

131st Maine Legislature
Joint Standing Committee on Appropriations

Testimony of Dan Brennan, MaineHousing, before the
Joint Standing Committee on Appropriations and Financial Affairs, in favor of

LD 3: An Act to Establish the Winter Energy Relief Payment Program to Aid Residents with High Heating Costs and to Finalize the COVID Pandemic Relief Payment Program

December 21, 2022

President Jackson, Speaker Talbot Ross, esteemed members of the Joint Standing Committee on Appropriations, my name is Dan Brennan and I am director of 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.

I am testifying in strong support of LD 3 for its emergency housing and fuel assistance provisions. If there is one message we have heard from members of the public all summer and fall, it has been around their worries over the extreme cost of home heating fuel, and whether they will be able to keep warm over the winter. This bill will help the most vulnerable Maine households through additional support for both participants in the federally-funded HEAP program, and for other households who find themselves in a heating emergency. In the past the HEAP program has provided around a tank and a half of heating oil on average. This year, with fuel prices at near record levels, HEAP households are receiving a benefit equal to around half or three quarters of a tank. This reduction in buying power is very troubling, especially as it comes a year after a season during which we had substantial supplemental funding made possible through ARPA. If this bill becomes law, our plan would be to provide

an immediate extra benefit to every participating HEAP household, and to double the benefit of all those in the queue going forward. In addition, we would expand funding for emergency fuel in households at risk of running out. Taken together with the administration's plan to send direct fuel assistance payments to a majority of Maine households, many of whom may be outside the income parameters of HEAP, we feel that this fuel assistance aid should work well to ease the worries of Mainers in a time of high fuel prices.

We also want to offer our support for the emergency housing provisions of the bill. This urgently needed funding would be used to support community efforts to stand up emergency warming shelters and keep people from becoming homeless this winter. It would also be used, if needed, to support homeless residents who are currently living in hotels. This support should not be seen as an extension of the Federal Emergency Rental Assistance program, but rather as a means to support individuals and families who are at the greatest risk of experiencing homelessness.

We commend the administration for proposing this comprehensive package, and believe that this solution, if adopted, will go far toward helping to get some of Maine's most vulnerable households through the winter in shelter and with heat.