



**CAHS**

connecticut association for human services

**Who We Are:** The Connecticut Association for Human Services (CAHS) is an independent statewide organization that works to reduce poverty and strengthen families and communities through advocacy supported by outreach, research, and education. Our members include social service agencies, municipalities, businesses, and individuals.

**Family Economic Security Focus:** CAHS's legislative agenda focuses on programs and policies that will help move families from poverty to economic success. Investing in asset-building, early care and education, health and human services, and basic needs programs will not only help families, but also build a stronger workforce and save taxpayers money—by reducing costs for special education and grade retention, expensive emergency health care, and future prison and welfare costs.



# 2005 Legislative Update

## High Hopes and High Stakes for Legislative Session

Hopes are high for the 2005 legislative session, with a new Governor, House Speaker, and Senate President. A lot is riding on the session, too—including moves to restore programs cut in recent years, expand HUSKY health insurance, and create a true system of early care and education. These efforts come in the face of a projected billion dollar state deficit, and attempts in Washington to cut domestic programs generally, especially entitlements like Medicaid.

Halfway through the five-month session, the news is mostly positive for CAHS's legislative priorities. The Governor signed legislation extending for three months HUSKY benefits for parents between 100 and 150% of the Federal Poverty Level. As detailed inside, most bills we support are still moving through the General Assembly, including tax reforms to generate more revenue, improvements to early care and education, and growth in asset-building, health, training, and basic needs programs. Our only legislative priority with little chance of succeeding at this point is creation of a state Earned Income Tax Credit (EITC). There is strong evidence that the federal EITC lifts more families out of poverty than any other program, and a state EITC could have similar benefits. However, with a big budget deficit looming for 2006, it seems unlikely that the legislature will seek to create a major new program.

**Priorities for 2005:** This update contains the status of CAHS's top priorities for the session. These include funding for Care 4 Kids, state-funded child care centers, and the Individual Development Account (IDA) program; capping the interest rate for "Refund Anticipation Loans" made by tax preparers; redirecting federal welfare funds to training and education; and increasing access to the federally-funded School Breakfast Program, among others.

**Additional Revenue:** Some of these legislative priorities will require new funding. Connecticut is a wealthy state. A fair share budget can generate the resources needed to ensure that all residents enjoy our high quality of life. CAHS advocates for changes to make the state's budget more equitable. Specifically, CAHS supports increasing the top income tax rate for high-wage earners and de-coupling from the federal estate tax. We also support changes to make the state spending cap less restrictive.

# Empower Low-Income Families to Build Assets

## Increase funding for and strengthen the state Individual Development Account (IDA) program.

The state IDA program, created in 1999, provides financial education to low-income families and matches their savings on a dollar-for-dollar basis or more, using government and private funds. IDAs empower people to save for major assets, including purchase of a home, security deposit for an apartment, education or job training, a vehicle for transportation to a job, or a small business start-up. IDAs have proven to be successful in helping low-income people to acquire the tools that enable them to become self-sufficient. CAHS supports additional funding for the state program, \$500,000 in both budget years. We also support the following changes to the current legislation:

- Eliminate the \$1,000 per year limit on savings, while retaining the overall \$3,000 limit, to allow participants to reach their savings goals sooner.
- Add saving for a child's college education as an asset goal (with a rollover to a CHET 529 college savings account) and allow deposits into an Individual Retirement Account for any extra savings or when a participant is unable to use their funds for their original asset purchase.

CAHS also supports regulatory changes to raise the administrative fee from 15 to 20% and specify that 10% be used for client services, including financial education.

### **Related Bill**

**SB 1328** An Act Concerning the Expansion of the "Connecticut IDA Initiative." This bill has been introduced in the Appropriations Committee and proposes to review the state's Individual Development Account Initiative. A hearing will be held April 1.

## Create a State Earned Income Tax Credit (EITC).

Seventeen states have followed the lead of the federal government in creating an EITC that allows low- and moderate-income working families (up to about \$35,000 per year) to receive a credit on the state income tax, as an incentive to work. The federal program is generally considered to be the federal government's largest program

to move families out of poverty, and a state credit would increase that number in Connecticut. Most state programs are based on a percentage of the federal credit, which averages \$1,850 in Connecticut for families with children.

CAHS, in conjunction with Connecticut Voices for Children and other organizations, supports a 20% refundable credit. Qualifying households would receive a credit equal to 20% of their federal credit, even if they do not owe state income taxes. A state EITC could provide a "hook" to help build the assets and financial security of lower-income households.

