



*Helping People. Changing Lives.*

P.O. Box 200 East Wilton, Maine 04234

Rick McCarthy, Senior Advisor  
Maine Community Action Association  
77 Sewall Street, Suite 3000  
Augusta, ME 04330  
207-430-8810

Jason Parent, CEO/Executive Director  
Aroostook County Action Program, Inc.  
PO Box 1116  
Presque Isle, ME 04769-1116  
207-764-3721

Jessica Tysen, Executive Director  
Midcoast Maine Community Action  
34 Wing Farm Parkway, Bath, ME 04530  
207-442-7963

Shawn Yardley, CEO  
Community Concepts, Inc.  
240 Bates Street  
Lewiston, ME 04240  
(207) 739-6553

Suzanne Walsh, CEO/Executive Director  
Kennebec Valley Community Action  
Program  
97 Water Street, Waterville, ME 04901  
207-859-1565

Kara Hay, CEO/Executive Director  
Penquis  
PO Box 1162, Bangor, ME 04402  
207-973-3500

Mike Tarpinian, CEO/Executive Director  
Opportunity Alliance  
510 Cumberland Avenue, Portland, ME  
04101  
207-553-5819

Keith Small, Executive Director  
Waldo Community Action Partners  
PO Box 130, Belfast, ME 04915  
207-338-6809

Mark Green, Executive Director  
Washington Hancock Community Agency  
248 Bucksport Rd. Ellsworth, ME 04605  
207-610-5904

Steven Johndro, Executive Director  
Western Maine Community Action, Inc.  
PO Box 200, East Wilton, ME 04234-0200  
207-645-4287

Barbara Crider, Executive Director  
York County Community Action Corporation  
PO Box 72, Sanford, ME 04073  
207-324-5762

## **Testimony of Rick McCarthy**

### **To the Joint Standing Committee on Health and Human Services, In Support of**

#### ***LD 336, An Act To Amend the Requirements of the Temporary Assistance for Needy Families Program***

#### ***LD 481, An Act To Promote Workforce Participation***

#### ***LD 1302, An Act To Promote Workforce Participation in the Temporary Assistance for Needy Families Program and Other Assistance Programs***

#### ***LD 1408 An Act to Establish an Independent Citizens Oversight Committee on Maine's Welfare Programs***

**April 24, 2017**

Senator Brakey, Representative Hymanson, and members of the Joint Standing Committee on Health and Human Services, my name is Rick McCarthy and I am testifying today on behalf of the and Maine Community Action Association (MCAA).

MCAA is comprised of Maine's ten community action programs (CAPs), including Penquis. 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, transportation services, home heating assistance, home repair and weatherization. MTA is a professional association providing leadership, resources, support, and technical assistance to transit agencies throughout Maine.

MCAA is pleased to support all four of these bills. They all provide meaningful welfare reform by giving TANF families the opportunities they want and need to move out of poverty.

*Maine Community Action Association, Inc. is incorporated and is tax-exempt under Section 501(c)(3) of the Internal Revenue Code.  
All contributions, grants and bequests to Maine Community Action Association, Inc. are tax deductible.*

[www.MaineCommunityAction.org](http://www.MaineCommunityAction.org)

I want to speak briefly about three of them and then spend a bit more time on LD 481, on which we were pleased to work on with Rep. Stewart. LD 366 makes two positive changes. First, it ends the disparate treatment of two parent families. If children are in a household with insufficient income, whether there is one or two parents, they deserve assistance. Maine is one of only 10 states that still penalizes two-parent families. Second, it allows for a special housing allowance for TANF families with high housing costs. The real estate market in southern Maine is growing rapidly and prices are escalating, leaving working families with few housing choices. We know stable housing has a significant impact on child well-being and that it is far easier and cheaper to keep a family housed than to re-house them after they end up homeless. Please support the sensible changes in LD 366.

LD 1302 will assist TANF families with access to a reliable car. The reality is that a car is necessary to work in most places in Maine. Some residents may work within walking distance of employment or be able to rely on public transportation, but that is not the reality for most. This bill recognizes that and allows modest investment in car repair, inspection, and registration.

LD 1408 will create regular monitoring of child poverty rates and other key measures regarding the status of low-income working families, and create an oversight committee to provide public input on the operation of the TANF program and the challenges facing low-income families. Such regular assessments of the status of these families and the success or failure of TANF and other efforts to assist them will provide valuable guidance for public policy.

MCAA wants to thank Rep. Stewart for bringing forward LD 481. The legislation grew in part out of conversations Rep. Stewart had with Jason Parent, the Executive Director of the Aroostook County Action Program. Mr. Parent explained the myriad of challenges faced by low-income working families as they seek to re-enter the work force and move completely off of TANF benefits. It's important to remember that these households by definition have minor children at home, many still in child care. The parents must manage meeting the needs of their children as their income increases and they lose access to, or see reductions in, the amount of public assistance they receive.

Mr. Parent explained to Rep. Stewart that these parents want to work, but that it can be difficult and frustrating for them to see their financial situation not improve or even get worse when they return to work. In response, Rep. Stewart filed LD 481 to address the TANF cliff. It will allow TANF recipients to retain more of their TANF benefits during the critical first months after they return to work, easing the transition, and ultimately allowing more families to be successful in permanently moving off of TANF.

Specifically, it will disregard all income for 2 months, 75% of income for the next 6 months, and \$150 and 50% for the next 16 months, and then down to the current amount of \$108 and 50% thereafter. It will also cover all child care costs, rather than applying an arbitrary and unrealistically small limit of \$175 per month for most children. That is a weekly amount in many areas.

MCAA shares the state's goal of getting every low-income working family off of TANF and other public assistance. That is what is best for those parents, their children, and the state as a whole. The legislation before you provides positive steps forward. Please support them.

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