

STATE OF CONNECTICUT

Child Poverty Council

January 2006 Progress Report

**For submission to the
Appropriations Committee, Human Services Committee
and Select Committee on Children
of the Connecticut General Assembly**



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I. INTRODUCTION

A. Requirements of Public Act 04-238

In the Spring of 2004, the Connecticut legislature enacted Public Act 04-238 establishing a Child Poverty Council. The Council is charged with recommending strategies to reduce child poverty in the State of Connecticut by fifty percent (50%) within ten years.

The specific charges to the Council include:

1. Identify and analyze the occurrence of child poverty in the state;
2. Analyze the long-term effects of child poverty;
3. Analyze the costs of child poverty to municipalities and the state;
4. Conduct an inventory of statewide public and private programs that address child poverty;
5. Document the percentage of target population served by such programs;
6. Identify and analyze any deficiencies or inefficiencies of such programs;
7. Develop procedures and priorities for implementing strategies to achieve a fifty percent (50%) reduction in child poverty, including:
 - Vocational Training
 - Educational Opportunities
 - Housing
 - Day Care and After School Programs
 - Health Care Access
 - Treatment Programs and Services
 - Child Nutrition

The public act required the Council to consult with experts and service providers in developing the plan and submit the plan to the legislature by January 1, 2005 with annual updates beginning January 1, 2006. This report represents the Council's first annual update.

B. Organizational Structure and Activities

The Child Poverty Council began meeting in July 2004. The membership of the Child Poverty Council includes representation from the Office of Policy and Management, the President Pro Tempore of the Senate, the Speaker of the House

of Representatives, the Minority Leader of the Senate and the Minority Leader of the House of Representatives, Commissioners of the Departments of Children and Families, Education, Higher Education, Labor, Mental Health and Addiction Services, Mental Retardation, Public Health, Social Services, Corrections, Transportation, Economic and Community Development, Health Care Access, and Child Advocate, chairperson of the State Prevention Council, Executive Director of the Children's Trust Fund, and the Executive Director of the Commission on Children. The Secretary of the Office of Policy and Management serves as the Chairperson of the Council. In 2005, the Commission on Human Rights and Opportunities was added to the Council. Council membership is listed in Appendix B of this report.

At its initial Council meeting members determined the need for a working committee and subsequently established a subcommittee with representatives from its member agencies. Several of the Council members also served as active participants on the subcommittee. The subcommittee served to execute activities tasked by the Child Poverty Council including, but not limited to, providing input and completing components of plan to reduce child poverty by 50% in the State of Connecticut.

The Child Poverty Council set direction based on the Public Act 04-238, established and provided guidance to the subcommittee on specific tasks and reviewed, modified and approved all subcommittee work. The Child Poverty Council met monthly for the period of July 2004 through December 2004 to prepare its initial plan and twice in the Fall of 2005 to prepare this progress report. The Council meetings, as well as the subcommittee meetings, were open to the public and several interested individuals and groups attended each meeting. All Council meetings were broadcasted by Connecticut Television Network (CT-N).

To receive input from experts, the Council held a policy briefing, four roundtable discussions and one public hearing. Data collected from the policy briefing, roundtable discussions, public hearing and literature review contributed to the development of the comprehensive child poverty plan. Many state partners, community groups and individual community members also assisted in providing input on the initial plan which was submitted to the legislative committees in January 2005.

C. Inventory

The Public Act also required the Council to develop and implement a statewide inventory to document public and private programs that address child poverty. The subcommittee was tasked with this responsibility. The subcommittee

developed and disseminated an inventory questionnaire to fifteen (15) state agencies to gather data on existing statewide programs that serve children and their families in the area of poverty prevention, self-sufficiency programs focused on lifting people out of poverty and/or programs that provide support services for people in poverty.

The Child Poverty Inventory is a comprehensive list of statewide programs that provide assistance to people in poverty or at risk of falling into poverty. Not all of these programs have a specific mandate to address poverty, but they may have a positive impact on lifting families and children out of poverty.