### **Related Bill**

The Finance Committee failed to raise a bill to create a state EITC this year. The only hope for creating a state EITC is as part of income tax changes.

## Cap the interest rate for "Refund Anticipation Loans".

Because of its complexity, most lower-income people who qualify for the federal EITC use paid tax preparers. The IRS estimates that low-income Connecticut residents paid over \$20 million in tax preparation fees in 2001, in part because many took Refund Anticipation Loans (RALs), sometimes called "rapid refunds". These refunds are actually short-term loans, which carry interest rates in excess of 100% annually. Connecticut's General Assembly should cap the interest rates for these loans.

### **Related Bill**

**HB 6830** An Act Protecting Consumers from Abuses in the Making and Collection of Income Tax Refund Anticipation Loans. This bill caps RAL interest rates at 36% APR and allows only tax preparation businesses to make RALs. The Banks Committee approved this bill March 15.

## How to contact your legislators:

Senate Democrats – (800) 842-1420  
Senate Republicans – (800) 842-1421  
House Democrats – (800) 841-1902  
House Republicans – (800) 842-1423

For more information, go to the Connecticut General Assembly website, [cga.ct.gov](http://cga.ct.gov)

## Strengthen Early Care and Education

### **Restore funding for and improve access to the Care 4 Kids child care voucher program.**

Last year, the legislature restored some of the funding that had been cut from Connecticut's child care subsidy program, *Care 4 Kids*. This allowed the Department of Social Services to begin taking families off the two-year waiting list. Unfortunately, many families could no longer be found. Since 2002, the number of children served by *C4K* has dropped from 40,000 to under 15, 000.

The legislature should increase *C4K* funding from \$72 million to \$90 million – still far less than peak program funding of \$120 million – to allow access to both TFA and non-TFA working families earning up to 75% of state median income. The program should be more user-friendly. Parents and guardians should be allowed to list their chosen child care provider as a contact for all correspondence regarding their *C4K* application and eligibility status. In addition, eligibility (short term), should be presumed at the time of application, if the provider has obtained proof of income from the applicant family.

### **Build on the School Readiness program to create a comprehensive system of early care and education.**

The State Department of Education is seeking to create universal access to preschool, beginning with the State's poorest school districts. The legislature should increase funding to the existing *School Readiness* Program and improve it, rather than create a new program.

The legislature should establish a comprehensive early care and education system coordinated by an early childhood cabinet with broad-based representation. Legislation should address program quality; child and family support services; facilities growth; teacher preparation, career development and compensation; classroom curriculum, child assessment and program evaluation; and expand the system's capacity to focus on the critical life span from birth to age five, not just the preschool years.

### **Develop a fair and stable per child funding for all publicly funded early learning programs.**

A patchwork of funding streams and authorities is utilized to make our current system of early care and education affordable: *Care 4 Kids*, State Head Start, State-Funded Centers, and *School Readiness*. Each has a different per child reimbursement rate from the state. Unequal and

inadequate payment rates across state agencies for similar services have driven some early care and education programs into deficit, with some borrowing money just to make payroll. Some 4,000 children risk losing access to early care and education continue. The state should raise reimbursement rates and require all providers to meet the same quality standards.

### **Related Bills**

**RB 6680** An Act Concerning the Governor's Education Recommendations, spells out an early childhood investment plan, which includes an early childhood cabinet, a research and policy advisory council and an early childhood competitive grant program. Attention is paid to workforce development, instructional improvement, child assessment, and outreach to parents of newborns. The per child rate for the *School Readiness* program is increased. The Education Committee held a public hearing March 4.

**RB 6949 and RB 6954** build on the Governor's proposals and refine the composition and charge of the early childhood cabinet and the research and policy advisory group. They also expand the role of local School Readiness Councils and create a program of home visitation with emphasis on children birth-to-three. Health, including mental health of young children is supported. Teacher qualifications are upgraded and technical assistance to programs is expanded. The Education Committee held a public hearing March 22.

**RB 1334** An Act Concerning Enhancements to the Child Care Subsidy Program, would give priority access to *Care 4 Kids* to families seeking to place their children in state-funded child care centers. **CAHS does not support this bill**, which the Human Services Committee heard March 22.

**RB 1098** An Act Concerning the Professionalization of the Early Childhood Education Workforce, mandates a study on access to baccalaureate degrees in early childhood education or development. This bill is now before the Education Committee, following approval by the High Education and Employment Advancement Committee.

