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Testimony of Representative Anne Graham in support of
LD 229, An Act to Bring Fairness in Income Taxes to Maine Families by Adjusting the Tax Brackets and Tax Rates
Before the Joint Standing Committee on Taxation

Good afternoon Senator Grohoski, Representative Cloutier and the honorable members of the Taxation Committee. I am Representative Anne Graham and I serve the people of North Yarmouth and Gray, House District 105. Thank you for giving me the opportunity to express my strong support for **LD 229, An Act to Bring Fairness in Income Taxes to Maine Families by Adjusting the Tax Brackets and Tax Rates**, sponsored by our good colleague, Rep Matlack from Georgetown.

In the 131st Legislature, I was moved by Rep Meldon (Mickey) Carmichael's floor speech on LD 1231, An Act to Bring Fairness in Income Taxes to Maine Families by Adjusting the Tax Brackets. He shared how his neighbors in his town of Greenbush and the other rural communities he served north of Old Town were struggling with the cost of feeding their families, affording and heating their homes and just finding a way to get by. They didn't want a hand out, they just wanted to be able to afford to live in their communities. His bill failed to become law, but I am grateful that the good Rep from Georgetown has brought you LD 229. LD 229 will adjust our tax brackets so that people can keep more money in their pockets and afford to live in this increasingly difficult economy.

My area of expertise is not tax policy - that I leave to this good committee. I am now serving my second term on the Health and Human Services Committee, where we work to help support those who fall below the federal poverty line. I believe this bill will help people stay above that line thereby decreasing the need for the state government to support their needs.

I would like to share with you words from the United Way of Southern Maine about ALICE – Asset Limited, Income Constrained, Employed.

“Every day, 38% of households in Southern Maine make tough choices such as deciding between quality child care and paying the rent. This includes the 8% of households living below the federal poverty level and another 30% known as ALICE – Asset Limited, Income Constrained, Employed.

ALICE represents a growing number of households that work as our teachers, child care providers, health care professionals, retail workers, and more. Yet, they live paycheck to

paycheck, and have little to no opportunity to save for emergencies or for future investments like education, home ownership, or retirement.

ALICE households also span all ages, genders, races, and ethnicities. But some groups experience hardship at disproportionate rates stemming from long-standing challenges like ageism, systemic racism, and sexism.

We all know someone who is ALICE. They are our children's teachers, our grandparents' care workers, and the service industry workers. 38% of us are ALICE ourselves. And it can be stressful to walk this financial tightrope each month. Sometimes it means making difficult choices like whether to pay the rent or pick up that prescription, buy car insurance or keep the lights on, fill the fridge or the gas tank."

My three young adult sons fall into the ALICE category. They don't complain to their Dad and I but I know it isn't easy. One car accident or unexpected illness or injury could put them in economic jeopardy, struggling to make ends meet. They are some of the many "missing middle". By passing LD 229, they and many other young and older adults will have a better chance to find financial success and build and sustain their families.

Thank you for your time and consideration.