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# Testimony of the Maine Municipal Association

LD 2214, An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds and to Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal years Ending June 30, 2024, and June 30, 2025

# In Opposition to Part II - General Assistance

Limiting Municipalities from Exceeding Maximum Levels of Assistance Past 30 Days in a 12-Month Period for Any Household, and

# In Support of Part OO - General Assistance

Transfer from General Fund, \$5,000,000 for General Assistance – Reimbursement to Cities and Towns

# February 26, 2024

Senator Rotundo, Senator Baldacci, Representative Sachs, Representative Meyer and distinguished members of the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Health and Human Services, my name is Amanda Campbell, and I am submitting testimony in opposition to Section II and in support of Section OO of LD 2214 on behalf of the Maine Municipal Association (MMA), and the 70-member Legislative Policy Committee (LPC), who were elected by their colleagues and peers to determine MMA's position on bills of municipal interest.

At the beginning of the 131<sup>st</sup> Legislative Session, the LPC determined that improvements and reforms to the General Assistance program would be part of MMA's legislative platform. Two bills, LD 1664, and LD 1732 were advanced on behalf of MMA proposing to increase municipal reimbursements and make improvements to service delivery at both the department and municipal levels. LD 1664 currently sits on the appropriations table and LD 1732 has been amended in such a fashion that the LPC no longer supports the measure.

#### Part II

Municipal leaders oppose the limits proposed in Part II for several reasons. Placing a limitation on extending benefits that may exceed the state determined maximum levels of need may seem like a potential cost savings at the state level, however, it will likely result in increased costs at the municipal level. Local officials who administer the state mandated General Assistance program want to help their

neighbors and, for those applicants who qualify, are required to do so. These proposed limits will provide less flexibility for municipalities attempting to find solutions for those most in need.

Of more concern to local leaders and GA administrators are the maximum levels of assistance themselves. The grossly undervalued levels of aid, in every service category available, are contributing to the overwhelming increase in exceedance of those maximums. Administrators from every county can agree that current maximum levels of aid cannot pay inflated rents, increased electricity costs, ever increasing food costs or even necessities for basic living. Applicants are no longer seeking one-time assistance from a program of last resort and, often, are living in a perpetual state of personal emergency. Municipal leaders will agree that the General Assistance program is not the sole solution in helping these applicants make positive steps forward in their lives, but limiting the ways in which local administrators can provide support and by continuing to rely on ineffective maximum levels of aid, in the end, will ultimately cause continued increases in local costs.

#### Part OO

Municipal leaders fully support the continued appropriations for the statutorily required municipal reimbursement associated with providing GA services and support this budgeted \$5 million transfer to cover continued increasing costs of implementing the program.

However, GA administrators and local leaders would encourage this committee and the legislature to take this financial investment one step further by taking the funding increase proposed in LD 1664, removing it from the appropriations table and including it as part of this budget. The current 70% reimbursement to municipalities is no longer sufficient to cover the increasing costs of service delivery and the remaining 30% cost is totally borne by the local taxpayers. By committing to the increased reimbursement of 90%, in this budget, municipal leaders will be afforded additional resources to implement the program.

Applicants seeking help from the GA program are no longer applying to the "program of last resort" that was established at its creation. If this legislature desires the program to return to that status, you have the power to make it so. Likewise, if GA is to become the catch basin program for everyone in need, this legislature can deem it as such. But to make any changes without considering the lived experience of those administering the program, without hearing the plea for meaningful reform and, most importantly without providing the necessary funding, does a disservice to those municipalities providing the support and to those so desperate for aid.

It is for these reasons that MMA and the LPC have taken these positions and urge the committee to consider the municipal implications included in the supplemental budget.

Thank you for your consideration of the municipal perspective. If you have any questions regarding MMA's position on this bill, or other bills with municipal impact, please contact me at <a href="mailto:acampbell@memun.org">acampbell@memun.org</a>