In FY 2004, the State of Connecticut funded eighty-one (81) statewide programs that provided assistance to people in poverty or at risk of falling into poverty. In FY 2004, the State allocated nearly \$2.4 billion that includes a combination of federal (\$1,089,770,825), state (\$1,278,927,574) and private (\$26,108,394) funding.

The Child Poverty Inventory is organized by agency and the programs are categorized under each agency by program types. The program types are listed under the following categories:

- Prevention (19 Programs)
- Self-Sufficiency (19 Programs)
- Support for people in poverty (43 Programs)

Of the \$2.3 billion in state funding, 31% funded prevention and self-sufficiency programs in FY 04 and 69% funded programs to provide support for people in poverty. Seventy one percent of programs are funded through the Department of Social Services, Public Health and Education. The remaining 29% is divided among the following departments: Higher Education, Mental Health and Addiction Services, Children Trust's Fund, Children and Families, Mental Retardation, Labor, Correction, and Economic and Community Development.

D. Recommendations

After review of alternative options at the December 2004 meeting, the Council agreed upon 67 recommendations for executive and legislative branch consideration.

The recommendations are organized under six major objectives, which are not in priority order. The objectives are to:

- Enhance Families' Income and Income-Earning Potential

- Help Low-Income Families Build Assets
- Enhance Affordability of Health Care, Housing, Child Care, and Early Childhood Education
- Support Safety Net Programs for Families with Multiple Barriers
- Enhance Family Structure and Stability
- Further Study

E. Website

The Child Poverty webpage, which contains the January 2005 Initial Plan, is on the State of Connecticut, Office of Policy and Management Home page. The website address is:

<http://www.opm.state.ct.us/pd1/cpc/childpovertycouncil.htm>

II. PROGRESS REPORT

A. Implementation of the Plan

A number of recommendations of the Child Poverty Council were proposed by Governor Rell in her FY 2006-07 budget and legislative package. The legislature enacted many of the Governor's proposals and also initiated and passed some additional legislation which implemented the Council's recommendations.

Of particular note was Public Act 05-244, An Act Concerning the Implementation of the Recommendations of the Child Poverty Council (See Appendix A). This public act makes the executive director of the Commission on Human Rights and Opportunities a member of the Child Poverty Council and requires the Child Poverty Council to meet at least twice a year to review and coordinate state agency efforts to meet the goal of reducing child poverty by 50% by June 30, 2014. The Council's annual implementation reports to legislative committees must include progress made toward meeting this goal.

The public act requires the Office of Policy and Management (OPM), within available appropriations, to develop a protocol requiring state contracts for programs aimed at reducing child poverty for children and families to include performance-based standards and outcome measures related to reducing child poverty by 50% over ten years. In addition, OPM must, within available appropriations, require such state contracts to include such performance-based standards and outcomes.

Public Act 05-244 also requires the Department of Social Services, in consultation with the Child Poverty Council, to enhance financial literacy and self-sufficiency programs and to promote greater utilization of the federal earned income credit to municipalities, public and private employers, community-based organizations and other entities that have frequent contact with low-income families.

The public act also authorizes the Board of Trustees for Community Technical Colleges to establish up to three pilot programs to provide for student household and family expenses of students with dependents while such students are attending a community-technical college. Participation in the pilot program is limited to students who are eligible for a federal Pell grant.

In addition to Public Act 05-244, a substantial number of recommendations of the Child Poverty Council were enacted by the legislature or implemented by the executive branch. Below is a comprehensive list of the Council's 67

recommendations with a brief description of the action taken to-date noted in bold.

I. Enhance Families' Income and Income Earning Potential

Action Taken: Minimum Wage Increased. Public Act 05-32 increases the state's minimum hourly wage from \$7.10 to \$7.40 on January 1, 2006 and to \$7.65 on January 1, 2007.

Action Taken: Informational Public Hearing to be held. On February 2, 2006, the Human Services Committee will hold an informational public hearing to provide an opportunity to receive local and national information on Welfare Reform activities geared towards lifting people out of poverty. Invitees will include the Child Poverty Council, the TANF workgroup, the Human Services Committee, and the Appropriations Committee.

