Good morning, Senator Daughtry, Representative Sylvester, and esteemed members of the Joint Standing Committee on Labor and Housing. My name is Terence Miller, and I am the Advocacy Director at Preble Street, a nonprofit human service agency with over a dozen programs serving the most vulnerable people across the state of Maine. The mission of Preble Street is to provide accessible barrier-free services to empower people experiencing problems with homelessness, housing, hunger, and poverty, and to advocate for solutions to these problems. I am submitting this testimony in support of LD 1673.

Maine is in a housing crisis. Homes are less available and less affordable. According to a recent National Low Income Housing Coalition study, Maine has the ninth-largest gap between the income of an average renter and the income required to afford a two-bedroom rental. The state constructed just 454 units of affordable housing in 2021, which is less than 2% of the current estimated need of 25,000 units. The lack of affordable housing disproportionately affects Maine’s BIPOC (Black, Indigenous, and People of Color) population; 26% of Maine’s homeless population are BIPOC despite making up only 1% of Maine’s population.

It is crucial that we use bills like LD 1673 to enhance our capacity to immediately meet the demands of this growing crisis. We strongly urge the passage of this legislation, which will begin the crucial legislative conversation about affordable housing. We are encouraged by the recommendations of the Commission to Increase Housing Opportunities in Maine, but it is also clear that affordable housing, not just housing overall, needs the focused attention that this bill brings to the problem. We encourage you to take advantage of increased federal funding and broad bipartisan support to create a durable institution capable of assisting communities statewide to meet their housing needs.

Economic instability, racial inequity, and quickly changing demographics mean that new approaches to housing are needed for economic growth and also a key means for addressing homelessness. Affordable housing is not just an urban issue affecting only the Portland area but a growing rural problem as well. According to the Genesis Community Loan Fund, there are 6,200 Section 515 rental assistance units in rural Maine, with 2,500 potentially leaving the program by 2030. Over 2,000 of the threatened units are located in the 2nd Congressional District. Sixty percent of the assistance budget is set aside for the elderly or disabled. Losing these units would exacerbate the state’s housing shortage in the state with the nation’s oldest population.