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Testimony on Behalf of Maine Equal Justice *in support of* LD 1198, Resolve, Directing the Department of Economic and Community Development to Convene a Working Group to Improve the State's 10-year Economic Development Strategy

April 4, 2023

Good afternoon Senator Curry, Representative Roberts, and members of the Committee on Innovation, Development, Economic Advancement and Business. My name is Ann Danforth and I use she/her pronouns. I'm a Policy Advocate at Maine Equal Justice, a nonprofit legal aid provider working to increase economic security, opportunity, and equity for people in Maine.

Thank you for the opportunity to testify today in support of LD 1198, Resolve, Directing the Department of Economic and Community Development to Convene a Working Group to Improve the State's 10-year Economic Development Strategy.

Preventing and reducing poverty is crucial to the state's long-term economic health

Maine Equal Justice has seen first-hand that families across the state, and in particular, families with low incomes, are still suffering from the economic impacts of the pandemic. According to the most recent Census data, more than 1 in 10 (11.5%) Mainers were in poverty in 2021¹ – that is, a family of four living below \$27,479 annually.² That's a little over \$500 a week.

At the same time, Maine Equal Justice has seen first-hand the ways in which workforce supports like health care, housing, food assistance, income assistance, childcare subsidies, and education and training programs enable many families to achieve economic security and opportunity by joining or getting back into the workforce. We know well that in order for Maine's economy to thrive, we must sustain the health and well-being of the people who makeup our workforce.

This is why we were so pleased to see our state's 10 year Economic Development plan prioritizing the financial, social, and physical well-being of Maine's workforce.³ The state's 10 year plan seeks to develop talent among people currently left out of the workforce; as well as build the infrastructure needed to attract and support workers to participate in the economy. These priorities were also highlighted in the

¹ <https://data.census.gov/table?q=poverty+maine&tid=ACSST1Y2021.S1701>

² <https://www.census.gov/content/dam/Census/library/publications/2022/demo/p60-277.pdf>

³ https://www.maine.gov/decd/sites/maine.gov/decd/files/inline-files/DECD_120919_sm.pdf

report of the Governor's Economic Recovery Committee, which made the recommendation to improve and coordinate state and federal safety net programs to make them more accessible to Mainers.⁴

The 10-year Economic Development Plan can be improved by focusing on metrics and strategies to reduce poverty

As this committee considers LD 1198, which aims to improve and build on the 10-year Economic Development Plan, we urge the committee and any working group established by this bill to prioritize strategies that reduce poverty. The bill contemplates this by tasking the group with exploring ways to increase wages, improve the standard of living, and reduce poverty in Section 1. We encourage the committee and any established working group to consider relevant metrics to measure the effectiveness of any developed strategies, such as the state's TANF to poverty ratio (a measure of how many families living in poverty are actually being helped by the TANF program), food insecurity in the state, housing insecurity and homelessness, and other relevant metrics to family and individual well-being.

Conclusion

We appreciate the opportunity to submit testimony in support of LD 1198. Thank you, and please feel free to reach out to me with any questions or concerns.

⁴https://www.maine.gov/future/sites/maine.gov.future/files/inline-files/Maine%20ERC%20Report_FINAL_11242020.pdf