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Appropriations and Human Services Committees

**Testimony of Joe Mann, President/CEO, Norwalk Economic Opportunity Now, Inc. (NEON)
Public Hearing, September 22, 2008**

Good afternoon, ladies and gentlemen of the Appropriations and Human Services Committees. My name is Joe Mann and I am President/CEO of NEON and Vice Chair of the Connecticut Association for Community Action's (CAFCA). CAFCA is the state association representing Connecticut's twelve community action agencies. I am here today to offer our endorsement for Commissioner Michael Starkowski's Community Services Block Grant (CSBG) plan.

Community Action Agencies are the federally designated anti-poverty agencies. Our mission is to empower people to become more self-sufficient, improve communities, coordinate human services and build partnerships to address the conditions of poverty. For over forty years, CT's CAAs have operated programs and provided services that not only help move low-income people towards self-sufficiency, but also work to improve communities and strengthen the social service delivery system through coordination and partnership. The Community Services Block Grant is the federal funding stream that provides core support to our agencies to carry out this mission.

While we endorse the state's plan, we want you to understand that the state has presented a plan based on level funding of CSBG. There has not been an increase in CSBG funds since 1996. While we are hopeful for a slight increase in federal funds, any increase will not make up for the actual decrease in funds when accounting for inflation over the last 12 years coupled with the devastating effects of higher energy and employee health care costs for our agencies.

For almost twenty-six years Connecticut's state elected officials have supported the work of Community Action Agencies in our low income communities by funding the CAA network - first through the Human Resource Development line item in the state budget and recently in the Human Services Infrastructure line. Over the past decade this state support has been reduced by 50%. We have gone from a high of \$8,209,854 in 1990-91 to approximately \$4

million today in the Human Resource Development funds which are now the 'Human Services Infrastructure for Community Action Agencies' line in the state budget. Last year, the legislature increased its support for HSI by including an additional \$1 million in this budget line. However, this summer the Commissioner essentially removed that increase by using a 'forced lapse' of these funds in his recommended budget rescission document, meaning our agencies will not see any increase this year.

I would like to ask you now to commit to restoring those funds, especially since the CSBG funds have not realized an increase in over 12 years. The state's support for the work of CAPs is vital if we are to continue to make progress in working with families to help them reach a level of economic security and achieve a minimum standard of living. In 2004 you adopted a state policy to reduce and prevent child poverty by 50% by 2014. Since you adopted this laudable goal, CAFCA, and most of our agencies have developed strategic plans around the child poverty reduction and prevention policy.

As you very well know, there are significant pockets of poverty in our rural areas and high rates of poverty in our cities. The current federal statistics on poverty bring us to the realization that our agencies continue to be called on to do more for our low-income citizens with less and less financial support. As was recently discussed in the state's newspapers following the release of the 2007 poverty statistics - the number of poor in our communities is growing and their needs are more diverse than ever. Hartford, CT is now ranked number 6 in the country with 43.4% of its children living in poverty, Waterbury ranks number 39 with 33.5% living below the federal poverty level and Bridgeport and New Haven, CT at a 29.5% and 27.6% child poverty rate respectively. These sad statistics should anger all of us.

You have recognized the problems of poverty in our communities by creating the child poverty reduction and prevention policy and CAFCA and the Community Action Network plan to focus our efforts on this noble goal and work with you to achieve success. However, to realize this goal you must invest in proven solutions to help people transition from poverty to self-sufficiency. I believe Connecticut's Community Action Agencies have solutions and have a proven track record. Community Action is on the front lines of service delivery and we are making progress against poverty and are achieving results. So I ask you again to commit to restoring the state's support to the work of Community Action. It is especially critical that the state restore its support if we are to achieve the goal of a 50% reduction in child poverty in the next decade.

In Connecticut, our network has built partnerships with state agencies, in particular with the Department of Social Services, the Department of Labor and the Workforce Development Boards, the Department of Children and Families on the Differential Response System, and with the Department of Corrections regarding prison overcrowding and early release programs. We are working to develop strong relationships with state agencies in order to provide local community-based solutions to the myriad problems of poverty. In our partnership with DSS, CAAs have in fact become the linchpin of the CT Human Services Infrastructure. The CSBG and HSI funding allows us to provide that crucial support.

The Community Services Block Grant requires states and agencies to conduct an Informational Survey (IS) each year which shows exactly how these public funds are expended. I am also including with my testimony the annual report CAFCA compiles based on the IS – this report clearly provides information on the outcomes, results and return on investment of our CSBG funding. We are currently compiling the report for the 2007-08 IS and will have this information available for you by mid-November.

Finally, CSBG funds enable community action agencies to broaden the resource base that enhances programs, fills gaps, provides linkages, and generates additional program monies. In federal fiscal year 2006-07, \$7.6 million in CSBG funds were used to leverage over \$170 million in other funds for a variety of programs that are essential in assisting low-income people toward greater economic independence. CSBG represents a significant investment in Connecticut's low-income communities and their families through the local community action agency. That means that for every dollar of CSBG that goes to a community action agency, \$22 more dollars are leveraged and brought into Connecticut to serve our low income residents.

Most importantly, CSBG funds are critical for maintaining a safety net for our state's most vulnerable citizens. This safety net provides essential linkages between programs and services and helps ensure that our neediest residents can gain access to necessary services quickly. Again, we support the Commissioner's CSBG 2008-09 funding plan. We look forward to working with the legislature and the Department of Social Services in continuing to address the needs of Connecticut's low-income residents to assure economic security and assist in their efforts to achieve self-sufficiency.