

Testimony in Support of LD 1426, “An Act to Secure Housing for the Most Vulnerable Maine Residents by Amending the Laws Governing Municipal General Assistance,” LD 1664, “An Act to Increase Reimbursement Under the General Assistance Program,” LD 1675, “An Act to Amend the Laws Governing the General Assistance Program Regarding Eligibility, Housing Assistance and State Reimbursement and to Establish a Working Group,” and LD 1732, “An Act to Expand the General Assistance Program.”

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James Myall, Economic Policy Analyst

Good afternoon, Senator Baldacci, Representative Meyer, and members of the Joint Standing Committee on Health and Human Services. My name is James Myall, and I’m an Economic Policy Analyst at the Maine Center for Economic Policy. I’m here to offer testimony in support of LDs 1426, 1664, 1675 and 1732. Each of these bills would improve aspects of Maine’s General Assistance program, which provides critical support for thousands of vulnerable families across our state.

General Assistance meets urgent and temporary needs for Mainers, providing short-term help for people, allowing them to get through periods of crisis to get back on their feet. We know that safety-net programs like GA are important to prevent Mainers slipping through the cracks and over the long run to help them thrive as full participants in our economy.

Increased state reimbursement (LDs 1426, 1664, 1675, 1732)

Increasing the state’s reimbursement to municipalities for the GA program is one of the most effective things this committee could do to improve the program. It would recognize that the GA program deals with problems which are not, in fact, local, but statewide. When the LePage administration cut the reimbursement rate to 70 percent, it was a change which disproportionately impacted cities with populations of people seeking asylum, especially Portland.¹ In effect, it shifted the responsibility for helping these individuals to be a problem for the city alone. And while Portland city officials have risen to meet this responsibility, it’s clear that this situation is unsustainable, and immoral. Helping those in need should not be a local responsibility, but a shared responsibility for all of us.

From a broader economic perspective, it’s clear that the entire state of Maine should be welcoming and supporting new arrivals, not just the city of Portland. Maine’s Economic Development Strategy calls for adding 75,000 additional workers to our labor force over the next 10 years;² to reach this goal we need to welcome those arriving from other countries. Those needs aren’t restricted to Portland or Southern Maine, but include employers in every part of the state who are looking for more nurses, childcare workers or hotel staff. We should be making it easier for people to relocate to every part of Maine by ensuring that emergency assistance will be available whether you choose to move to Portland or Presque Isle.

Aligning housing assistance with rental rates (LDs 1426, 1675)

It’s well-documented that Maine faces a shortage of affordable housing statewide, with the result that more and more Mainers are finding themselves in precarious housing situations, or with no housing at all. Between 2021 and 2022, the number of Mainers counted as homeless in the annual point-in-time survey increased dramatically.³ Meanwhile today, one in nine renters in Maine reports being behind on their rent, and therefore at risk of eviction.⁴ Aligning the housing

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assistance within GA to the amounts provided in the federal rental assistance program will allow GA to provide realistic support for the increasing number of Mainers who help with housing.

Less frequent determination of eligibility for housing (LDs 1426, 1732)

Similarly, the provisions to increase the time between determination of eligibility for people receiving housing assistance will cut a layer of red tape for the program, and provide more stability for Mainers who desperately need it. Currently, the need prove eligibility for GA every month means that Mainers risk losing support and being evicted on a regular basis, if they are unable to make their redetermination appointment, or if their eligibility is denied. Being evicted from your home not only makes it more likely that someone will become homeless, but it leads to health problems, makes it harder to find stable employment, and impacts children's performance in schools.⁵ Extending the period of time between eligibility determinations will give people receiving housing assistance much needed peace of mind and avoid these ill effects.

DHHS assistance with applications and reimbursement for administrative expenses (LDs 1426, 1732)

Instructing the Department of Health and Human Services to assist municipalities with the administration of the GA program will make the program function better for everybody. Failing to reach everyone in need is a big problem with many safety net programs currently, as applicants are tripped up by paperwork requirements, and program administrators don't have access to the information they need to determine eligibility quickly and accurately. The provisions in LDs 1426 and 1732 to coordinate administration between local towns and DHHS should improve access to benefits and reduce administrative costs for towns. It's a commonsense approach that should benefit everyone.

Conclusion

These bills include a number of reforms to the GA program which would make it more responsive to the current needs of Mainers, and recognize that the problems faced by our most vulnerable residents are not specific to one town or city, but impact all of us as a state. Modernizing the program to reflect the realities struggling Mainers face today, and increasing the ability of the program to respond to problems statewide, rather than just in a few towns and cities, will benefit us all over the long run. It will ensure that more Mainers are supported during times of crisis, are able to rebuild their lives, and fully contribute as thriving members of our statewide community over the long run.

Thank you. I'm happy to answer any questions.

Notes

¹ Kevin Miller, "Critics turn out in force to oppose LePage's plan to change General Assistance." *Portland Press Herald*. March 3, 2015. <https://www.pressherald.com/2015/03/03/critics-turn-out-in-force-to-oppose-lepages-plan-for-general-assistance/>

² Maine Economic Development Strategy 2020-2029. Nov 15, 2019, p11. https://www.maine.gov/decd/sites/maine.gov.decd/files/inline-files/DECD_120919_sm.pdf

³ "2022 Point in Time Count," *Maine Housing*. https://www.mainehousing.org/docs/default-source/housing-reports/2022-point-in-time-survey--statewide.pdf?sfvrsn=1aa68615_7

⁴ MECEP analysis of US Census Bureau, Household Pulse data, periods 54-56, covering 2/1/23-4/10/23

⁵ "Eviction Prevention: Reducing Harm To Households And Society." *Institute for Research on Poverty*. Feb 2023. <https://www.irp.wisc.edu/resource/eviction-prevention-reducing-harm-to-households-and-society/>