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**Testimony In favor of LD 1622**  
**An Act To Promote Individual Retirement Savings**  
**through a Public-Private Partnership**  
**May 13, 2021**

Sen. Sanborn, Rep. Tepler and members of the Health Care, Insurance and Financial Services Committee, I am Jessica Fay representing the people of House District 66, parts of Casco, Poland and Raymond. I am here in support of LD 1622, “An Act To Promote Individual Retirement Savings through a Public-Private Partnership”.

Earlier today in the Taxation Committee, Sen. Bailey presented a bill to help ease the property tax burden on low-income older Mainers. It occurred to me as I was reading the bill that the issues in these bills are connected. If we had more and better opportunities to help people with retirement savings, then we might have to worry less in the future about how to help people afford to stay in their homes after retirement.

As Mainers live longer, it is even more important than ever that we provide as many ways to help people save for retirement as possible. This proposal should be one of those ways. The cost of living our lives -food, health care, property taxes, utilities – can quickly out strip the average Social Security benefit of about \$16,000/year causing some older adults to live in poverty and make difficult choices.

For younger people who work in jobs that don’t traditionally offer retirement plans, this plan would be a great move towards better financial stability in later life. As a micro-business owner who has employed one or two people at a time for 15 years, and who didn’t have the ability to offer these types of benefits to my employees, I see this as a way to compete with larger employers who have the financial ability to offer a retirement savings plan. As a self-employed person, for me it would have been wonderful to have a place to go to help save for retirement, instead of just putting money into a savings account that earns a few dollars in interest each year.

Lastly, this proposal could help improve job quality for Maine's caregiving workforce, particularly those non-clinical essential personal support workers who often work multiple jobs to make ends meet. Direct care workers often have multiple employers, some of whom can't afford to provide retirement benefits. This type of plan would allow those workers to save – even a few dollars each month adds up over time.

I think about how many different types of workers this program could be positively impacted by having access to a portable personal retirement savings plan.

Thanks for your time and I appreciate the opportunity to support this bill.