



CITY OF BANGOR

Joint Standing Committee on Health and Human Services

Testimony in Support of LD 453 – An Act to Require the State to Pay 90 Percent of All General Assistance Expenses of Municipalities and Indian Tribes

April 3, 2025

Senator Ingwersen, Representative Meyer and distinguished members of the Joint Standing Committee on Health and Human Services, I am Jennifer Gunderman, Public Health and Community Services Director for the City of Bangor, and on behalf of the Bangor City Council I am providing testimony in support of LD 453, “An Act to Require the State to Pay 90 Percent of All General Assistance Expenses of Municipalities and Indian Tribes.”

General Assistance was established by the Maine Legislature to ensure essential support is available to residents who lack sufficient resources to meet their basic needs, such as housing, food, household products, personal hygiene items, etc. General Assistance is a program of last resort, in that all other resources must be exhausted in order to qualify, and works to prevent homelessness and support vulnerable populations. Currently, General Assistance funds provided to clients are reimbursed at a rate of 70% of benefit costs, there is no reimbursement for municipal administrative costs. The remaining 30% and all of the administrative costs fall to the municipality property taxpayers. LD 453 is requesting that the reimbursement amount be increased to 90%.

Example:

Current guidelines = 70%

\$969.00	Amount awarded to client
\$689.30	70% reimbursed to city
\$290.70	Amount city responsibility

Proposed guidelines = 90%

\$969.00	Amount awarded to client
\$872.10	90% reimbursed to city
\$96.90	Amount city responsibility

Increasing the state’s contribution to 90% would significantly address some of the financial burden experienced by City of Bangor property owners. As a service center for Penobscot County, the City of Bangor General Assistance supports a disproportionate number of people from other Penobscot County municipalities. As a result, Bangor property owners take on the financial responsibility.

Current year to date (7/1/2024 to 3/31/2025) General Assistance expenditures equal \$1,114,346.10 and the City of Bangor is currently responsible for \$336,099.29. If approved, LD 453 would lessen the property tax burden in Bangor by \$224,665 annually.

We strongly support LD 453 in its entirety, as we feel this change would greatly improve the lives of our residents by ensuring access to essential support and reducing the residential property tax burden. Thank you for your time, and please do not hesitate to reach out with questions.

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