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Carter Friend, Executive Director York County Community Action Corporation 6 Spruce St. Sanford, ME 04073 207-324-5762 Maine Community Action Partnership Supports LD 258 An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024 and June 30, 2025

## May 18, 2023

Senator Rotundo, Representative Sachs, members of the Committee on Appropriations and Financial Affairs, I am Megan Hannan, Executive Director of the Maine Community Action Partnership and we support several items in the change package to LD 258 An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024 and June 30, 2025.

Our state's greatest resource is our people, and our state's policies shape people's possibilities. In Community Action, we create conditions that invite children to learn and adults to apply their skills, tapping into the deep-rooted potential in our communities. Through our Whole Family approach, we build a family's capacity for sustained stability and economic growth. We invest in the family's well-being, we let them drive their own story, and we have tangible success.

Today I am supporting the several areas of new funding to the Maine State Housing Authority, including for building affordable housing, increasing funding for home heating and electric and the short-term housing relief fund.

As I testified in the original budget and to the Housing committee, funding for housing is among the most important things we can prioritize this year and in the foreseeable future. The proposed funding in Part TT to expand affordable rental and ownership housing options through the Rural Affordable Rental Housing Program, the Low-income Housing Tax Credit Program and a new Innovation Fund for Attainable Housing by creating development subsidies, low-barrier financing options, and support for additional development and production mechanisms to accelerate housing production in Maine does just that. The Housing committee heard the voices and recommended that you increase the original appropriation from \$25 to \$80 million, and the Governor heard that and echoed it.

The funding for the Home Energy Assistance Program (HEAP) in Part QQQQ to help heat or cool homes will help us to begin administering this program early; you may know that for the first time in a very long time we used all of our HEAP funding this year, and LD 3 was a lifeline for many families. It also funds assistance for those just above the Federal HEAP guidelines, providing stability for more families. Converting any funding that remains to pay for heat pumps and/or weatherization, as HEAP funding usually does, is appropriate because we have also run out of funding for those programs.

Part SSSS addresses the high price people are also paying for electricity; I have been surprised to hear from our agencies the number of people calling for assistance with electric bills, some of which are incredibly high. This funding will not pay for all of that, but it will help those who are just a few months behind.

We also support Part AAAA and the Housing First program. As I testified for LD 2, we hope that the projects funding with this will take rural as well as urban areas into account. We know that housing first works, we also know that we can have the same positive effect on individuals and families in smaller, mixed units that may not need 24 / 7 staffing all the time. I hope that we can continue to work on solutions for all of Maine's communities together.

Finally, Part RRRR of the budget will continue to support short-term emergency housing and legal and other wrap-around settlement supports. Our agencies have been supporting families with their housing needs for three years now. The legal and case management support to help people stay in their homes are paramount to a successful program. The rental market is still out of sync with our labor market – people of all income brackets are feeling the pinch and finding it difficult to find a new place to live. My agencies cannot fill positions, good paying positions, for lack of nearby affordable housing. For people coming from other states or other countries, the dearth of affordable housing is a problem for our entire economy.

This revised budget cannot solve all our problems, but the housing and energy support will help a lot of Maine individuals and families.

Thank you for your time and attention.

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