**RB 1339** An Act Concerning Universal Preschool, requires all towns to make preschool programs available. The Education Committee heard this bill March 22.

**RB 1347** An Act Concerning Full Day Kindergarten, establishes a competitive grant program for priority school districts and others that do not have full-day kindergarten. The Education Committee heard this bill March 22.

**RB 1317** provides for a Personal Property Tax Exemption for Family Day Care Home providers. The Education Committee heard this bill March 22.

# Improve the Health and Human Services System

## **Strengthen health insurance coverage for low-income children, parents, and individuals.**

CAHS supports the recommendations of the Medicaid Defense Group. Increase income eligibility for HUSKY parents to 185% of the Federal Poverty Level. Restore continuous and presumptive eligibility under HUSKY for children. Restore SAGA (State-Administered General Assistance) health benefits and remove the state's funding cap for the program.

### ***Related Bills***

**HB 6438** An Act Concerning Restoration of HUSKY Plan, Part A Benefits for Parents and Needy Caretaker Relatives. This bill, which would extend transitional medical benefits for working parents through June 30, 2005 has been passed by both Houses and signed into law by Governor Jodi Rell.

**SB 1323** An Act Concerning the Administration of the HUSKY Plan, Part A and Part B. This bill would promote the health and well-being of children and low-income adults by restoring services that had been previously available under HUSKY Plan Part A and Part B. The Human Services Committee held a hearing on the bill March 22.

## **Improve Jobs First Employment Services (JFES) Training and Education.**

CAHS endorses the recommendations of the Welfare Working Group to improve JFES for parents with limited math and reading skills that keep them from moving from welfare to work by:

- Increasing funding for the purchase of education and training in basic, vocational and occupational skills and certification programs by \$18 million.
- Assessing JFES participants with inadequate reading or math skills and developing individualized plans to remove barriers.
- Identifying a reasonable caseload for DSS workers handling TFA, Medicaid and Food Stamp applications and developing a plan to reduce caseloads to that level.

### ***Related Bills***

**HB 6708** An Act Concerning the Workforce Readiness of Jobs First Program Participants. The Higher Education and Employment Advancement Committee approved the bill. It is now before the Appropriations Committee.

**SB 672** An Act Providing Increased Appropriations for the Department of Social Services (DSS) for Personal Services.

To provide increased funding to DSS to allow the department to hire additional personnel so as to ensure that the department is able to carry out all statutory mandates. The Human Services Committee approved the bill. It is now before the Appropriations Committee.

## **Reduce hunger and enable residents to meet basic needs.**

Increase access to the School Breakfast program as End Hunger Connecticut! recommends. Connecticut ranks 49<sup>th</sup> for percentage of eligible students who receive school breakfast. The state could improve access by offering financial incentives for schools to offer breakfast in the classroom.

### ***Related Bills***

**SB 1312** An Act Concerning a Pilot Program for In-Classroom Breakfasts. This bill would establish a pilot program to promote in-classroom school breakfast programs in severe need schools. The Education Committee held a hearing on the bill March 16.

**SB 1309** An Act Concerning School Nutrition. This bill seeks to require a daily minimum period of physical activity for students, to require the establishment of committees to monitor and implement nutrition and physical activity policies, to limit the types of beverages available to students, to require the Department of Education to develop and make available to school districts a list of healthy snacks that may be consumed by students, to increase the number of children participating in the school breakfast program, and to encourage the use of Connecticut grown products in school meals. The Education Committee held a hearing on the bill March 16.

## **Advocate for a common public benefits application.**

CAHS is working with state agencies to make it easier for applicants for benefits programs to learn if they are eligible for other programs. Only 65% of those who are eligible receive Food Stamps in Connecticut, while more than 70,000 residents are eligible, yet not participating. The state should maximize federal funding by sharing information between the School Meals program and other nutrition programs with similar income guidelines. A similar program in Massachusetts sends notification of possible Food Stamp eligibility to those who apply and qualify for Free and Reduced Price school meals and WIC. In one year, FS participation rose by more than 27%.

## How to Advocate for Issues Before the Legislature

An advocate is a person who works on behalf of a cause or a group of people to create positive change. There are multiple ways you can advocate depending on your skills, comfort level and time. The challenges our state faces in the current legislative session will require the work of many dedicated advocates to stem the tide of additional harmful cuts, and to create positive change. Below, we offer some ideas to spark your interest, get you started, or challenge you to do more.



