



Human Service Committee, March 4, 2021

Testimony submitted by Alison Weir, Policy Advocate and Attorney

Greater Hartford Legal Aid

HB 6446: Oppose; HB 6519: Support; HB 6520: Comment

My name is Alison Weir, and I am a policy advocate and staff attorney with Greater Hartford Legal Aid (GHLA). I am writing on behalf of GHLA, Connecticut Legal Services, and New Haven Legal Assistance Association on a number of bills before the committee.

HB 6446 AN ACT CONCERNING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR HUMAN SERVICES.

I urge the legislature to include in the budget for the FY 2022-23 biennium funding for the cost of living adjustments (COLA) for Temporary Family Assistance (TFA), State Administered General Assistance (SAGA), and for State Supplemental Assistance for the Aged, Blind, and Disabled ("State Supp.", also known as "AABD"), as is currently provided for by state law.

Connecticut General Statutes §17b-104 and §17b-106 require an adjustment to the maximum benefit levels for TFA and SAGA and State Supp. consistent with the Consumer Price Index for Urban Populations (CPI-U), which reflects the increase in the cost of goods over the year. The statute provides a basic protection for beneficiaries, designed to stabilize the buying power of these programs, and not have recipients slip even **deeper** into poverty. Yet, despite being written into statute, over the last 12 years, the COLA has been funded only twice for TFA and SAGA, and only five times in 32 years for State Supp. It is a long standing pattern of many years for governors of both parties to not fund the adjustment, citing other pressing state needs. Yet this money is used to address the most pressing needs of those people who receive it. For some recipients, this cash assistance is the only cash they receive, and it is used to pay for basic needs from rent to gas for the car to diapers for their babies.

Each year the choice is made to not fund the COLA, our fellow residents suffer the compounded impact from years of our failure to apply existing state law. When the COLA is not funded, the buying power of the benefits erodes, and with it the ability of these recipients to meet their basic needs. Today, the maximum TFA benefit for a family of three in Connecticut of \$698 per month, buys 33 percent less than the maximum benefit in 1996 could buy. While justice would suggest that the benefit should be increased 33 percent, today I ask that at a minimum you do not further reduce the buying power of the assistance and fund the COLA in accordance with Connecticut General Statutes §17b-104 and §17b-106.

TFA is Connecticut's cash assistance funded by the federal Temporary Assistance for Needy Families (TANF) block grant program. In Connecticut, we have three different TFA levels to account for the different cost of living in the different towns in the state, but each is wholly inadequate. In Region A, which includes high cost of living towns like Greenwich and Darien, the maximum benefit for a family of three is \$698 per month, which equates to just 38% of the federal poverty level. In Hartford (Region B) it is \$597, or 33% of the poverty level. In Waterbury (Region C), it is \$589, or 32% of the poverty level. In 1996, when TANF was established, replacing the Aid to Families with Dependent Children program, for each region the TFA allotment was at least 50% of the poverty level, ensuring that no family receiving assistance would be living in deep poverty. We cannot say the same thing now.

Also, when TANF was established, Connecticut allocated a much larger amount of the block grant to cash assistance and provided cash assistance to many more families than we do now. In 1996, 82 of every 100 families in poverty received TFA cash assistance. In 2019, it was only 27 of every 100 families in poverty who received any TFA cash assistance.¹ Compared to our fellow states, Connecticut spends far less of its block grant on direct cash assistance. In 2019, Connecticut spent \$501 million combined federal and state maintenance of effort money on TANF expenditures, but only 8% of this funding, \$42 million, went to TFA cash assistance. This compares with a national average of 21% of TANF block grant going to fund cash assistance for families.

SAGA's buying power has likewise eroded, failing to keep up with the rise in the cost of basic necessities it is supposed to help needy individuals secure. Of course, at a maximum benefit of only \$219 per month, the SAGA benefit is already woefully insufficient to cover basic living expenses. People who receive SAGA are people who qualify but have not received federal benefits through Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI), who cannot work, and who have very limited assets and income if any.