A. Support and enhance job training and education for recipients of Temporary Family Assistance (TFA).

1. Allow post-secondary education and vocational training to count toward the federal work participation requirement under the Temporary Family Assistance (TFA) program.

Legislative proposal died in Appropriations Committee: HB 6875 would have required the DSS commissioner to: (1) permit the maximum number of TFA recipients to satisfy TANF work requirements through participation in educational activities directed toward obtaining a high school diploma or vocational education training; and (2) allow educational activities to count towards the first 20 hours requirement. It also would have increased from two to three the number of six-month extensions and added high unemployment rates as a condition for additional extensions beyond the three.

2. Provide a more comprehensive up-front assessment of barriers to employment to more quickly identify those fragile families/high barrier populations.

Legislative proposal died in Appropriations Committee: HB 6708 would have appropriated \$18 million to the Department of Labor for supplemental assessment of Jobs First applicants who did not have high school diplomas or GEDs to determine education and other

employment barriers and provided them with basic skills and vocational training.

3. Implement a system to address the needs of Jobs First Employment Services (JFES) participants having inadequate reading or math skills, including assessing each participant to determine the problem and how to address it to the extent possible.
 4. Spend higher proportion of Temporary Family Assistance (TFA) funds on job training and education.
- B. Increase low-income parent's access to literacy, post-secondary, and vocational education.

Action Taken: The Governor is implementing Post-Secondary Strategies for Economic Competitiveness. Beginning in September 2005, the Governor is convening a quarterly meeting of board chairpersons from the higher education systems, public and private, and the chairpersons from the State Boards of Education and Higher Education to develop planning and policy guidance for the Jobs Cabinet with respect to long-term education strategies that support the state's economic competitiveness. There is no cost to implementing this recommendation.

1. Enhance literacy programs for adults including Adult Basic Education (ABE) and GED services.

Action taken: Expanding Workplace Literacy. Using existing funding, the Governor has proposed expanding the availability of workplace literacy program for employers who employ persons with limited English proficiency or who have limited literacy. To do so, the Connecticut Employment and Training Commission will encourage state and local partnerships to improve literacy proficiency.

2. Increase vocational training opportunities for populations that do not have a high school diploma or have limited English proficiency.

Action Taken: Established an Adult Education Competitive Grant. PA 05-245, § 41 – requires the State Department of Education (SDE) to establish an adult education competitive grant program for young adults in FY 07. The total amount awarded under the program cannot exceed \$500,000. The grants must be awarded to provide new and unique methods of educating young adults entering adult education.

Legislative proposal died in Appropriations Committee: HB 6101 would have appropriated \$50,000 to DSS' Human Resources Development-Hispanic Programs account to permit a Waterbury agency to purchase computers and offer vocational computer training to adults.

Legislative proposal died in Appropriations Committee: HB 6103 would have appropriated \$50,000 to DSS' Human Resources Development-Hispanic Programs account to permit a Waterbury community agency to provide nurse's aide training and other vocational training opportunities to area adults and high school students.

3. Provide assistance with vocational and post-secondary education expenses such as tuition, books, supplies, child care, transportation, tools or license fees.

Action Taken: Expanded in-state tuition. PA 05-110 makes any member of armed services stationed in Connecticut or his or her spouse eligible for in-state tuition at public colleges and universities.

Action Taken: Section 42 of Public Act 05-3 of the June Special Session increases from \$2,000 to \$3,000 the maximum per-student award for those attending Connecticut institutions under the Capitol Scholarship Grant Program.

Governor's proposal not enacted: Loan Forgiveness Program. The legislative budget eliminated \$1.5 million in funds provided in the Governor's budget for a new Loan Forgiveness program under the Department of Higher Education (DHE) to provide financial assistance and incentives to encourage workforce growth in shortage areas such as nursing and teaching.

Legislative proposal died in Appropriations Committee: HB 6859 would have established a grant program to pay tuition, child care, stipends, and release time from work for school paraprofessionals enrolled in BA (or higher) teacher preparation programs.

Legislative proposal died in Finance Committee: HB 5368 would have exempted from sales tax textbooks used at private occupational schools.

