing impediments to fair housing. The report involves public information gathering, and considers racial and ethnic barriers, zoning issues, Maine Human rights complaints around housing, community assets, transportation challenges and more. The most recent analysis of impediments as well as a subsequent report of progress is available on the MaineHousing website. <sup>1</sup>

We interpret this bill merely as being an assurance to the Maine Legislature that our state will continue to measure and share progress toward fair housing goals, regardless of what happens on the Federal level. We look forward to doing that. Few areas of housing policy are as important to us as understanding and eliminating barriers to equal access to housing in Maine.

<sup>&</sup>lt;sup>1</sup> Downloadable 2019 <u>State of Maine Analysis of Impediments to Fair Housing Choice</u> Progress Reports toward these goals are found in the MSHA <u>Consolidated Annual Performance and Evaluation</u> <u>Report (CAPER)</u>