Historically, SAGA was not intended to be the pittance it is today. SAGA supplanted the General Assistance program in 1997, and was at that time a reduction from the General Assistance program: restricting eligibility, dramatically reducing enrollment, and cutting benefit levels. But the program has since been actively cut in addition to the erosion of buying power that has resulted from failure to fund the COLA. The initial, 1997 SAGA benefit of \$350 per month for unemployable people was reduced to \$200 per month in 2003. It has risen to only \$219 since then because the COLA has not been funded for thirteen of the past seventeen years. It is truly unconscionable to deny COLA increases for this population in particular, the most destitute, who are awaiting Social Security eligibility determinations.

For AABD, which supplements federal programs such as Social Security, SSI, SSDI payments, or Veteran's benefits, the failure to fund the COLA is a double whammy. Not only has the state not funded annual increases in the maximum benefit for AABD, it has also neglected to adjust the disregarded income to account for the federal cost of living adjustment for Social Security, SSI, SSDI, and Veterans' benefits. The effect of this failure is that each dollar of the COLA intended by Congress for recipients of these federal benefits is then fully taken away through the dollar-for-dollar reduction in the individual's AABD benefits. Thus, by failing to fund the Connecticut COLA and not adjusting the income limits to

account for the federal COLA, AABD recipients are denied two statutorily required cost of living adjustments.

The proposed savings from suspending the cost of living adjustment, as identified in the governor's budget, is \$770,500 in FY 2022 and \$2,101,300 in FY 2023. Despite the dire predictions of a catastrophic budget deficit, the state is currently enjoying a budget surplus and has completely filled the rainy-day fund. While it is true that the state budget is predicted to be in deficit in the near future, the amount saved is a tiny fraction of the budget. However, for the state residents who rely on these programs, the increase from a cost of living adjustment would significantly improve their ability to keep pace with the cost of living in the state. The state residents at the bottom rung of the income ladder have not enjoyed the economic windfall the state has enjoyed this year. They do not have unexpected income resulting from a higher than normal stock market nor do they have a comfortable rainy day fund. Rather, the state's lowest income residents have suffered from record rates of unemployment. The state's economic disparity, among the worst in the nation, has not improved during this last year. Failure to fund the COLA impacts those at the bottom end of the economic ladder and reduces their ability to meet their basic needs.

Failure to fund the COLA is but one of the many ways that Connecticut actively discourages people who need cash assistance from applying for it. At twenty-one months, Connecticut's is the second most restrictive time limit on receiving cash assistance through TANF; only Arizona's time limit is shorter. We are one of only twelve states that refuse to pay the full amount for an additional child born while a family is enrolled in TANF/TFA, and once that child is born, we refuse to allow the parent the standard twelve month exemption from the work requirement for the parent of an infant. Legal services attorneys have been told by clients that case managers discourage them from applying for TANF because of the lifetime time limit on the program, urging them to save it for when they are really desperate.

Is it any wonder, then, that the caseloads for all the programs that are statutorily entitled to a COLA have decreased? Most recently, this decrease has resulted in a lapse in the last year's budget that, if applied, would more than fully fund the statutory COLA of 1.0 percent for this year as well as the cost of living adjustments for the next several years. Across all programs, reduced caseloads in the cash assistance programs has resulted in a \$32.6 million lapse. That would fund the COLA adjustment for this year and years to come.

The Governor's budget takes the reduction in caseload as a given, reducing the amount allocated for cash assistance programs each year during the biennium, despite the fact that Connecticut, with the rest of the country, is experiencing a significant economic downturn from which some economists predict we will not fully emerge until 2030.ⁱⁱ In truth, there are many more people who are potentially eligible for cash assistance than currently receive it. Multiple studies have demonstrated that cash assistance is one of the most cost effective ways to help and we urge the committee to prevent the further erosion of these valuable assistance programs.

