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Testimony on LD 2214
An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds and to Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2024 and June 30, 2025

Senator Rotundo and Representative Sachs, Senator Baldacci and Representative Meyer, and distinguished members of the Joint Standing Committees on Appropriations and Financial Affairs and Health and Human Services, the Maine Mayors Coalition is providing testimony specific to Maine's General Assistance program as you undertake your work on LD 2214.

The Maine Mayors Coalition is a nonpartisan group representing the mayors of ten Maine communities – Auburn, Biddeford, Lewiston, Portland, Rockland, Saco, Sanford, South Portland, Waterville and Westbrook – and more than 265,000 residents. The Coalition advocates on behalf of our citizens and municipalities for policies that recognize the vital services Maine cities provide and the positive impact Maine cities have on our state. The Coalition seeks to work in partnership with state and federal elected officials to meet the needs of Maine people.

Our most immediate concerns are providing essential support and housing to people who are in need. As you're well aware, Maine's General Assistance program provides a lifeline for many who find themselves in dire financial situations, including individuals and families seeking asylum. Over the last several years, more people than ever are relying on the GA program due to the lack of housing supply; rising costs of homes and rents; increased prices for food, clothing, energy and other essentials; and the large influx of asylum seekers. We expect this need will continue to grow in the coming years.

As a result, the costs of our GA programs have increased significantly and placed additional burdens on our municipal budgets, staffs and ability to provide other critical services. The City of Sanford is an example of what many of us are experiencing. Sanford's GA costs have risen from budgeted gross expenditures of \$150,000 in 2022 to actual expenditures of \$964,525 in 2023 – a 540% increase. The City had to divert \$650,000 from anticipated road repairs to cover the unanticipated GA costs.

Sanford is now debating whether to set GA gross expenditures as high as \$1.3 million in its FY 24/25 budget. Its GA Department has been operated by one full time and one part time position for ten years, but will now increase staffing to two full time positions and contracted services in order to manage its case load. The City of Auburn saw its GA administrative costs increase by 84% between 2022 and 2024.

The Maine Mayors Coalition respectfully implores you to raise the level of GA reimbursement to municipalities from 70% to 90% in this supplemental budget. Additional support from the state is critical to helping our most vulnerable citizens. And, sharing a greater percentage of the rising costs of this important and necessary program will help alleviate the financial burden being placed on our communities and our taxpayers. Like you, we, too, must balance the competing interests of our citizens' needs with what we, and they, can afford.

Thank you for your time. Please let us know if you would like additional information.