



C A F C A

Connecticut Association for Community Action, Inc.
555 Windsor Street, Hartford, CT 06120
860-560-5845 – www.cafca.org

Testimony provided to the Human Services Committee
Submitted by David MacDonald, CT Association for Community Action, Inc. (CAFCA)
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Thank you, Senator Harris, Representative Villano, and members of the committee for this opportunity to provide testimony. My name is David MacDonald, and I represent the CT Association for Community Action (CAFCA), the association of CT's twelve Community Action Agencies (CAAs) who are the federally-designated network of anti-poverty agencies in Connecticut. I am here today to speak in opposition to Raised Bill 7232: An Act Concerning the Administration of the Low Income Heating Energy Assistance Program, and in support of Raised Bill 1361 An Act Concerning Administration of the Temporary Family Assistance Program.

Regarding Raised Bill 7232 An Act Concerning the Administration of the Low Income Heating Energy Assistance Program, we believe this act is unnecessary and will only cause confusion and inefficiency in the current energy assistance application process. CT CAAs operate the CT Energy Assistance Program in a very efficient manner. Administrative costs account for less than 9.5 percent of overall costs and last year we processed more than 90,000 applications. And it is a difficult program to operate. There are more than 200 energy vendors, clients who have fuel emergencies, and operation of evening and weekend hours to meet the demand. The bill proposes that DSS could receive completed applications from municipalities. This would create an additional layer of bureaucracy and increase application processing time. Furthermore, DSS does not have the personnel to process applications. We urge you not to support this bill.

Regarding Raised Bill 1361 An Act Concerning Administration of the Temporary Family Assistance Program. This bill provides a number of beneficial changes to the TFA program that are needed to better support TFA clients who are struggling to improve their lives. Our agencies work with current and former TFA clients everyday. These changes will provide better transition to work opportunities for clients, many of who have very little to no work history. We support:

- **Increase the payment standard by 10% and tie future increases to inflation.** Payments have not been increased in many years and this increase is past due.
- Changes to the exemption criteria.
- **Expansion of the Safety Net Program** will ensure that those with significant barriers to workforce success have some limited assistance.
- **Ensure utilization of the community service activities** allowed under federal regulations. This will help those with little or no work experience gain important job readiness skills and provide better opportunities for securing employment.

We also recommend utilizing TANF funding to provide more opportunities for adult education, literacy, and education. For example, other states have successfully **utilized TANF funds to provide Education Individual Development Accounts (IDAs)**. IDAs are matched savings accounts, so as clients work and save money, their savings are matched. When combined with other sources such as Individual Training Accounts, financial aid, and scholarships, this provides a great opportunity for those working their way off of welfare to continue progressing and improving their marketability with higher-end skills. A May 2006 report from the Center for Social Development summarizes the benefits of using TANF funds for education IDAs and we urge you to add this component to the bill. A small investment of TANF funds would provide significant benefits for those who are ready to take advantage of such an opportunity. Thank your for the opportunity to comment on these two bills.