



State of Connecticut
GENERAL ASSEMBLY



Commission on Children

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Senator Musto, Representative Urban and members of the Committee, my name is Elaine Zimmerman. I am the Executive Director of the Commission on Children and am here today to speak on behalf of **Raised Bill No. 6411, An Act Concerning Reduction in Child Poverty and Investment in Prevention**. This is a bill which seeks to address children in the recession.

Children historically are lost in hard times. This recession is anticipated to cause three million more children to fall into poverty, which will trigger \$1.7 trillion in long-term losses to the U.S. economy. In Connecticut, more than one-quarter of those using food pantries are working families. More than 100,000 children under 12 years of age are at risk of hunger.

Already we are hearing signs of this in our state. The school teachers in Waterbury report more children coming to school tired and stressed. In Willimantic, they cannot keep up with the number of children who need to be transported to school who have moved into homeless shelters. The school nurses in Stamford are so concerned about children's hunger; they are organizing WIC and food stamp signups. In Madison, free school lunch has gone up by 28%.

The last two recessions reveal that children stay poor for five to seven more years after a recession ends. Children who fall into poverty now will not recover when the economy recovers. What we do now will influence nearly a decade of children's lives.

Children who are poor are more likely to have low birth weight, bacterial meningitis, infectious diseases, poor cognitive development, obesity, missed immunizations, and food insecurity. By the time children in low income families enter formal schooling, they lag behind their more affluent peers academically, socially and physically.

Children in poverty are up to three times more likely to die during childhood.

A plan for children in the recession

RB 6411 specifically addresses the immediate situation for children and requires an intentional plan. Without such a requirement, children will fall through the cracks. We need to promptly

silhouette the needs of children and families and address them in a coherent and intentional manner.

The Commission on Children has interviewed agencies, families, as well as state and national experts. We offer you replacement language for this bill, resulting from the depth of information that we acquired.

The specific interventions to help families in the recession, a sort of Red Cross response, include:

- a) combined on-line enrollment processes for programs that service children and families,
- b) cross-enrollment policies,
- c) use of a centralized intake system,
- d) increased access to emergency services,
- e) help with families staying together if they become homeless,
- f) attention to the unaccompanied homeless youth,
- g) use of utility bills to inform families of services.
- h) Use of LIHEAP to trigger an increase in food benefits

Some of the items are simple, but will be called too complicated by those who do not want to make change happen. For example, many states now have combined on-line or multiple site application and enrollment processes for programs that serve low-income children or families. They have cross-enrollment policies.

This is both a customer friendly process as well as an enormous budget saver. The cost is in the set up. Once set up, the annual cost is trivial and the savings make you blush. Florida has saved 83 million dollars in administration costs implementing its on-line access. Error rates have also significantly declined. The annual cost now is \$4000 per year.

Connecticut does not currently have a coordinated and simple way for families to apply for services at one time. We have a pilot system. But it is not to help the customer. It is to catch the customer who is cheating.

Other examples which may not yet be known to our state include the LIHEAP - Food Stamp federal maximization opportunity.

In Rhode Island, a mere \$1.00 LIHEAP check automatically triggers an increase in the Food Stamp benefit. In that state, the average increase for these individuals and families is \$86 per month; that represents more than \$800,000 in increased funds coming into the state each month-- which equals \$9.7 million more coming into Rhode Island in one year from the federal government.

And New York is getting \$163 million this year from this opportunity. Starting in Oct. 2008 -- 115,000 households formerly ineligible for LIHEAP will receive an annual \$1 LIHEAP benefit, which will qualify them for the maximum Food Stamp SUA for twelve months. This change means an average increase of \$118 in monthly Food Stamp benefits to nearly 115,000 low-

income households statewide -- for a total in new federal funds coming to New York of \$162.8 million this year. Nearly 90,000 households in New York City will see an average monthly hike of \$131, while 25,000 households throughout the rest of the state will see an average monthly increase of \$72.

Under federal Food Stamp regulations, receipt of a LIHEAP benefit, regardless of the amount, enables Food Stamp recipients to maximize their Standard Utility Allowance (SUA). Using the highest allowable SUA in the Food Stamp benefit calculation may make otherwise ineligible applicants for Food Stamps eligible and may significantly increase Food Stamp benefits for many households.

