

Rainy Day Savings Account Questions and Answers

What is it?

The Rainy Day Savings Program enables income-eligible individuals and families to have matched savings that will be used for emergencies. Participating individuals and families open a savings account and these savings will be matched upon withdrawal for approved emergencies.

Who is eligible?

Eligibility for the Rainy Day Saving Program is based on family's annual household income. Annual household income must be at or below \$25,520 for one person, \$34,480 for two people and \$43,440 for three people (for larger households please check with the New Ventures Maine (NVME) staff person for the income guideline).

There are additional eligibility requirements.

What can the savings and match funds be used for?

Your Rainy Day Savings Account can be used to pay for car repairs to a primary vehicle used for transportation to work or school; rent, mortgage, or essential utility payments in the case of job loss, reduction of hours, or short term disability; to replace or repair a household appliance that has unexpectedly malfunctioned; unexpected home repairs; unforeseen medical expenses, or other approved emergency expense.

How much can a person save?

Account holders usually save between \$20 and \$50 per month for a maximum personal savings of \$300. Each dollar saved is matched with one additional dollar.

What are the time frames for participation in the program?

Families must save for at least 180 days and may save for up to one year. Length of participation depends on the monthly savings amount and when the emergency funds are needed.

How does the program work?

Participation in the program includes the following steps:

1. Family fills out a Rainy Day Savings Account application.
2. Family identifies a savings goal, monthly amount to be saved and total savings.
3. Application is approved by NVME staff members.
4. Family opens their savings account and begins saving.
5. Family completes money management training through NVME.
6. When emergency funds are needed, family notifies NVME staff member to process the withdrawal of savings and matched funds.

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