This message originates from outside the Maine Legislature.

To: Senator Bellows and Representative Handy, Co-Chairs, and honorable members of this important Study Committee:

Families need cash...now more than ever as Covid19 increases health and economic disparities.

There are several instances of providing direct cash benefits currently taking many forms as various organizations, cities and countries engage in testing out pilot programs. My husband Joe and I have been directly in involved in a pilot program in Jackson Mississippi where he is involved in several affordable housing properties.

In the fall of 2018, Springboard to Opportunities, a non-profit organization whose board I chaired at the time, announced the Magnolia Mother’s Trust, a new initiative providing low-income African-American mothers $1000 cash on a monthly basis, no strings attached for 12 months straight. The pilot program consisted of 20 women and ran from December 2018- November 2019. Based on the many significant positive outcomes, the program continued starting in March 2020 with a new cohort of 80 moms participating. Thanks to a very generous donor who recognized the severity of the impacts of Covid, an additional 30 mothers were able to enter the program in July 2020 bringing the total number of families to 130.

Having medicine on hand for a child’s allergies, obtaining all necessary school supplies and uniforms for children, owning a bed, having funds to pay a monthly energy bill are some of the expenses participants reported finally being able to take care of that had not been possible with limited voucher programs that provided for food and housing expenses but little more.

Here are some of the percentage changes evidenced from the first year pilot program:

- The number of participants able to pay all bills without additional support shifted from 37% to 80%
- The number of participant who completed high school education increased from 63% to 85%
- The number of families enjoying 3 meals/ day prepared at home rose from 32% to 75% (a key indicator for people predicted to go to college is having regular family meals)
- The collective amount of predatory debt paid off during the pilot was $10,000

And....

- 100% of the moms reported they had enough money to meet their monthly basic needs
- 100% reported worrying less because of their met needs
- 100% saw an increase in positive family engagement and relationships
- 100% felt more hopeful about their future

Mothers reported that they spent their money paying bills, covering education expenses, opening savings accounts, building credit, accessing transportation and travel, moving out of affordable housing and even purchasing a home.
They appreciated having the opportunity to participate in monthly gatherings focused on building social capital, deepening community, and strengthening leadership skills. Each session centered on a topic of their choosing including: 'How to say “no” to your kids now that you have some money?’, ‘How to budget?’ 'What is credit and how to get it? How to take advantage of available enrichment activities for their kids? They also appreciated having 1:1 support available to answer questions, provide guidance, and offer support.

The paramount premise to the Magnolia Mother’s Trust model is the deeply held appreciation for the dignity of every human being as well as the faith and trust that when presented with opportunities, wise choices will be made benefitting individuals and the whole family. Shifting the narrative about people living in poverty is a central aspect of this effort. The positive results of this initial pilot are clearly demonstrating that point. Over the last two years, in collaboration with the Economic Security Project, the Magnolia Mothers have garnered wide-spread national media attention both in print and video platforms. To read and see more about this remarkable story you can visit these websites...

springboardto.org/.../introducing-the-magnolia-mothers-trust and www.economicsecurityproject.org/the-magnolia

If you would like to hear directly from participants about their experience, Aisha Nyandodo, Executive Director, would be happy to virtually zoom some moms from Mississippi to Maine to tell you their life-altering stories.

I regret not being able to testify before you at the hearing on 10/15 and to answer any questions. I would be pleased to provide additional information.

I thank you for focusing time and attention on this issue and how it can benefit Maine families.

Respectfully submitted,

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