Many low-income families who live in subsidized housing, even if they receive Food Stamps, are not LIHEAP-eligible because they do not pay a separate utility bill (it is included with their rent). The LIHEAP program is a federal block grant program that supports states -- The federal govt. was petitioned last year by Northeastern governors for increased funds, and it responded. So many of the LIHEAP funds are federal funds, although some states supplement it with state and utility/energy company funds.

Other states taking advantage of this opportunity include Massachusetts, Maine, Vermont and Washington -- as of Nov. 2008,

Connecticut received \$95 million in LIHEAP funding in FY 09 from the federal government.

A plan for budget oversight

The Stimulus Package will bring Connecticut resources for children and their families. How these dollars are prioritized and spent is less clear. The replacement language offered to you this morning creates a vehicle, requires a report to ensure that there is not a fragmented response, ensures transparency and upholds data-driven decision making and quality. It would be a travesty to have these funds go to programs that do not promote the best outcomes for children or to see these dollars simply supplant what has been eroded or cut without intentionality.

Due to funding constraints, only a minority of children eligible for child care assistance currently receive any help paying for child care. Moreover, need for child care assistance will remain high despite the recession. Some employed parents who previously could afford child care will need help when their earnings fall. Parents who are out of work but are going to school or are engaged in training programs to retool their skills, will also need help paying for child care. And many parents who are unaffected by the recession will continue working for low or moderate pay and will still struggle to pay the high cost of child.

The Stimulus Package will help low-income parents obtain the child care they need to get and keep jobs and help children get the early learning they need to succeed by providing:

- \$2 billion for the Child Care and Development Block Grant, with the entire amount available upon enactment. Of this total, \$255.2 million is reserved for

quality improvement activities, of which \$93.587 million is targeted to improve infant and toddler care.

- \$1 billion for Head Start, allocated according to the current statutory formula, and \$1.1 billion for Early Head Start, to be awarded on a competitive basis.
- \$2.33 billion for Department of Defense facilities, including quality of life and family-friendly military improvement projects such as family housing, hospitals, and child care centers.
- \$13 billion for Title I grants for education programs for disadvantaged children, including early childhood programs and activities

Additionally, the stimulus package supports education, job training and help for homeless families.

- \$11.7 billion to local education agencies for Individuals with Disabilities Education Act (IDEA) programs for children ages 3 to 21, including \$400 million for preschool grants (section 619) programs.
- \$500 million for formula grants under IDEA Part C to help states serve children with disabilities and special needs age 2 and younger.
- \$15.6 billion to increase the maximum Pell grant by \$500 for two years.
- \$53.6 billion for a new State Fiscal Stabilization Fund to support education, including early childhood programs, and other vital public services over the next two years. The entire amount is available upon enactment.
- \$3.95 billion in additional funds for training and employment services under the Workforce Investment Act for dislocated workers, youth, and adult employment and training.
- \$100 million for Teacher Quality Partnership grants to address teacher shortages and modernize the teaching workforce. These grants could be used to support the early childhood workforce through compensation and other initiatives.
- \$120 million for subsidized community service jobs for low-income Americans.
- \$500 million for health professions training programs.
- 66 million for the education of homeless children and youth

With the potential for so many more children to fall into poverty and to remain poor well past the end of this recession, it behooves us to invest in what works for children, and in

particular, what blocks child poverty. Connecticut knows the answers to this. Our Poverty and Prevention Council brought in the nation's best experts to ask this precise question. Scholars from the New York City Commission on Economic Opportunity.

The National Poverty Center at the Gerald Ford School of Public Policy at the University of Michigan, the Task Force on Poverty at the Center for American Progress, the Brookings Institution and the National League of Cities all told us what to invest in. They looked at what worked, what was efficient, what was replicable. This is referenced in the draft bill.

Just as in 9/11, children will get lost in this recession. Infrastructure will be jobs and bridges. Specific language is necessary for the young and their families to not fall out.

You may wish to attach this bill to Senator Looney's bill which creates a planning vehicle for the stimulus package in our state. This language is specified to children.

Thank you for your time.