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**Testimony of Deborah Ibonwa, Maine Equal Justice in support of
LD 1426, An Act to Secure Housing for the Most Vulnerable Maine Residents by
Amending the Laws Governing Municipal General Assistance**

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Good Morning Senator Baldacci, Representative Meyer, and members of the Committee on Health and Human Services My name is Deborah Ibonwa, I use she/her pronouns, and I am a Legal Advocate at Maine Equal Justice We are a civil legal services organization working with and for people with low income seeking solutions to poverty through legal representation, organizing, education, and policy advocacy I am testifying in support of LD 1426

This bill proposes the following changes All of these except for #2 have been recommended by legislatively created GA working groups that extensively reviewed the program in the past¹ Those working groups always consisted of a diverse group of stakeholders, including Maine Equal Justice, Maine Municipal Association, and housing developers, and more

- 1 Requires an overseer, no later than the 120th day following appointment or election, to complete training on the requirements of the municipal general assistance program,
- 2 Replaces, for determining the maximum level of assistance, the fair market value determination with setting the assistance at the equivalent amount of rental assistance provided for tenant-based housing choice vouchers under Section 8 of the United States Housing Act of 1937 except that the benefit level may not be less than the difference between the applicant's income and 110% of the area's fair market rent,
- 3 Provides that if general assistance is being used to pay rent for an applicant whose rent is subject to a lease an overseer may redetermine the applicant's eligibility annually,
- 4 Increases from 70% to 90% the amount of state reimbursement for the costs of general assistance incurred by a municipality and each Indian tribe,
- 5 Directs the Department of Health and Human Services to reimburse each municipality for 5% of the direct costs of paying benefits incurred through its general assistance program,

¹ Maine Department of Health and Human Services 2013 *General Assistance Working Group Recommendation Report* http://lfdc.mainelegislature.org/Open/Rpts/hv98_m2m346_2013.pdf

2015 report of a legislatively created working group on affordable housing (and which talks a good amount about GA) https://digitalmaine.com/cgi/viewcontent.cgi?article=1013&context=housing_docs
2020 report of a legislatively created working group on GA <https://legislature.maine.gov/doc/3873>

- 6 Directs the Department of Health and Human Services to establish and provide overseers with access to a statewide database for tracking applicants for the general assistance program and expenses relating to the program, and
- 7 Requires the Department of Health and Human Services to provide assistance to municipalities with regard to processing applications for the general assistance program and directs the department to establish a hotline that is available 24 hours per day in order to provide consistent, accurate advice to overseers. It also requires the department to respond to requests for assistance within 24 hours. The Department of Health and Human Services would pay 5% reimbursement to all towns in Maine for the money they spend on operating GA. The Department of Health and Human Services would give GA offices the ability to better track the number of GA applicants. The Department of Health and Human Services would make sure that their GA hotline is available 24 hours per day in order to provide consistent and correct information to callers. The Department would have to respond to hotline requests within 24 hours.

Maine Equal Justice supports LD 1426 because:

- 1 Requiring training for overseers or appointed municipal officers within 120 days helps to ensure the program is run more effectively and consistently. Right now, the statute does not require training.
- 2 Making the GA program to work like a voucher program would make landlords see the program as a more reliable source of income, making it easier for people to obtain housing when they apply. Currently, GA primarily functions primarily as a rental assistance program and has worked this way for a long time. This is the main source of rental assistance for most of Maine's residents with extremely low income, but for reasons such as the program looking different in every town and the short eligibility periods, landlords are more likely to rent to someone with a Section 8 voucher than a GA voucher. Section 8 vouchers cover the actual cost of rent for the tenant minus 30% of the tenant's income. If GA maximums are calculated the same way, more tenants will be able to afford to be housed. Right now, the fair market value is way beyond the average income of a Mainer with low income. Maine Equal Justice's clients are people with income at or below 250% of the poverty level, meaning they would all benefit from this change.
- 3 By increasing the eligibility period for rental assistance from 30 days to 1 year, tenants and landlords alike won't have to worry about having a place to live every month, or being paid every month. This is another measure that makes the program more reliable for all parties involved - even the GA officers who won't have to be overwhelmed by processing dozens of GA applications for rental assistance. This is especially true for the larger cities that have robust GA programs and offer many other necessary resources for those that need it (i.e. Portland, Bangor, etc).
- 4 By increasing the rate of reimbursement to 90% for GA expenditure, more people will be able to get the amount of assistance they need, because GA overseers will know that the money will come back to the towns. If municipalities can better rely on the state to support them financially, the rental assistance will be more generous for applicants, and in turn be more reliable for landlords when considering rent applications. The impact that this change would have in terms of keeping more people sheltered is immense. A

high rate of reimbursement which is guaranteed to municipalities for something such as rental assistance would make GA a more reliable source of rent in the eyes of landlords, reducing risk of source of income discrimination and increasing the number of people who would be able to maintain housing and shelter

- 5 Requiring the State to provide 5% reimbursement for program and administrative costs would serve the same purpose and same chain effect as those in #4
- 6 DHHS being required to operate a 24/7 GA hotline and assisting municipalities in processing applications makes it easier for DHHS to share responsibility in GA as required by the statute. It also provides landlords, tenants, and GA employees with an easy way to ask for support when needed. Currently, DHHS and the State rarely involve themselves in municipal operations, even despite the statutory requirement for municipalities and DHHS to share the responsibility

CONCLUSION

In sum, LD 1426 is a common-sense proposal to streamline the delivery of assistance to people who are in need of shelter and rental assistance at this unprecedented time, help ensure that the municipalities that bear the lion's share of responsibility for providing GA to vulnerable people in the state can continue to do so in a way that is efficient, sustainable, and in accordance with the law, and overall make the program more uniformly run and reliable. It would also ensure that DHHS and municipalities share the responsibility and increase training and oversight. Most importantly all but one of these proposals have always been recommendations from GA working groups that represented the interests of all stakeholders.

For these reasons, I urge you to **vote Ought to Pass on LD 1426**. I'm happy to answer any questions and I can be available for the work session.