

60 Community Drive | Augusta, ME 04330-9486 1-800-452-8786 (in state) | (t) 207-623-8428 (f) 207-624-0129

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 (as amended) - 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 (as amended) – General Assistance
Transfer from General Fund, \$10,000,000 for
General Assistance – Reimbursement to Cities and Towns

April 1, 2024

Senator Rotundo, Representative Sachs and distinguished members of the Joint Standing Committee on Appropriations and Financial Affairs, my name is Amanda Campbell, and I am submitting testimony in opposition to Section II and in support of Section OO of LD 2214, as amended by the Governor's Change Package, 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.

Part II - As Amended by the Change Package

Municipal leaders continue to oppose the limits proposed in Part II. As stated in MMA's original testimony for LD 2214, these proposed limits will provide less flexibility for municipalities attempting to find solutions for those most in need. The supplemental budget's outline for additional housing supports, to potentially offset the impact to the General Assistance (GA) program, is appreciated. However, those supports are unlikely to address these impacts before this language would become law. Removing the ability to house those in need, beyond the 30-day limit will only create additional housing issues that cannot be resolved by programs that this budget has yet to implement. As previously stated, GA 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.

Part OO - As Amended by the Change Package

Municipal leaders fully support the continued appropriations for the statutorily required municipal reimbursement associated with providing GA services and support this increased budgeted amount of \$10 million to cover continued increasing costs of implementing the program. However, it is unlikely that this adjustment will cover the ever-increasing costs of implementing the program, regardless of the limits proposed in Part II or the increased housing program funding. As Commissioner Figueroa stated in her change package presentation, the increased costs of the program, "cannot be supported with the current baseline budget," a statement with which municipal officials will unanimously agree.

General Assistance Reforms Needed

At the beginning of the 131st 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.

The Health and Human Services Committee described, in their budget report-back, three bills that, as bundled, comprised their "three-pronged approach to General Assistance." In addition to the two bills listed above, their bundle included LD 1540, a bill voted out of the Housing Committee to create an eviction prevention pilot program. Both LD 1540 and LD 1664 currently sit on the Special Appropriations Table. LD 1732, which started as an MMA measure, has already become law (PL 2023, c. 575), although now opposed by MMA as a standalone measure with many of the recommended reforms removed and additional, unfunded tasks added. If the proposed language in Part II also passes but the housing and increased funding bills on the table do not, municipal leaders will be faced with the unimaginable burden of providing increased services without additional funding, or the daunting task of not providing enough service for our most needy neighbors.

In addition to this testimony, I have attached a copy of the MMA testimony provided February 26th for LD 2214, as well as a memo, dated March 7th, sent to the HHS Committee and chairs of AFA. These documents may provide additional insight into the issues faced by local leaders administering the General Assistance program and the continued need for reforms.

MMA and the LPC 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 acampbell@memun.org



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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 131st 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 acampbell@memun.org



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To:

Senator Baldacci

Representative Meyer

Members of the Health and Human Services Committee

From: Amanda Campbell, Legislative Advocate

Date: March 7, 2024

Re: General Assistance Maximum Levels of Assistance

In response to the recently proposed language in the Governor's Supplemental Budget, impacting the General Assistance program, the Health and Human Services Committee expressed a desire for more information regarding the maximum levels of assistance.

Attached, please find the following:

- Spreadsheet created by MMA (in conjunction with DHHS, MWDA, MEJ) to calculate the most recent maximums (valid through 9/30/2024)
- Maximum levels of assistance summary, by region or county, as provided to local General Assistance Administrators

It is important to note that these figures represent the TOTAL monthly maximum assistance allowed for ALL needs, including housing, food, and utilities.

While most General Assistance stakeholders can appreciate the administration's desire to limit the use, or at least reduce the cost, of hotels as GA housing, this measure will do nothing more than displace currently housed individuals who after 30-days will longer qualify for emergency assistance and may no longer receive benefits to equal their needs.

Instead, the following options could be considered as alternatives to the supplemental budget proposal:

- 1. Institute reasonable and regionally sensitive nightly/weekly/monthly hotel maximums and foster relationships with hotels willing to accept those rates. These types of negotiations are already happening locally.
- 2. Revisit and determine a method of recalculating the maximum levels of assistance to better meet 2024 actual costs and real time expenses.
- 3. Increase the decade-long \$10 million baseline budget for the GA program. Costs will continue to rise, even if the supplemental language isn't passed. A stagnant baseline budget that is not adjusted for even basic cost of living increases creates and perpetuates an unsustainable program.

Maine Municipal Association is committed to working with the committee and community stakeholders to continue the conversations regarding improvements to the General Assistance program.