

L.D. 1721, Resolve, to Establish a Plan to Provide Transitional Housing and to Support the Growth of Maine's Workforce

Report to the Joint Standing Committee on Housing and Economic Development

From the Governor's Office of Policy Innovation and the Future

January 15, 2025

L.D. 1721, Resolve, to Establish a Plan to Provide Transitional Housing and to Support the Growth of Maine's Workforce, directs the Governor's Office of Policy Innovation and the Future (GOPIF) to provide information about the model of transitional housing currently being used to support immigrant families' entry into the workforce in Maine, and any plans for offering continued supports of this nature into the future.

Between the summer of 2021 and the fall of 2024, Maine experienced a large increase in arrivals of immigrant individuals and families. As shown in Figure 1, attached, monthly Notice to Appear filings sent to Maine zip codes grew from 24 in June of 2021 to a high of 652 in January 2023, and remained historically high until falling to 84 in November 2024. Notices to Appear are sent to each individual in a household by the federal government, to inform them of the commencement of their legal proceedings in immigration court. Many jurisdictions across the country experienced similar increases in new arrivals during this span.

Maine's new arrivals over this time period have predominantly been asylum-seeking households, a group with both rights and restrictions imposed under federal immigration law. Key among those federal restrictions is a mandated delay in receiving authorization to work. Between finding a safe place to initially settle, completing and filing the asylum application, waiting the minimum of six months imposed under federal law before working, searching for and securing a job, and saving enough earnings to find and secure a home, it often takes asylum-seeking households 10-12 months, after arriving in the United States, to provide for their own housing. The flow of immigrant households into Maine over the past several years has created a long-term opportunity to strengthen the state's workforce and grow our economy, while presenting a short-term challenge in identifying housing for asylum seekers. The Mills Administration, Federal Delegation, and state legislators have worked to address this challenge, taking action to find housing solutions and help new arrivals become employed and self-supporting more quickly.

Governor Mills, in partnership with members of Maine's Congressional Delegation, has consistently called on the Federal government to expedite work authorization for individuals seeking asylum. In December 2024, responding to advocacy from Governor Mills, U.S. Senator Angus King, and Congresswoman Chellie Pingree, the Department of Homeland Security permanently increased the automatic extension to expiring work authorizations for immigrants and asylum seekers from 180 days to up to 540 days.

The Governor also continues to strongly support the Asylum Seeker Work Authorization Act of 2023, sponsored by Senators Collins and King and Representative Pingree, which would enable asylum seekers to receive work authorization on a much faster timetable.

In 2023, the Governor signed into law a bipartisan bill, LD 1050, A Resolve, Directing the Department of Labor to Request a Federal Waiver to Allow Presumptive Work Eligibility for Asylum Seekers. The Maine Department of Labor requested such a waiver on October 25, 2023.

Asylum Seeker Transitional Housing Program

The Mills Administration and MaineHousing have worked closely with an extensive network of local officials and organizations to address immigrant housing needs. This includes developing several innovative and successful models to ensure not just the basic health and safety of New Mainers, but also provide them with key supports and guidance into Maine’s communities and workforce.

One such model is the Asylum Seeker Transitional Housing Program (ASTHP), which has provided housing and a wide range of supports to nearly 1,000 individuals at two sites over the past two and a half years:

1. In Saco, between the onset of the program in July 2022 through December 2024, 737 people from 192 households have been served:

TABLE 1, Census Composition, Saco Asylum Seeker Transitional Housing Program, July 2022 – December 2024

Composition	Cumulative totals
Households	192
Adults	373
Children	364
Total Individuals	737

2. In South Portland, from the onset of the program in July 2023 until the site was closed in June 2024, 241 people from 84 households were served:

TABLE 2, Census Composition, South Portland Asylum Seeker Transitional Housing Program, July 2023 – June 2024

Composition	Cumulative totals
Households	84
Adults	118
Children	123
Total Individuals	241

