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Public Hearing Testimony before the
Connecticut General Assembly's Human Services Committee

In support of House Bill 5369: An Act Concerning a Benefits Cliff Pilot Program

Rhonda Evans, Executive Director
Connecticut Association for Community Action, Inc. (CAFCA)

March 5, 2024

Distinguished members of the Human Services 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 that provide a wide variety of services to nearly 200,000 low- and moderate-income people in all 169 cities and towns across the state. More information about Community Action Agencies is included at the end of this testimony.

CAFCA supports this bill, which will have a direct, positive impact on Connecticut's working poor as well as our economy.

Connecticut's minimum wage rose to \$15 per hour this past year and then to \$15.69 on January 1st, providing a much-needed income boost for those struggling to make ends meet. These increases demonstrate the state's commitment to the health and wellbeing of its residents, especially to our most vulnerable populations.

But for some people, these well-intentioned increases pushed them over the eligibility threshold for vital state and federal programs like SNAP, Husky health, Care 4 Kids, and Section 8, causing them to experience a sudden decrease in public benefits.

Connecticut Voices for Children notes that a combination of public benefits programs and a minimum wage increase may decrease the poverty rate, reduce racial and ethnic wage inequities the state's workforce, and help families move toward financial stability. But an abrupt change in public benefits access, called benefits cliffs, undermines the intent of raising the minimum wage in the first place.

Oftentimes, families have limited means to make up the shortfall when these critical programs no longer provide additional support to help them meet basic needs like food, health care, child care and education, and housing. This not only puts additional financial strain on the family, but also hinders employment and economic growth and harms Black and Latinx communities.

That's why House Bill 5369 is so important. It reduces, rather than eliminates, access to public assistance benefits when a person's wages exceed income eligibility thresholds by creating a pilot benefits cliffs program.

There's no question that a more gradual transition off public assistance will allow families to better prepare and navigate the challenges of life without these supports. And we hope this bill paves the way for tangible legislation that will help all families in this situation, thereby helping to break the cycle of poverty.

Thank you for your consideration of this important bill and for your service to our state. Please feel free to get in touch with any questions at rhonda@cafca.org or 860-305-2937.

More about Community Action Agencies

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. A Profile of Services table to this testimony is below and shows the services provided by Community Action Agencies in Connecticut.

