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Testimony of Rick McCarthy On behalf of the Maine Community Action Association

Before the Joint Standing Committee on Health and Human Services

In Opposition to LD 1822 An Act to Increase Integrity in the Temporary Assistance for Needy Families Program through Restriction of Expenditures

March 25, 2014

Senator Craven, Representative Farnsworth, and Members of the Joint Standing Committee on Health and Human Services, thank you for the opportunity to comment on LD 1822. My name is Rick McCarthy and I am here today testifying in opposition to this legislation on behalf of the Maine Community Action Association (MCAA), which is comprised of Maine's ten community action agencies (CAP's).

The CAP's mission is to eliminate and alleviate the causes and conditions of poverty by assisting low-income individuals to move toward self-sufficiency. Each year, we serve 200,000 Maine residents providing a variety of services, including Head Start and child care, housing assistance, fuel assistance, and transportation services.

MCAA member agencies work with thousands of low-income families and they all face many challenges. Some, but not all, of those challenges require money to address. There are a variety of dedicated programs to address specific problems food supplement helps with groceries, LIHEAP assists by providing heating oil, and a CCDF voucher assists with child care costs. But every family has multiple other needs. TANF is designed as a program of direct cash assistance to help with those other needs, regardless of where or when the need arises.

Unlike other programs, TANF benefits can be used for car repairs, still a requirement to get to work for most Maine residents, for clothing for a child to wear to school, for rent and for all the other necessities of daily life.

This proposal seeks to make it harder for low-income Maine families to access TANF benefits. The state has already passed legislation to limit EBT card fraud, even though the alleged misuse of cards is very small. LD 1822 would place even greater restriction on the use of cards, but when similar restrictions have been tried elsewhere they have been both expensive and ineffective.

In addition, this bill would restrict the use of EBT cards by 37,000 seniors and people with disabilities who receive State SSI Supplemental benefits.

This is an expensive and unnecessary restriction on the use of EBT cards that would impact all users based on a small number of transactions at venues some consider inappropriate. Small means 3/10ths of 1% of all transactions.

Please reject LD 1822.

Thank you for your time and attention. I would be happy to take any questions.