



Testimony of Erik C. Jorgensen, MaineHousing
Before the Joint Standing Committee on Labor and Housing

In support of LD 1966

An Act to Facilitate Access to Heating Assistance

Feb 28, 2022

Senator Daughtry, Representative Sylvester and esteemed members of the Labor and Housing Committee, I am Erik Jorgensen, and serve as Senior Director of Government Relations and Communications at MaineHousing.

The Maine State Housing Authority is Maine's housing finance agency, created by the Legislature in 1969 to address the problems of unsafe, unsuitable, overcrowded, and unaffordable housing. We are structured as an independent agency to utilize effective private methods of finance for public purposes, to be independent, and responsive. In addition to issuing bonds to finance affordable housing, our agency is authorized to act for the state in administering several federal programs, including rental subsidies, weatherization and 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 we receive a dedicated portion of the real estate transfer tax, which forms the Housing Opportunities for Maine Fund (also known as the HOME Fund).

This bill deals with one of those Federal programs, the LIHEAP program, which in Maine we refer to as HEAP. We did not know about this bill until we saw it come out of the Revisor's office, but we are happy to support it, as developing an online application is already in our program year 2023 work plan. We had in fact included an online component in our most recent RFP process the last time we bid for a HEAP software vendor, but that feature would have required custom software development, and before we could focus on it, we got caught up with COVID programming, which has been, over the past two years, a huge challenge, both for our staff and for our colleagues in the community action agencies, which deliver most of our home services.

This past year, in addition to the regular HEAP benefits that people applied for, we provided a second benefit this past fall in the same amount. This was provided to every HEAP recipient, doubling the amount they received for energy assistance this winter. We are currently in the process of a special electricity bill credit of \$90.00 for every household on TANF, MaineCare, and similar low income aid programs. This is being conducted in conjunction with the PUC to partially offset the recent increases in electricity. Both of these supplemental benefits came as the result of one-time additional Federal funding for the HEAP program.

Like you, we have been very concerned about the wait times that some of the community action agencies have been experiencing around getting people in to their initial HEAP enrollment appointments. We have recently instituted a midcourse change in the program this current heating season, and on Feb 1st we made some changes to the current application procedure in an attempt to reduce the application bottleneck that some of the CAA's are experiencing.

We are also anticipating two other significant changes in the coming season – one of them is the anticipated launch of the online application for the 2023 program year; the other is to implement some form of categorical eligibility around income – if for example, you can demonstrate that you are part of a low-income aid program, your application process will be much simpler.

Heap is a complicated program based on federal rules. We are mandated to provide the greatest benefit to the poorest people with the highest heating cost burden. This makes HEAP more complicated than a typical low income benefit. Changes like categorical eligibility and online applications will not be simple, nor will they be silver bullets, but they all should make a difference in this process.

We appreciate Senator Curry's interest in the HEAP program. We do not anticipate requiring any state funding to develop the online application.