



May 12, 2021

Dear Senator Sanborn, Representative Tepler, and Members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services,

I join you today on behalf of the Maine Women's Lobby. For over forty years, the Maine Women's Lobby has advocated for public policy which increases the health, wellness, safety, and economic security of Maine women and girls, with a focus on the most marginalized populations and communities.

We write today **in support of LD 1622, "An Act To Promote Individual Retirement Savings through a Public-Private Partnership."** We thank Senator Vitelli for sponsoring this bill.

**Poverty affects populations which already experience some level of marginalization or disenfranchisement.** Women, people of color, rural people, the LGBTQ+ community, and children experience poverty at significantly higher rates than other subpopulations, and it often shows up in ways that are not available until we break the data down into subpopulations. For instance, older women in Maine struggle with poverty in ways that don't always show up; they may own their own homes, but the combination of rising property taxes, fixed incomes, and lower lifetime income due to caregiving roles combine in ways that are significant but may not be reflected in overall data.

**What we do know is that older women in Maine are more than twice as likely than older men to live alone** (the most recent data shows that 51,146 women 65 and older live alone, as compared with 23,566 men<sup>1</sup>) – and therefore carrying the full load of household expenses independently. Additionally, **older women living alone have a median income of only 81 percent of older men living alone in Maine<sup>2</sup>. That median income of the average older woman - \$22,059 – is not enough to meet basic needs.** The Elder Index indicates that an older Mainer living alone needs between \$25,000 and \$30,000 per year to meet basic needs if they are a renter or hold a mortgage – and that's only when they are in good health. The cost of living for an elder in poor health is significantly higher.<sup>3</sup>

**This disparity is connected to the gender and race-based economic security gap that persists throughout a woman's lifetime.** In Maine, women are more likely to live in poverty<sup>4</sup>, and still make between .66 and .83 cents for every \$1.00 a white man makes<sup>5</sup> (Black women and

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<sup>1</sup> American Community Survey, 2020

<sup>2</sup> \$22,059 for women versus \$27,008 for men - Ibid.

<sup>3</sup> The 'Elder Economic Security Index' shows that an older person in 'poor health' living in Maine, who owns their own home with no mortgage needs \$24,492 each year to meet their basic living needs. [www.elderindex.org](http://www.elderindex.org).

<sup>4</sup> United States Census Bureau, 2014—2018 Poverty Rate in the United States By County. (2019). Retrieved from <https://www.census.gov/library/visualizations/interactive/2014-2018-poverty-rate-by-county.html>

<sup>5</sup> Lifetime Wage Gap Losses for Women Overall State Rankings: 2018. (2020, March). Retrieved August 3, 2020, from <https://nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2020/03/Women-Overall-Lifetime-Losses-2020-v3-1.pdf>



Maine Women's Lobby

THE VOICE OF MAINE WOMEN

women of color experience both a gender gap and a race gap). This is true in part because women are disproportionately represented in low-wage service sector positions and are more likely to take time away from work due to caregiving responsibilities. Women who drop out of the workforce early to provide care lose an average of \$324,000 in lifetime earnings, social security, and pension benefits.<sup>6</sup>

**LD 1622 can help to alleviate some of this burden for women in Maine – and for all of those who work for smaller employers, in lower-wage roles, gig work, or any other role that makes it harder to save for a comfortable retirement.** This bill seeks to create a modest investment in our community that will support individual agency and financial stability. We know that many older Mainers live closer to the edge during their retirement – and we know that there are easy ways alleviate that. This bill seeks to create one such pathway, and **we hope you will vote ‘ought to pass’ on LD 1622.**

Sincerely,

Destie Hohman Sprague, Executive Director  
Maine Women's Lobby / [mainewomen.org](http://mainewomen.org)

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<sup>6</sup> MetLife. (2011). Caregiving Costs to Working Caregivers. <https://www.caregiving.org/wp-content/uploads/2011/06/mmi-caregiving-costs-working-caregivers.pdf>