



Testimony of Kara Hay in Support of LD 3

Before the Committee on Appropriations and Financial Affairs

Regarding 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

Senator Jackson, Representative Talbot Ross, and members of the Committee on Appropriations and Financial Affairs, I am Kara Hay, President and CEO of Penquis, a large community action agency in central/northern Maine that serves between 3,500 and 5,000 struggling Mainers every, single day. We provide roughly fifty services aimed at ensuring Mainers have access to safe and affordable housing, early childhood education, transportation, family supports and programs that build financial stability. I am here today to provide testimony 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."

At Penquis, our phones are always ringing because many of our community members are struggling and need our help. This winter though, the number of people who are calling has been unprecedented, many of whom share that they have never needed to call for help before but have found themselves in a place where they simply can't make it through on their own. We have also been struck by the urgency in people's voices as they call. Many are deeply afraid of literally freezing to death this winter. Our Maine people need help, and they need help now!

With heating oil averaging over \$5 a gallon, it really packs a punch for those struggling. Usually the Low-income Home Energy Assistance Program, known as Li-HEAP will provide about 1.5 tanks of fuel. With the current, elevated costs, it covers about ½ tank of fuel. As I know you all know, ½ tank of fuel won't get you far in a Maine winter. We always hear the challenges of staying warm from those we serve, but with so many increased costs this year including that of food, rent, electricity and heating oil, the concerns we are hearing are so much greater. People are telling us that they simply can't afford it. In fact, Maine residents keep their homes at unsafe temperatures more than those in any other US state according to a recent Census Household Pulse Survey which showed that around 8.3 percent of Maine households kept their homes at a temperature that felt unsafe or unhealthy almost every month over the past year. That represents close to 100,000 people. Only Delaware and Idaho had similar rates. It's important to understand that we were the highest in the nation already and things have only gotten worse.

Many of our older Mainers are sharing that they are usually able to save money across the year to help them be able to pay for their winter heating costs, but they simply haven't been able to

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this year. We hear stories every day of people needing to choose between heating their home and buying the medications they need, between putting gas in their vehicles to go to church and buying the food they need to live. Increased costs might not seem as impactful to those who have substantial resources but to those who are struggling, to those who are counting pennies, the impact is very real. This LD is essential to keeping Mainers warm this winter.

With this in mind, the transfer of \$40mm from the unappropriated surplus of the General Fund to Maine State Housing Authority to supplement the Low-income Home Energy Assistance Program (LIHEAP) funding to keep our lowest-income Mainers warm, and the transfer of \$10mm to help households that are not eligible for LIHEAP, for those one step away from poverty, stay warm is a must!

In addition, the \$21 million for emergency housing assistance will ensure that the 1084 households with no other housing options are safe this winter. It will also allow for support for pop-up shelters to be created for our most vulnerable, homeless families, individuals, and older Mainers to ensure that they stay alive through the winter months. Even in the few counties where shelters have recently been added, these funds could help cover transportation, staffing or other costs that may arise. Not supporting the emergency housing assistance is not an option. The shelters in our communities across the State are full. We must support our most vulnerable! If the \$21 million of emergency housing is not included in the package, it is likely that these 1084 households will end up on the street and will be seeking general assistance from the municipalities where they are. We know how strapped municipalities are already and this is not the right approach to pursue.

I know that you are all well aware that we need to develop a plan to address the housing crisis in which we are currently faced. I know that this important work will happen during the upcoming legislative session and that we will carefully consider needed medium and long-term solutions. I am incredibly eager to engage in this work with you all. In this moment, though, we need an interim solution to keep Mainers safe this winter. This LD would allow this to happen.

Thank you for your time and consideration. I am happy to answer any questions you may have.