



Human Services Committees
Testimony of Dr. James H. Gatling, President/CEO, New Opportunities, Inc.
Public Hearing, February 28, 2008

Good afternoon, Senator Harris, Representative Villano, ladies and gentlemen of the Human Services Committees. My name is Jim Gatling and I am the President/CEO of New Opportunities, Inc and Chair of the Connecticut Association for Community Action (CAFCA), the state association representing Connecticut's twelve community action agencies.

I also serve as a member of the Low Income Energy Assistance Advisory Board, which has been meeting for the past two years for the purpose of examining the energy needs of CT's low income elderly, children and their families with our focus being to make the program better for those in need.

I am here today in opposition to HB 5616, An Act Concerning a Municipal Pilot Project with Respect to the Administration of the Department of Social Services Energy Assistance Program. The CT Community Action Network serves all 169 towns and cities in the state and, in many of the towns we have volunteer sites which take energy applications. Our agencies have offered computers and the computer software to our town sites and many of them have accepted and are currently taking and entering applications directly into our system. This is working well in the towns where the sites have agreed to update their intake process. So, I definitely do not think we need this legislation.

More importantly I think you need to look at how the Connecticut Energy Assistance Program can be enhanced for our customers by making this a year round program and providing state funds for energy assistance benefits for those who are not currently covered. Last year when we had early intake and customers were able to be processed in a timely manner, CEAP worked well for everyone – staff and customers alike. This past energy season has been the worst in my 15 plus years of operating the energy program. The CEAP plan was late in being filed; we did not receive instructions from DSS on beginning the program until the end of September when we were told to begin the program the following week. We only received instructions two weeks ago regarding the proper processing of some customers. So, what I would like to emphasize today is to ask legislators to make sure the program we have in place is given the proper and positive attention it deserves.

I am sure you are aware that the state contributed financially to the energy needs of our citizens under the State Appropriated Fuel Assistance program up until several years ago, when the funding ceased. We need to have the state invest again in this important program for CT's poor, working poor and median income families who need energy assistance. We also request that you consider reallocating state funds to the energy assistance program for the purpose of year round operation, or at the very least, allocate state funds to provide for early intake into the energy

assistance program. Last year, the CEAP program had its most successful year ever, with less stress on our overworked staff and better services for our customers. This was due largely to the changes that the legislature had requested in the program and DSS had implemented regarding early intake in anticipation of greater utilization as the result of the high cost of fuel.

CASELOAD COMPARISON

	<u>2006/2007</u> (Thru 09/04/07)	<u>2005/2006</u> (Final Numbers)	<u>% Change</u>
ABCD (Bridgeport)	11,383	10,978	3.7%
BCO (Bristol)	2,663	2,321	14.7%
CACD (Danbury)	3,218	2,799	15.0%
CRT (Hartford/Middletown)	25,141	22,976	9.4%
TEAM (Derby)	3,469	3,432	1.1%
HRAofNB (New Britain)	4,047	3,823	5.9%
CAAofNH (New Haven)	13,821	13,299	3.9%
NEON (Norwalk)	1,886	1,625	16.1%
TVCCA (Norwich)	6,386	5,747	11.1%
CTE (Stamford)	1,930	2,005	-3.7%
NO (Waterbury/Meriden)	18,043	16,101	12.1%
ACCESS (Willimantic)	5,804	5,137	13.0%
Statewide	97,791	90,243	8.4%

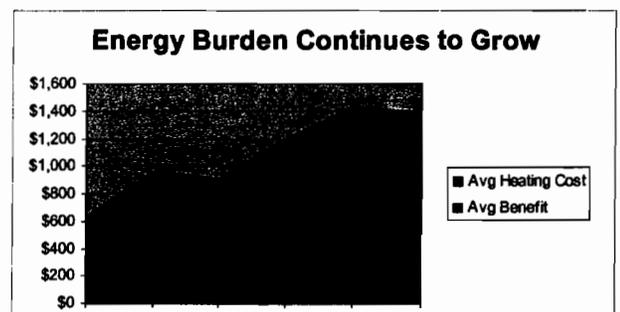
As this chart indicates, we had an almost 10% increase in our caseload for energy assistance – by October 15th last year we had already taken applications for over 15,000 customers by beginning the program on August 15th.

We did not begin early intake this year due to unavailability of funds to bring on energy staff for the application process, so once again, we are seeing long lines and crowded waiting rooms as people pour into our agencies to apply for assistance. We believe it was shortsighted of the administration not to come to you last year to make you aware of the lack of federal funds for early intake, especially since the legislature has expressed an interest and desire to make the program operate effectively and efficiently.

If we do not receive additional federal funds, you may also need to allocate state funds for the energy assistance benefits. This last part of my testimony shows clearly that the federal funds are not keeping pace with the increase in costs to an individual and families to heat their homes.

LIHEAP is not keeping pace with the significant increases in the cost to heat our homes. Increased funding is required to ensure that our low-income residents, especially the elderly and disabled, are not left out in the cold and vulnerable

- Energy burden has almost tripled: After years of flat funding, the purchasing power of LIHEAP has plummeted. Since the 2001-02 winter



season the share of heating expenditures covered by the average grant is projected to decrease for heating oil from 50.9% to 22.9%; natural gas from 68.6% to 28.8% and propane from 43.4% to 22.4%.ⁱ

- The average cost of heating has more than doubled since 2001: Since the winter heating season 2001-02, the average price of home heating costs for heating oil increased from \$627 to \$1,474, natural gas from \$465 to \$1,000 and propane from \$736 to \$1,286.ⁱⁱ
- Soaring electric rates place additional burden on elderly and disabled for summer cooling: Recent rate increases by CT Light & Power and UI have ranged from 30% to 50%.

90,000 households in Connecticut avoided a fuel crisis through energy assistance last year.

As the chart above clearly indicates and with the cost of a barrel of oil again breaking record highs, we need to be very watchful during the coming year to make sure that poor people in this great and wealthy state don't get left out in the cold. On behalf of Connecticut's Community Action Agencies we look forward to working with you to protect our most vulnerable population. Thank you.

ⁱMark Wolfe, *Federal Low Income Home Energy Assistance Grants for LIHEAP Decline to Lowest Level in Five Years*, National Energy Assistance Directors' Association, January 24, 2006, www.neada.org

ⁱⁱ Ibid.