

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," LD 1017, "An Act to Include Food Provided or Served at Emergency Shelters in General Assistance Reimbursement," and LD 1029, "An Act to Ensure General Assistance for Housing Does Not Reduce Assistance for Other Basic Necessities and to Increase Presumptive Eligibility and State Reimbursement for General Assistance," and in Opposition to LD 1046, "An Act to Establish a 180-day State Residency Requirement for Receiving Municipal General Assistance," LD 1066, "An Act Regarding Limits on Municipal General Assistance Programs," and LD 1274, "An Act to Cap State General Assistance Reimbursement to Municipalities."

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Dear Senator Ingwerson, Representative Meyer, and Members of the Joint Standing Committee on Health and Human Services. I'm writing today in support of LDs 453, 1017 and 1029, and in opposition to LDs 1046, 1066, and 1274.

Due to the number of bills you are considering, my testimony will focus on some core principles and values that MECEP believes lawmakers should bring to their work on General Assistance (GA):

General Assistance is the safety net of last resort. Cuts to this program leave vulnerable Mainers with nowhere else left to go. We've seen repeatedly from the history of other safety net programs in Maine that when limits are put on program use, poverty doesn't disappear. Instead, many vulnerable Mainers find themselves without resources and without assistance. This was true for SNAP and TANF, and it will be even more true for GA, as many of the GA recipients literally have nowhere else to go.

Although GA can cover a variety of expenses, its biggest impact is in preventing homelessness. That's one of the reasons costs have risen in this era of expensive housing. More and more Mainers are at risk of becoming homeless as housing costs rise faster than income.

Although it is a locally administered program, GA has statewide benefits. It's easy for small towns to look at places like Portland Lewiston, and Bangor and think that these cities "overspend" on GA, but it's well known that many of the folks receiving GA in the larger cities have moved there from smaller towns across Maine. By capping reimbursement to

municipalities at 70%, the current setup of the GA program creates bad incentives for communities. It is in the interest of small rural towns to discourage their residents from claiming GA, with the hope that these residents will travel to a service center city for help instead. Likewise, these small towns become reluctant to welcome the arrival of New Mainers in their community because of the short-term assistance costs. Increasing state support for GA will reduce these incentives and bring stability to the program for local communities.

More state support for GA also makes the program more equitable for Maine taxpayers. When GA costs come from local communities, that means funding through property taxes, which hits Mainers on low incomes harder. Funding through the state, meanwhile, comes through a mix of income and sales taxes, which asks more of higher income Mainers.

MECEP hopes you will support LDs 453, 1017 and 1029 to strengthen the GA program, ensure that it is more fairly funded, and fully covers the costs of vulnerable Mainers. At the same time, we hope you will oppose LDs 1046, 1066, and 1274 which will cut off the last element of support for many Mainers and leave them adrift.

Thank you. Please feel free to contact me at jmyall@mecep.org with any questions.