The Governor's budget proposal also calls for instituting an asset test for all three Medicare Savings Programs (MSP). These programs are a lifeline for lower income elderly and disabled individuals who cannot afford the premiums and other cost-sharing under Medicare, but have incomes too high to qualify for Medicaid. Currently, there is no asset test for any of these programs. The proposed asset limit is \$15,720 for individuals and \$23,600 for couples. The vast majority of our elderly and disabled legal services clients do not have countable assets over these amounts, but ascertaining that they meet this test, and doing so every year at redetermination, will take a tremendous amount of effort on both sides. Our clients will now be required to produce documentation that may not be readily accessible. In addition to bank statements, assessments of car value, valuation of any stock owned, and the cash surrender value of life insurance policies all must be collected and reviewed. Often, beneficiaries are directed to obtain such verification via automated computer systems, and yet the elderly and disabled individuals eligible for MSP often have difficulty with using those systems, so they have to resort to the various call centers for banks, etc. Getting even less onerous levels of documentation was already a serious problem even before the pandemic.

Additionally the proposal ignores the significant administrative costs of having DSS workers manually review and process all of this asset information. Unlike many other aspects of eligibility, asset determinations cannot be automated, so DSS staff will now have to check assets for all 205,000 MSP enrollees annually and for all new MSP applicants. Unless the administration intends massive new hiring for DSS, this will likely slow processing for all beneficiaries under all DSS benefits programs. It is also likely that many individuals who do meet the test will nonetheless be disqualified from the program for failure to submit the required paperwork. The savings proposed do not seem to justify the bureaucratic pain and suffering this proposal would impose.

H.B. No. 6519 AN ACT CONCERNING DATA COLLECTION TO PREVENT MALNUTRITION AMONG SENIOR CITIZENS.

According to a 2020 Feeding America report on the state of senior hunger in the United States, in 2018 8.4% of Connecticut's seniors were food insecure,ⁱⁱⁱ meaning that they answered affirmatively to three questions developed by the U.S. Department of Agriculture to determine food insecurity rates. In the Hartford-East Hartford metro region, that rate is 10 percent. This is a higher rate than was experienced prior to the 2008 economic downturn. Given the events of the past year, there is every reason to believe that the rate of food insecurity has only increased.

However, according to the Food Research and Action Center, only 54% of seniors who are eligible participate in the SNAP program in Connecticut.^{iv} We need to reach out these seniors who would benefit from food assistance, but first we need to identify where they are. The bill before the committee would tie funding for senior food assistance programs to the data collected by the U.S. Census Bureau's American Community Survey and the on the ground experience of meals on wheels providers.

We support the collection of data on where senior food insecurity is a concern in order to better address the problem.

HB 6520 AN ACT CONCERNING THE PROVISION OF TEMPORARY STATE SERVICES TO VICTIMS OF DOMESTIC VIOLENCE

This bill aims to modify the income rules of the SAGA, child care and SNAP programs to exclude spousal income of domestic violence victims, who are still residing with their abuser, from consideration in eligibility. Although Legal Services is very sympathetic to the intent of the bill, the bill as written will not achieve the desired flexibility to provide assistance to victims of domestic violence. The bill fails to account for a host of additional rules, besides income, that could preclude program eligibility for applicants who reside with their spouse. And the programs are so meager, and the rules so restrictive otherwise, that they offer little relief to low income working women, including those who are victims of violence.

At the outset, it has been our experience that DSS does not consider the income of either a spouse or unmarried father of her children, when considering eligibility for SNAP, TFA or childcare. So we are assuming this bill aims at families that are still intact.

The first problem with this proposal is that federal SNAP rules strictly define households for SNAP eligibility purposes to include spouse residing together. The bill is a non-starter regarding SNAP benefits, as Commissioner Gifford noted in her testimony on a similar proposal, last year.