First, you can contact your state legislators. Many policy decisions are made at this level. At a minimum, have their names, addresses, phone numbers and email addresses handy (see page 2 on how to contact state legislators). Always begin written correspondence and telephone calls with your name and address so they know you are a voting constituent. If you haven't met them, set up a brief meeting in their office, or invite them to see and experience the issue on which you are working (i.e., child care center or soup kitchen). Write letters, make phone calls, or be willing to testify when your issue comes up. You can also become involved in elections by asking candidates where they stand on your issues,

working on the campaign of a candidate who supports your issue, and VOTING. Encourage everyone you know to register to vote and to vote in all primaries and elections.

Second, it is important to educate the public. If the general public understands and supports your issue, there will be more people to help you appeal to the government. Be clear about your goals, and craft messages for each particular audience (business people need to hear a different message than parents). Clearly link goals and your audience, and always be clear and concise. It can also be your role to encourage and help the public to contact their elected officials.

Something we often forget is to educate our colleagues. It is important to work on skill-building to help each other become more comfortable in leadership roles, and it is critically important to agree on and use consistent messages.

Finally, you can use the media. Get to know relevant media players, and become a resource to them. When a story comes up that pertains to your issue, be ready to offer a local angle. Follow up with a thank you letter offering help with continual coverage. Or, weigh in with a letter to the editor to your local or regional newspapers.

	<p><b>GIRLS • BOYS • BABIES</b></p>	<p>They're cute, bright and full of personality . . . They're <b>KIDPINS</b>.</p>		<p><b>Babies</b> <b>Boys</b> <b>Girls</b></p>	<p><b>Qty</b> _____ _____ _____</p>	<p><b>x 12.50</b> <b>x 12.50</b> <b>x 12.50</b></p>	<p><b>Price</b> _____ _____ _____</p>
		<p>These boisterous kids are individually handmade of colorful, lightweight polymer and each comes with its own story. And like real kids, no two are alike.</p>			<p><b>Total</b> _____</p>		
		<p>Each irresistible <b>KIDPIN</b> represents a child at risk — a child living in Connecticut. CAHS's goal is to make children a priority in this state and ensure that all of Connecticut's children are healthy, safe, educated and economically secure.</p>					
		<p><b>Great for Mother's Day!</b></p>					
		<p><b>KIDPINS are \$12.50 each.</b></p>					
		<p><b>Mail payment: CAHS</b> <b>110 Bartholomew Ave., Ste 4030</b> <b>Hartford, CT 06106</b></p>					
		<p><b>Or contact Mary Jennings at (860) 951-2212, ext. 222.</b></p>					
		<p><b>Name</b> _____ <b>Title</b> _____ <b>Org</b> _____ <b>Address</b> _____ <b>City</b> _____ <b>Zip</b> _____ <b>Phone</b> _____ <b>MC/Visa Acct#</b> _____ <b>Cardholder Name</b> _____ <b>Exp. Date</b> _____ <b>Signature</b> _____</p>					

# CAHS

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## Connecticut Association for Human Services INDIVIDUAL MEMBERSHIP FORM

**YES! I WANT TO JOIN CAHS AND HELP MAKE A DIFFERENCE IN THE LIVES OF CONNECTICUT'S CHILDREN AND FAMILIES.**

- \$35 BASIC MEMBERSHIP**  
Quarterly issues of *Community Connections*, listing of state legislators with both Capitol and home addresses, contact information for the Washington and district offices and aides of Connecticut's congressional delegation, and the CAHS Legislative Agenda.
- \$45 LEVEL MEMBERSHIP**  
Basic membership benefits plus periodic information in ONE issue area.
- \$55 LEVEL MEMBERSHIP**  
Basic membership benefits plus periodic information in TWO issue areas.
- \$75 LEVEL MEMBERSHIP**  
Basic membership benefits plus periodic information in FOUR issue areas.
- \$100 Plus SUSTAINING MEMBERSHIP**  
Basic membership benefits, plus periodic information in FOUR issue areas. Includes a supporting contribution to CAHS.

**I want to receive information and alerts on the following issues:**  
(For a \$45 membership, select 1; for a \$55 membership, select 2; for \$75 and \$100 Plus memberships, select 4.)

- Hunger & Nutrition       Family Health
- KIDS COUNT Data       Early Care & Education
- Family Economic Security

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