

Ann Danforth Policy Advocate (207) 626-7058 x216 adanforth@mejp.org

126 Sewall Street Augusta, ME 04330-6822 TTY/Voice: (207) 626-7058 Fax: (207) 621-8148 www.mejp.org

## Testimony on Behalf of Maine Equal Justice *in support of* L.D. 1877, An Act to Reduce the Number of Children Living in Deep Poverty by Adjusting Assistance for Low-income Families

February 1, 2024

Good afternoon Senator Baldacci, Representative Meyer, and honorable members of the Joint Standing Committee on Health and Human Services. My name is Ann Danforth and I use she/her pronouns. I'm a Policy Advocate at Maine Equal Justice, a nonprofit legal aid provider working to increase economic security, opportunity, and equity for people in Maine.

Thank you for the opportunity to testify today in support of LD 1877, which would significantly strengthen Maine's TANF program.

Through my policy work on economic security programs, I have a strong appreciation for the critical role of our safety net, or as I like to think about it, our social infrastructure<sup>1</sup>. At the same time, I see the ways in which programs like TANF are currently falling short of people's needs and leaving many of our fellow Mainers behind. LD 1877 offers us the opportunity to better leverage the TANF program to better meet the needs of our state and its residents. This will have ripple effects for Maine families, communities, economies, and future generations.

I'd like to highlight a few key points as you consider this bill:

• Research shows that children who grow up in poverty are worse off in virtually every domain<sup>2</sup>: less likely to succeed in school, less likely to graduate high school, and more likely to be out of the workforce as adults. The experience of childhood poverty has profound long-term effects on health, earnings, and even mortality. Providing economic resources to families with children is the single best way to ameliorate these harmful effects.

<sup>&</sup>lt;sup>1</sup> From the Washington Center for Equitable Growth: "Social infrastructure is the policies, resources, and services that ensure people can participate in productive social and economic activities. This includes social services, public education, and healthcare. Two other fundamental components of social infrastructure are adequate care and adequate income."

<sup>&</sup>lt;sup>2</sup> Roadmap to Reducing Child Poverty: <u>https://www.ncbi.nlm.nih.gov/books/NBK547371/</u>

- Maine's TANF grant, at its current level, is not adequately providing families what they need to get out of poverty. Right now, Maine's maximum TANF benefit for a single parent family of three \$723 is the equivalent to just 34% of the federal poverty level (FPL).<sup>3 4</sup> Maine's is the lowest benefit in New England. Our neighbor New Hampshire's corresponding benefit level is equal to 60% FPL, which amounts to \$1,291. Current economic conditions, inflation, increased energy costs, our state's housing crisis, and more, all point to the need to bring Maine's TANF benefit in line with our New England neighbors and the economic realities people are facing.
- TANF is an education and workforce support. Our state has an aging population and workforce shortage. TANF can and should be part of our workforce solution. Our state's 10 year economic development plan cites the need to better support people from economically disadvantaged families to enter the workforce and improve their job prospects.<sup>5</sup> TANF can help provide this pathway, but only if the program is adequate to help people meet their most basic needs and provide the supports needed to help them succeed.

While there are a few mechanisms in this bill as drafted for getting families more financial support and making it easier for people to receive support services that will help them pursue and participate in education and employment, I'd encourage this committee to focus on the hardship and need that exists, and potential for the TANF program to help ease hardship, strengthen families, and put families and children on a path to stability and success.

Thank you for the opportunity to testify today in support of LD 1877. I am happy to answer any questions.

з

https://www.maine.gov/dhhs/sites/maine.gov.dhhs/files/rule-2024-01/TANF%20118P%20Rule%20Pages%20%28T C%29.pdf

https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines/prior-hhs-poverty-guidelines-federal-register-references

<sup>&</sup>lt;sup>5</sup> https://www.maine.gov/decd/sites/maine.gov.decd/files/inline-files/DECD 120919 sm.pdf