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Thames Valley Council for Community Action, Inc. (TVCCA) Comments by Rhonda Evans, Executive Director, before the Connecticut General Assembly's Appropriations, Human Services, and Public Health Committees

Public Hearing on the Community Services Block Grant (CSBG) Allocation Plan for FFY 2024

August 22, 2024

Distinguished Chairpersons, Vice-Chairpersons, Ranking Members, and Members of the Appropriations, Human Services, and Public Health Committees:

Thank you for holding this public hearing on the FFY 2025 Community Services Block Grant (CSBG) Allocation Plan. The Connecticut Association for Community Action (CAFCA) is the state association that works with Connecticut's nine Community Action Agencies (CAAs), the state and federal designated anti-poverty agencies serving over 200,000 low-income people in all 169 cities and towns across Connecticut.

## About Community Action Agencies

As the state and federally designated antipoverty agencies established by President Johnson to fight poverty, Community Action Agencies empower lowincome people to be a catalyst for change. There are now over 1,000 CAAs across the country that connect struggling individuals and families with essential support services and opportunities to help them become financially independent.

The Community Services Block Grant (CSBG) is a key part of this work and supports critical programs and services that address the needs of our most vulnerable residents. CSBG helps CAAs provide an effective service delivery system that is:

- Customer-focused
- Culturally sensitive
- Multigenerational
- Integrated

Community Action Agencies know that everyone who comes through their doors has their own unique set of circumstances, typically driven by the social, economic, and health conditions in which they exist. Our agencies also recognize that people's needs can be multi-faceted, and they help ensure each customer has equitable access to resources and opportunities that improve outcomes. Our comprehensive service delivery approach reflects this: if someone doesn't have enough money to buy food, they are likely struggling to afford other costs like housing, childcare, and more. This is important because it means that no matter the reason someone comes to a Community Action Agency for help, they'll be guided through a service system that works to address both their short and long-term needs all in one place – helping them achieve and maintain economic stability.

CAAs are also held accountable to stringent reporting requirements through the CSBG Annual Report, and must meet program measures through the organizational standards, state accountability measures, and the use of Results-Oriented Management and Accountability (ROMA).

Our <u>Annual Report</u> has demographic and other data about CAAs' work, and tells stories of people who have been helped by CAAs across the state. I hope you take a few minutes to review these important results, as they truly show Community Action's impact on Connecticut's most at-risk and vulnerable residents.

# The Need for CSBG

CSBG funding is essential for CAAs to help residents in need, both now and in the future. Connecticut's slow economic growth, the wage gap between top, middle, and low-income earners<sup>1</sup>, and high cost of living continues to make it harder for families to make ends meet.<sup>2</sup>

But through CSBG, they're able to find hope at Community Action Agencies. CAAs are wellknown and trusted in their communities and conduct community needs assessments to help determine which programs, services, and resources will address the unmet needs of people within the area they serve. CAAs also use CSBG funds for strategic planning to design and implement programs, provide training and technical assistance to staff to enhance organizational capacity, and assist with state and federal data reporting requirements. CAAs partner with thousands of local, state, federal, and community-based organizations to coordinate and improve service integration.

Notably, these CSBG dollars are also critical in leveraging other funding including federal, state, local, and private resources, and the value of volunteer hours that help the CAA Network strategically target the root causes of poverty at the local level.

## Comments on the FY 2025 CSBG Allocation Plan

While CAFCA understands the CSBG allocation formula outlined in the plan, it still means that three agencies will receive reduced CSBG funding. In FY 24, a new allocation formula was developed and implemented, causing a reduction of funding to three CAAs (Alliance, CAANH and CRT). This new formula was carried forward into the FY 25 plan with these same reductions. Additionally, while CAFCA recognizes that COLA dollars were allocated to the entire network in the FY 25 plan, these dollars were allocated from the CSBG budget itself, while in the past, COLA was provided through state dollars. Adding the COLA dollars in this manner masks the impact of the overall reduction to two of the three CAAs, while still leaving one (CAANH) with an allocation that is less than it received in FY24, as the one-time COLA increase is not large enough to cover the full \$110,000 reduction.

<sup>&</sup>lt;sup>1</sup> Connecticut Voices for Children, *The State of Working Connecticut*. (September 2023). <u>https://ctvoices.org/publication/20319/</u>

<sup>&</sup>lt;sup>2</sup> Louis, Serah. "This Connecticut couple brings in \$95K/year but still struggles with expenses." April 16, 2024, Yahoo Finance. <u>https://rb.gy/sc6s3w</u>

We appreciate that DSS used discretionary dollars to provide level funding to the three CAAs for FY 24, which lessened the impact of this change and allowed them time to plan for modified funds. However, given the new allocation formula, COLA dollars being pulled from CSBG funds rather than state funds, and the projected amount of carry forward dollars – especially when compared to the previous three years – we request that DSS provide level funding for the impacted agencies in FFY 25 as well. This will not only allow them an additional year to adjust to the change but will also help ensure agency operations and service delivery continue uninterrupted.

CSBG funds continue to be a core, vital resource for CAAs to not only provide the programs, services, and support their communities need, but to help address inequities in service delivery and foster positive and healthy outcomes for their customers.

In closing, CAFCA supports the Department of Social Services' (DSS) FFY 2025 allocation plan for CSBG, which provides base funding for Connecticut's Community Action Agencies. Keeping that in mind, we request that DSS provide level funding in FFY 25 for the three agencies that will be negatively impacted by the new CSBG allocation formula. CSBG allows them to continue to provide programs and services to Connecticut's low-income population, deliver training and technical assistance to their staff to ensure maximum efficiency and effectiveness, meet federal requirements and standards, and meet the needs of their customers – all while keeping in mind that every person's needs are different.

On behalf of Connecticut's Community Action Network, I would like to thank all of you, as well as Commissioner Barton Reeves and her team at the Department of Social Services, for your support of and advocacy for programs that serve low-income people in Connecticut and aim to help them improve their lives and communities. I am happy to discuss these funds and the work of Community Action Agencies further at your convenience.