

Testimony in Support of LD 3: An Act to Establish the Winter Energy Relief Payment Program to Aid Residents with High Heating Costs and to Finalize the COVID Pandemic Relief Payment Program

Senate President Jackson, Speaker of the House Talbot Ross, and honorable members of the Joint Standing Committee on Appropriations and Financial Affairs, my name is Ninette Irabaruta, the Director of Public Policy and Advocacy at United Way of Southern Maine (UWSM).

Thank you for the opportunity to offer testimony on behalf of UWSM in support of the heating and housing assistance provisions in LD 3.

UWSM focuses on mobilizing our community to find solutions to the root causes of challenges holding people back in the areas of education, financial stability, and health. We also recognize the importance of addressing immediate needs, such as having affordable housing and heat, which are necessary for our neighbors to thrive not just survive.

We are here today because of the housing and heating assistance provisions in this bill.

Regarding housing, Maine, including Southern Maine, faces a housing crisis. Southern Maine is facing a critical shortage of affordable housing. The price to buy a house rose 25% from April 2021 to April 2022. Rents are also rising. Right now, 25,470 households in Southern Maine spend more than 30% of their income on housing costs (including rent, home loans, taxes, insurance, homeowners' association fees, and utilities).

These households are considered cost burdened. When an individual spends more than 30% of their income on housing, it means they may not be able to afford medicine, health care, healthy food, or save for unexpected expenses or retirement. Without these necessities, people cannot thrive.

The housing provisions in this bill will help more than 1,000 households from experiencing homelessness. Even though the State of Maine does not have a centralized tracker of the total number of unhoused people, as of December 2, we estimate that there are thousands living either in the shelter, the streets, or various motels.

LD 3 will help struggling Mainers remain in their homes and give them the chance to find financial stability.

As for heating, the data from 211 Maine is illustrative. According to 211 Maine, Maine's free, confidential hotline helping people find resources across health and human services, the number of calls from people in need of Heating Fuel Payment Assistance statewide has increased 183% in 2022 compared to 2021. The increasing prices of rent and heating costs as well as the shortage of housing continue to weigh heavily on people, especially the most vulnerable members of our communities.

If a person does not have the essential things they need to survive, like housing and heat, they cannot thrive in other aspects of their lives like education and health. UWSM works to help make sure our neighbors can thrive not just survive.

For all these reasons, we respectfully request that you support the short-term housing support, home energy assistance program (HEAP) supplement, and the emergency home heating oil provisions of the bill.

Thank you for your leadership and service.