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Public Hearing Testimony before the
Connecticut General Assembly's Banking Committee

Deb Polun, Executive Director
Connecticut Association for Community Action, Inc. (CAFCA)

In Support of
***HB 5537: An Act Concerning Requests for Documentation from
Banks Made Pursuant to Applications for Social Services***

February 10, 2023

Distinguished members of the Banking Committee:

Thank you for holding this public hearing today. The Connecticut Association for Community Action (CAFCA) is the state association that works with Connecticut's nine Community Action Agencies (CAAs), the state and federally designated anti-poverty agencies serving nearly 200,000 low- and moderate-income people in all 169 cities and towns across the state.

As the largest statewide safety net service provider, Connecticut's network of Community Action Agencies connects neighbors in need with resources that stabilize and improve lives and communities. These services and resources include, but are not limited to:

- Nutrition (inc. SNAP outreach, Meals on Wheels, and Congregate meals)
- Housing and shelter
- Asset development and financial literacy
- Energy and heating assistance
- Job training
- Early childhood care and education

Through a holistic, comprehensive, multigenerational approach, CAAs work with those in need to plan, achieve, and maintain a realistic path to short and long-term economic self-sufficiency and success.

I have attached a Profile of Services table to this testimony, which shows the services provided by Community Action Agencies in Connecticut.

House Bill 5537

CAFCA supports this bill, which would improve the process for customers to receive a bank statement when applying for social services.

Many programs in our state require either income verification, asset verification, or both, including those for which CAAs help people enroll, like SNAP and energy assistance. While income from employment is easy to demonstrate with paystubs, income from some other sources – such as child support – is often demonstrated through bank statements. Additionally, to demonstrate assets (or lack thereof), one needs a recent bank statement.

For many of us, we can access these documents easily, by logging onto our bank accounts, and downloading and printing a bank statement. Many banks in our state, typically the larger ones, prefer customers to utilize online services when possible.

However, there are some people who are unable to access the statements in this way, and this becomes an equity issue, for people who:

- ☞ Do not feel comfortable using online banking;
- ☞ Do not have reliable internet service;
- ☞ Do not have printers; or,
- ☞ Are in foreclosure and may have lost access to their accounts as a result.

In speaking with representatives from the Community Action Agencies, I have learned that some of the larger banks are charging for the service of printing out a bank statement. Moreover, as banks have been bought, merged, and closed, some residents who opened accounts at local banks nearby no longer live within a reasonable distance of a branch office, adding another layer of difficulty in accessing this information. To assist, many CAAs have computers onsite where customers can access and print bank statements. However, this does not help people who are homebound or have difficulty getting to the CAA office.

CAFCA does have two requests for additions to this bill:

- ☞ To ensure the bill applies to credit unions as well as banks; and,
- ☞ To broaden beyond the Department of Social Services. For example, the MyHomeCT program is operated by CHFA.

You will note that I have also submitted testimony in favor of HB 5538, which would require financial institutions to provide paper copies of statements for those who do not have access to online banking.

Thank you all for your consideration of this important proposal, and for your service to our state. Please feel free to get in touch with any questions: deb@cafca.org or 860-832-9438.

* Please see attachment