The ASTHP involves a partnership among the Mills Administration, MaineHousing, the City of Portland (which coordinates referrals to the program), Catholic Charities Maine, and numerous other organizations (see Figure 2, attached) which provide supports to families as they navigate the process of securing their work authorizations and integrating into Maine communities. Funds allocated by the state to MaineHousing have been used to secure former hotel sites and contract with Catholic Charities to provide and coordinate a wide variety of daily, on-site supports, including:

- cultural orientation
- job readiness programs, training opportunities and job fairs
- adult and children's school enrollment
- English language learner classes
- assistance with applying for asylum and work authorization
- connections with health care services
- housing navigation
- additional programming with numerous community partners

The vast majority of families served by the program are seeking asylum in the United States due to danger or persecution in their home countries of Angola, the Democratic Republic of Congo, or Haiti. About 80 percent of housing outcomes in the program have been move-outs to local permanent housing, while smaller numbers of households have left to temporarily reside with others or migrate to other states or countries.

At the South Portland ASTHP site, 83 percent of working-age adults eligible to work were successful in securing employment while in the program. At the Saco ASHTP site, more than 90 percent of working-age adults eligible to work have secured employment while in the program. Reasons that the minority of others were not able to do so include: inability to find childcare for young children, full-time enrollment in high school, and medical issues or disabilities.

The ASHTP program has proven to be a highly successful model in helping immigrant households transition and integrate into Maine because it goes beyond the provision of basic shelter and minimal services, to ensure that families have the health, education, and workforce supports they need to succeed while waiting for federal work authorization. It has also benefited extensively from the experience and dedication of staff at Catholic Charities Maine. Examples of specific workforce-related activities include two pre-apprenticeship programs through the Associated General Contractors of Maine, both of which led to numerous job offers, and job placement programs resulting in employment at companies such as Maine Medical Center, FedEx, Bristol Seafood, Abbott Labs, Walmart and Market Basket, among many others.

The model carries two primary costs: leases for the former hotel sites (including rooms, maintenance, and security) and contracts for on-site services. The cost of the one-year South

Portland program was approximately \$4.3 million (including \$3.6 million for the hotel lease), while the cumulative 39-month cost of the Saco program will be approximately \$19 million (including about \$16 million for the hotel lease) by the time the current contracts expire on September 30, 2025. In the absence of the ASTHP, the cost of providing emergency housing for these families primarily would have been paid for by the State's General Assistance program and local matching requirements.

