



**Written Testimony of Robert Belanger on Behalf of  
The Maine Council on Aging  
To Joint Standing Committee on Taxation**

**Testimony in Support of LD 1638**

**Delivered in Person on May 13, 2021**

Greetings Senator Chipman, Representative Terry, and members of the Taxation Committee:

My name is Robert Belanger. I am an MSW student intern with Maine Council on Aging (MCOA). The MCOA is a broad, multidisciplinary network of more than 100 organizations, businesses, municipalities, and older Mainers. The MCOA is a unifying force across sectors that is creating a new narrative about aging and older people in Maine with the goal of building local, statewide, and national support for the systemic changes needed to support our new longevity. I am testifying in favor of LD 1638 because many low-income older Mainers need assistance when they do not have enough resources to pay their property taxes and, at the same time, meet their basic daily needs.

As with every population, there are older people in Maine who are doing just fine, while others are struggling to make ends meet. Most are living on fixed incomes, which can make it challenging to repair a major system failure in a home, or pay out of pocket for home care. When there is no extra income to be made, something has to be cut. Pride and honor often mean that older people chose to pay their property taxes over heating their homes and eating regular meals, seeing these necessities as things that can be cut. People should not be forced to make these choices and should have other options. LD 1638 creates such an option.

Social Security as a source of income masks poverty in older Mainers. While less than 10% of older Mainers live at or below the Federal Poverty Level, more than a third of Mainers who are 65 and older live on Social Security alone, with an average income of just over \$18,000. This is just about 140% of the Federal Poverty Level and is not enough income for these people to meet their basic needs.

There's an equity issue here as well, in relation to older women. In Maine, women 65 and older are more than twice as likely to live alone than their male counterparts. The median income of the 51,000 older women living alone in Maine is \$22,059, while the income for older men living alone is \$27,008. Again, the older women living at or below the median income who live alone, do not have enough income to meet their basic needs.

While nearly all older people want to age in their homes for as long as possible, many older Mainers come to the point where they realize they must leave their homes because they cannot afford to stay. However, when they try to locate housing that would better accommodate their needs and their budgets, they find that none exists. That's because there is a shortage of at least 9,000 affordable housing units needed by older adults in Maine. Tens of thousands of older Mainers are now painted into a corner. They're living in homes they cannot afford to maintain and, yet, there is no place for them to go. These older Mainers need help.

The previous Property Tax Deferral Program that was created in the late 80s was an elegant solution to this problem. With a relatively small investment of resources, the State was able to pay the property taxes of those in the program, while taking a lien on their homes. The municipality lost neither the resident nor the revenue from the property. The payments made to the municipality on behalf of the resident were recouped by the state after the resident died or sold the home. Ultimately, the program is self-sustaining after the initial investment and eventually, if the program ends as it did in 1991, all of the funds invested in the program can be fully recouped by the State. It's unusual that a program can create a win for everyone, but this program does.

More than 300,000 people in Maine are over 65. A quarter of them will need more than one year of paid support over the remainder of their lifetime. The 2020 Long Term Supports and Services (LTSS) Scorecard, ranks Maine 50th for median annual home care private pay cost as a percentage of median household income for people over 65. This report tells us what we already knew, the cost of LTSS in Maine exceeds the budgets of most Maine households. Paying for home care versus paying property taxes will become a real issues for far too many lower income older Mainers in years to come. Creating a property tax deferral program that allows these people to pay for their care and remain in their homes is a solution that works for everyone.

While working within the mental health field as a Behavioral Health Professional, I have seen many older Mainers taking care of their children's children. I have seen the struggle that families constantly go through to meet daily living needs. Most of the families I meet struggle with their bills and other financial difficulties. Financial challenges make it complicated for older people to provide for basic needs. With this bill, some of the most challenged families I have met may be able to benefit from this program.

We urge you to support in favor of this bill by supporting our older and aging Mainers. Thank you.

Robert Belanger  
207-376-7745