

To: Committee on Appropriations and Financial Affairs

From: Maine Youth for Climate Justice

Date: December 21, 2022

Re: Testimony 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

Senate President Jackson, Speaker Talbot Ross, and members of the Committee on Appropriations and Financial Affairs, my name is Ezra Sassaman. I am the Advocacy and Organizing Director at Maine Youth for Climate Justice (MYCJ), a coalition of over 450 youth from across the state who fight for bold climate action and a just transition to a livable future in Maine. I am writing in support 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.

Many of the most at-risk Mainers are currently facing a double challenge: unprecedented heating costs combined with the end of Emergency Rental Assistance. To make matters worse, this dual challenge comes at the beginning of the harsh Maine winter season.

MYCJ recognizes that struggles such as unprecedented heating costs do not affect everyone equally. A 2019 study¹ prepared for the Office of the Public Advocate found Maine households with incomes below 150 percent of the Federal Poverty Guideline have an average in-home

¹ Avi Allison et. al, "<u>Maine Low-Income Home Energy Burden Study</u>", *Office of the Public Advocate*, June 3, 2019, accessed December 21, 2022.

energy burden of 19 percent. In comparison, it found the average energy burden for all households in the state was only 6 percent.

Therefore, although heating costs have risen for everyone in the state, this burden is disproportionately felt by low-income households. This is one important reason we urge you to support LD 3.

While our coalition supports this immediate relief, especially on behalf of hardest-hit low-income Mainers, we recognize it is also important to ask structural questions and get to the root of the problem to prevent this crisis from repeating itself each year.

We should think about why we depend so heavily on oil, and so much of it, to heat our homes. Instead of our continued reliance on fossil fuels, whose volatile prices are too often set by the whims of unaccountable corporations, Maine needs to continue investing in the transition to renewable energy sources and increasing home efficiency through weatherization.

We also support the immediate relief for renters through the continuation of the Emergency Rental Assistance program. The expiration of this program will impact thousands of families across the state.

Younger generations face many barriers, including rising costs of housing, student loan debt, and tighter lending criteria, that all combine to prevent them from becoming homeowners. ² Nationwide, a striking number of youth experience homelessness and housing insecurity. ³

It is important to recognize the root of the problem that is the lack of affordable housing nationwide and in our state. A 2022 study found 41.1 percent of Maine tenants are cost-burdened by rent, with almost 20 percent being "severely" cost-burdened.⁴

For the above reasons, our coalition urges you to support the passage of LD 3, while simultaneously keeping in mind that it is only addressing a symptom of larger structural problems which must also be addressed.

² Aaron Hankin, "<u>The Real Reasons Millennials Aren't Buying Homes</u>", *Investopedia*, June 21, 2022, Accessed December 21, 2022.

³ National Conference of State Legislators, "<u>Youth Homelessness Overview</u>", *NCSL*, Accessed December 21, 2022

⁴ Lucas Dufalla, "Nearly half of all Maine tenants cannot afford rent, new study says", Portland Press Herald, June 23, 2022, Accessed December 21, 2022.