

Testimony of Jena Jones on Behalf of the Maine Council on Aging to the Committee on Taxation

In Favor of LD 1544 - An Act to Improve Economic Security for Maine Children by Establishing the Maine Dependent Tax Credit

Submitted on May 4, 2023

Greetings, Senator Grohoski, Representative Perry, and the members of the Joint Standing Committee on Taxation.

My name is Jena Jones, and I am the Director of Policy and Advocacy at the Maine Council on Aging (MCOA). The MCOA is a broad, multidisciplinary network of over 135 organizations, businesses, municipalities, and older community members working to ensure we can all live healthy, engaged, and secure lives with choices and opportunities as we age at home and in community settings. I am testifying in favor of LD 1544.

Maine is facing a crisis in caring. Our profound and persistent direct care workforce shortage, which was only exacerbated by the COVID-19 pandemic, has far-reaching consequences beyond those who need care but cannot find it. A recently released report authored by the Maine Center for Economic Policy, titled, *The High Cost of Undervaluing Direct Care Work* not only highlights the financial costs associated with this challenge, but it also highlights that the current workforce deficit is keeping more than 8,000 Mainers out of the workforce secondary to care obligations. These sacrifices to ensure the safety of a loved one have deep financial impacts to Maine families.

If an older adult has stepped in to care for a grandchild, this too presents potential financial challenges. Older women in Maine especially face economic insecurity at double the rate than men and they are twice as likely to live alone, earning on average about \$5,000 less in median income than men.² When a grandmother assumes the role of primary caregiver to a grandchild, she may do so at her own detriment.

The assistance offered in LD 1544 supports Maine families at a time when that support is needed most. For some, this money may represent an energy bill paid or a home repair complete, or simply some added peace of mind that comes with a financial security net. By expanding access to those most in need with lower incomes and increasing the credit to \$350 all Mainers caring for a loved one win. We urge you to support LD 1544. Thank you.

Jena Jones

¹ (Phillips & Phillips, 2023)

² (Snow, 2022)