The bill would also modify SAGA income rules. The SAGA program is entirely state funded, thus the state has more leeway. But, SAGA pays a total of \$219 per month and is intended for single people who are unemployable, either medically or because they are minor still in school or aged, or pending family assistance. Conn. Gen. Stat. §17b-194. A small number, but relatively few domestic violence victims would qualify for SAGA even if their spouse's income was discounted. In addition there is an asset limit of \$250.

The drafters of this bill seemingly intended to afford relief to domestic violence victims who are parents, because the bill also addresses child care. If so, the Temporary Family Assistance program would be the more likely program for cash assistance. The person escaping violence would have to be working to qualify for the child care program. But, someone with even modest earnings, e.g. a mother with two children grossing more than \$160 per week, would be over income for the TFA program, not counting her husband's income at all.

Legal Services would welcome the opportunity to work with the committee to draft changes to SAGA that could support domestic violence victims with temporary support. I also suggest that the committee consider modifying the state's eligibility rules for TFA, which although a federally funded program allows the state greater flexibility regarding eligibility than does SNAP.

There are many good reasons to provide financial assistance to domestic violence victims. According to the Institute for Women's Policy Research, many abusers use economic abuse to limit their victims' options and make them financially dependent on their abuser. The Institute cites one study of 120 victims that found 94 percent had experienced some form of economic abuse.^v Researchers at the University of Pittsburgh found that the time period around when victims of domestic violence petition

for a restraining order is one of exceptional financial instability for the victims.^{vi} As Professor Dana Harrington Conner of the Widener University School of Law writes, “Financial instability is one of the greater reasons why, after gaining freedom, a woman who experiences battering has limited choices and may ultimately acquiesce to her partner’s attempts to reconcile.”^{vii} State assistance for these victims can buffer the negative effects of petitioning on women’s financial security.^{viii} Unfortunately, the bill as drafted would not provide that assistance for most domestic violence victims.

Thank you for the opportunity to testify today.

ⁱ Center for Budget and Policy Priorities, “State Fact Sheets: How States Spend Funds under TANF-- Connecticut Fact Sheet,” Jan. 12, 2021, available at <https://www.cbpp.org/research/family-income-support/state-fact-sheets-how-states-spend-funds-under-the-tanf-block-grant>

ⁱⁱ Keith M. Phaneuf, “CT economy will struggle until at least 2030 to recover from COVID, UCONN report warns,” CT Mirror, Oct. 23, 2020, available at <https://ctmirror.org/2020/10/23/ct-economy-will-struggle-until-at-least-2030-to-recover-from-covid-uconn-report-warns/>

ⁱⁱⁱ Feeding America, “The State of Senior Hunger in America in 2018” (2020), available at <https://www.feedingamerica.org/research/senior-hunger-research/senior>

^{iv} Food Research and Action Center, “Households with Older Adults (60+) Facing Food Insecurity,” FRAC Interactive Data Tool, available at <https://frac.org/maps/seniors/seniors.html>

^v Asha DuMonthier and Malore Dusenbery, “Intersections of Domestic Violence and Economic Security,” Institute for Women’s Policy Research White Paper (2016) available at <https://iwpr.org/wp-content/uploads/2017/01/B362-Domestic-Violence-and-Economic-Security-1.pdf>

^{vi} Melanie M. Hughes and Lisa D. Brush, “The Price of Protection: A Trajectory Analysis of Civil Remedies for Abuse and Women’s Earnings,” *American Sociology Rev.*, (2015) available at <https://doi/abs/10.1177/0003122414561117>

^{vii} Melanie M. Hughes and Lisa D. Brush, “The Price of Protection: A Trajectory Analysis of Civil Remedies for Abuse and Women’s Earnings,” *American Sociology Rev.*, (2015) available at <https://doi/abs/10.1177/0003122414561117>

^{viii} Hughes and Brush, *Ibid*