



**Testimony submitted December 9, 2009 for
Appropriations Committee Hearing on the
Governor's Proposed Deficit Mitigation Plan**

Good afternoon Senator Harp, Representative Geragosian and members of the Appropriations Committee. My name is Lena Rodriguez, and I am the President and CEO of the Community Renewal Team, which is the largest community action agency in Connecticut and the oldest one in the United States. I am here to address the Draconian cuts which are being proposed by Governor Rell, cuts that will sever and slash what's left of the safety net for those we serve, and other vulnerable residents of Connecticut. I think that CRT is in a unique position to advocate on behalf of those vulnerable residents, because every year we see more than 100,000 families who are seeking education and care for children, meals and support for seniors, mental health services, employment programs and a great deal more.

As the U.S. economy has spiraled downward, the number of people who need assistance has increased tremendously. Here is just one example: Last winter, CRT provided Energy Assistance to more than 33,000 families throughout Central Connecticut. That was an increase of nearly 35%, and more than a third of them were new customers, households which had not previously applied for CRT Energy Assistance. This year, we are seeing a similar increase, even though energy prices have moderated *and* we are starting from a larger base number. Many customers tell us that they have recently lost their jobs or experienced a reduction in hours; other say that they have never wanted to accept public assistance of any kind, but that they find it's increasingly difficult to make ends meet.

At a time when we are facing near record un- and under-employment, it does not make sense to slash the services that help people retain their employment, their stability and their dignity. After a 5% rescission, Governor Rell is proposing a 25% reduction to Department of Social Services Child Care. DSS child care, offered on a sliding-fee basis, is a key element in helping parents secure and retain employment so that they can support their families. These programs almost always have extremely long waiting lists. Right now, CRT has 782 unduplicated families on a waiting list for 100 spaces!

It is counterproductive to chop these services by more than 30%, because it will swell the ranks of the unemployed – both parents who use the service and the ECE staff whom we would have to lay off. For CRT, the cutback that will be considered next week by the legislature translates to a loss of more than \$463,000 in child care alone. In order to absorb that loss, CRT would have to close six Infant-Toddler classrooms, deny child care services to 48 families and eliminate 12 full-time staff. That means that 60 families would be pushed out of the productive, tax-paying work force.

As people face challenges, they turn to their Community Action Agencies for effective, wrap-around case management. The Community Action network is Connecticut's front line in fighting poverty. A community action center is a one-stop, comprehensive location to obtain referrals and information on everything from Food Stamps to Energy Assistance to enrollment in child care. These services are paid for with Human Services Infrastructure (HSI) funding. Yet at a time of tremendous economic turmoil, when we need more case management for our customers, Governor Rell has proposed that this area, too, be cut by more than 30%.

If CRT's HSI funding is cut by nearly \$315,000, we may be forced to close one of those vital Family Service Centers, and eliminate seven staff positions. The loss of this vital link to the community could be devastating. In just one of our centers, more than 4,000 Energy applications were processed last year! Here are some of the expected results from closing one center:

- A reduction in the number of energy applications we can take, and an increase in the waiting time experienced by each customer.
- A reduction in the total number of free income tax returns that we can process – a net loss of 525 returns in the season – which means more than \$1,500,000 that would not be returned to the community in the form of refunds, Earned Income Tax Credits and more.
- A reduction in the number of referrals and services that the case managers perform daily, including enrollment in Food Stamps, HUSKY insurance and SAGA, assistance with emergency food, applications for child care programs, etc.

Some of those referrals go to the CRT Eviction and Foreclosure Prevention Program, another victim of the current reductions. The 25% cuts proposed by Governor Rell mean that one in four eligible families won't be served by the program. At CRT, this means that an estimated 80

individuals or families who are facing eviction or foreclosure will not receive assistance. They may lose their housing, and their families may seek help at a shelter in the region.

Ironically, however, the emergency shelters are also facing deep cuts to budgets that were already stretched extremely thin. For example, CRT's East Hartford Community Shelter has only three full time staff to work with 24 women and children, and 16 single men. These hard-working staff help adults secure employment and stable housing, enroll children in school and finding the support services that they all need to be successful. This shelter is always full, with a substantial waiting list when space becomes available. Yet each day, we are approached by six to ten additional families who are seeking a safe place to stay.

Across the river in Hartford, the McKinney Shelter has beds for 88 men, and overflow space for several additional guests. This shelter is also operating at capacity, and we provide hot meals and showers to additional men – even though our beds are full. While we can leverage many services in the community, it still takes 21 staff to run this wet shelter. From cook to case manager to counselor, every one of these staff are necessary to operating a seven-day-per-week operation.

The governor's proposal would cut the funding for these two shelters by almost one third, or \$282,000. Since we cannot cut staffing by a third, and still operate effective and safe programs, we might close the entire operations for a period each year. By our calculations, we would need to close the shelter for 110 days – from Memorial Day until after Labor Day – in order to balance our budgets..

We understand the need for belt tightening, it is something that we teach all of our customers. However, cutting essential services in a time when Connecticut residents need them the most will have devastating impacts on individuals and families throughout the state. Communities will suffer, not only for the next two years but for years to come. CRT and other community action agencies maximize the use of state dollars, wisely leveraging and bundling dollars to assist as many people as possible. State dollars are stretched and used to provide quality, cost-effective resources. Please see attached to consider the impact that limited dollars have had over the past year. And we ask that you consider the fact that the deficit mitigation plan targets children and others who are vulnerable. Thank you.

CRT's integrated service delivery method, Human Services Infrastructure (HSI), is making a difference. Listed below are outcomes that CRT staff has assisted our customers in achieving in the past year:

◆ 2,554 people obtained employment and/or improved their employment status
◆ 2,028 people were assisted with free intake tax preparation with a total value of all the returns equaling \$4,857,484. Customers saved over \$405,600 by not having to pay commercial tax preparation and/or e-filing fees. Services provided by the DSS funded HSI program.
◆ 1,543 individuals/families received assistance through CRT's, DSS funded, two emergency shelters.
◆ 1,407 people avoided eviction through CRT's, DSS funded, Eviction Prevention and Foreclosure Program
◆ 1,242 people obtained safe/stable housing
◆ 11,301 people decreased their energy usage due to Weatherization services.
◆ 26,409 people applied for Energy Assistance
◆ 3,709 people received emergency crisis assistance, such as emergency food from our food pantry and clothing. Services provided via DSS funded HSI Neighborhood, One-Stop, Centers
◆ 26,489 people received assistance with referrals to necessary services
◆ 6,105 seniors improved their nutrition via our Meals on Wheels and Community Café nutrition programs
◆ 7,145 seniors participate in services that support active independent living, this includes our Assisted Living Program (The Retreat); Retired Senior and Volunteer Program; Grocery Delivery Program and Senior Socialization and Recreational program.
◆ 1,786 children in our Early Care and Education Programs:
▪ Obtained age appropriate immunizations
▪ Obtained age appropriate dental care
▪ Participated in pre-school activities that develop school readiness skills
▪ Participated in pre-school activities that demonstrate competency according to CT State benchmarks
◆ 3,889 children improved their nutrition through our Early Care and Education Programs