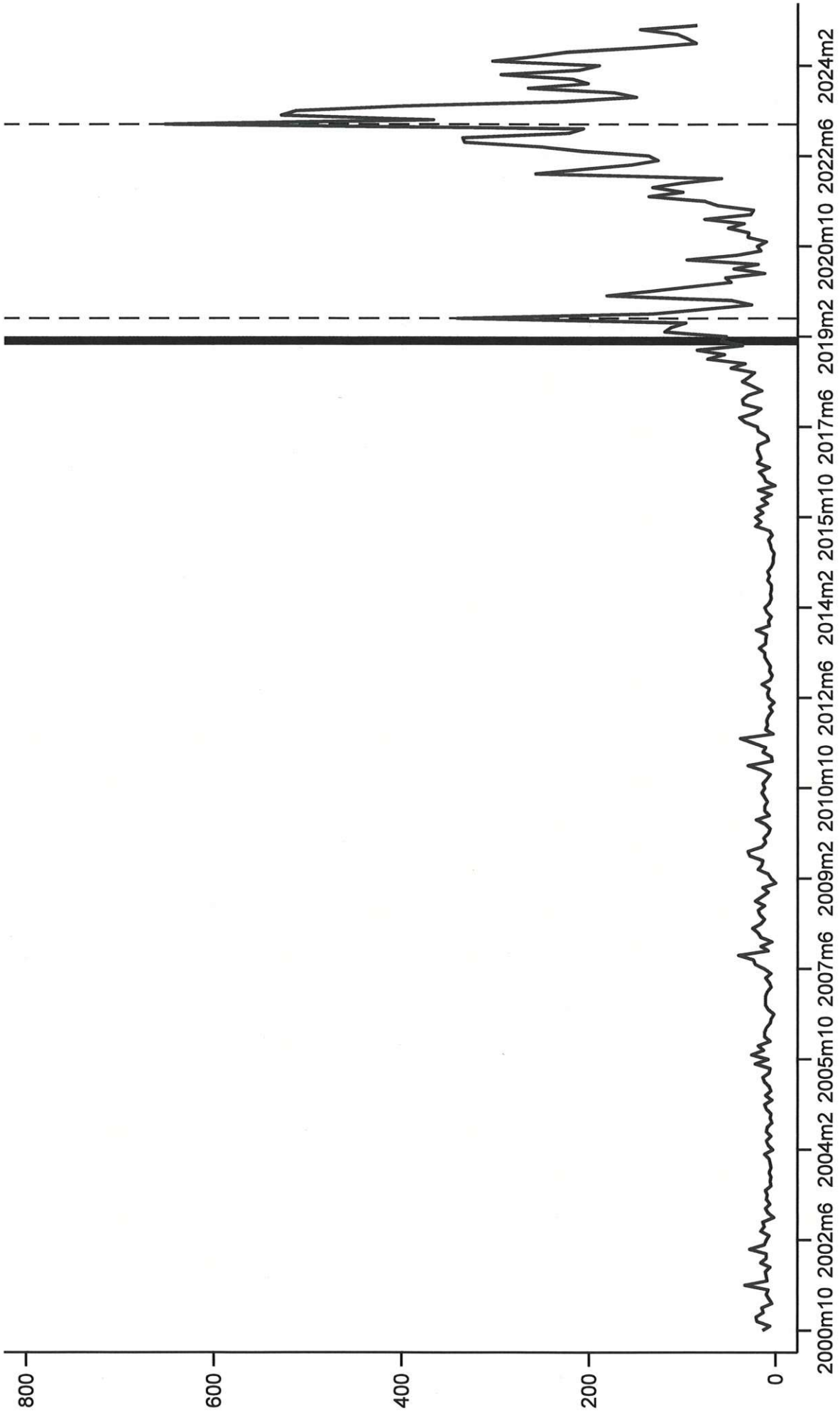
While the Saco site remains at full capacity, serving about 85 households/300 individuals daily, recent federal immigration policy changes have led to a significant reduction in the number of new families arriving in Maine and other states around the country. We anticipate that the need for the Saco program, at its current scale, will continue to decrease in the months ahead. However, it is difficult to predict how many families will arrive in the future and whether the program will be needed in some form after this coming September.

A one-year extension of the Saco program is projected to cost roughly \$6 million, including about \$5.1 million for a 12-month lease of the hotel. Alternatively, the cost of purchasing the hotel or allocating funds to a non-governmental entity to purchase the hotel would likely be in the range of \$13 million to \$17 million. This approach could create savings over annual lease costs in the long run if the program were to continue for many years into the future but carries the risk of rapid depreciation because the building was not constructed to serve as housing for 85 families over the long term. Furthermore, the ongoing costs of property maintenance, security, and on-site support services (approximately \$2 million/year), would continue under an ownership model.

The ASTHP model was undertaken at a time when the volume of new arrivals was higher, and state revenues were capable of sustaining the property leases and services contracts that lead to successful program outcomes. Maine's budget picture and the inflow of New Mainers has since changed. As such, we are currently unable to identify a path for its continued fiscal viability – either in the form of a temporary extension under the current lease model or a transition to an ownership model. The Governor's biennial budget proposal does not include an allocation of funding to continue the Saco program beyond September 30, 2025. We are also unable to identify any source of federal funding that could be reliably utilized for such a purpose, and future federal funding opportunities under the incoming administration and current Congress appear unlikely.

The Asylum Seeker Transitional Housing Program has been highly successful in responding to both the humanitarian need and state economic opportunity that has arisen over the past two and a half years. The model has proven its value by guiding hundreds of households into Maine's communities and workforce, where their talents and skills will benefit our state for many years to come.

Figure 1: Monthly Notice to Appear Filings in Maine (October 2000 - November 2024)



Note: Solid line represents January 2019. Vertical dashed lines denote spikes in monthly NTA filings in June 2019 and January 2023.



Figure 2