4. Expand subsidies for low-income individuals to attend community college, e.g. through means-tested tuition relief.

Action taken: Established pilot programs to pay community college students' expenses. Public Act 05-244, AAC the Implementation of the Recommendations of the Child Poverty Council, allows the Board of Trustees for Community-Technical Colleges to establish up to three pilot programs, within available appropriations, to provide for household and family expenses of students with dependents while such students are attending a Community-Technical College. Participation in the pilot program is limited to students who are eligible for a federal Pell grant.

5. Increase English as a Second Language programming by partnering with businesses or offering incentives to businesses that provide English as a Second Language programming.
6. The Council should explore options to provide low-income individuals with an expectation of success regarding possibilities and techniques for achievement.

- C. Continue to link training to industries and encourage training programs to develop curricula to meet workforce shortage and high growth employment areas.

Action Taken: Increased Workforce Development Funding. The Governor proposed, and the legislature funded, an additional \$2.5 million for job creation and job training programs including the Jobs Funnel, Connecticut Career Ladder Pilot Program, Connecticut Career Choices (CCC) and the Small Business Innovation and Research Program.

- **The Jobs Funnel, a joint public/private effort, initially started in Hartford as a partnership between unions, non-profit agencies and the state, has expanded to other areas including New Haven, Bridgeport, Norwalk and Waterbury. Focused on preparing graduates for jobs in the construction trades, the Jobs Funnel has expanded to include hospitality, retail and health care occupations. Over 3,400 people have been served with approximately 750 graduated, having gone from welfare, homeless shelters and chronic unemployment to good paying jobs with an average salary of \$16 per hour and rewarding careers.**

- **The Connecticut Career Ladder Pilot has established a continuum of education and training programs that lead to career advancement in occupations with projected workforce shortages such as healthcare, childcare, and technology. The pilots are building linkages between education and training institutions, working with community based providers to support workforce development, increase education and skills of entry level workers and support career advancement.**
- **Connecticut Career Choices (CCC) is at the core of the State’s Technology Workforce Strategy. This initiative focuses on fostering interest in technology careers, adapting existing curriculum to industry-recognized skills standards in specific technology areas and creating greater ties between technology business and education. New directions for CCC in the coming year include: (1) a closer working relationship with SDE to develop curriculum in science, technology, engineering and math, using the Connecticut Educational Network as a delivery mechanism; (2) continued work with students and teachers from former pilot site schools, including offering experiential learning opportunities linked to information technology and health/medical curriculum; (3) providing access to online educational environments for course curriculum and instructional resources; (4) grant programs focused on development of a core science teachers/leaders group and science curriculum and implementing a three-course science and technology sequence articulated to the community college system; and (5) a statewide information technology research and development competition called the Connecticut Innovation Challenge.**

Governor’s proposal not enacted: 21st Century Skills Fund. The legislative budget eliminated \$3 million in Department of Labor (DOL) funding provided in the Governor’s budget to help train/retrain workers who have lost their jobs, especially workers who might need technology skills to get a job in the 21st century economy.

Legislative proposal died in Appropriations Committee: HB 5397 would have required the labor commissioner to establish a retail skill center pilot program at a Milford shopping center in cooperation with appropriate parties, to recruit and train people for retail jobs and upon completion, placements in long-term jobs.

- D. Explore expansion of the Hiring Incentive Tax Credit program authorized under §12-217y of the Connecticut General Statutes which is available to companies that hire recipients of the Temporary Family Assistance (TFA) program and other programs to aid individuals in obtaining employment.

- E. Provide additional incentives for businesses to locate in areas accessible to low-income individuals.

Legislative proposal died in Senate: sSB 620 would have authorized annual grants to businesses from other states that relocated or expanded in Connecticut and hired and retained new, full-time employees. Businesses that relocated or expanded in one of the 25 state-designated distressed municipalities qualified for grants.

Legislative proposal died in Appropriations Committee: sSB 913 authorized up to \$1 million in corporate business tax credits for companies that hired 16 to 17 year olds with prior criminal convictions, worked at least 30 hours per week, and resided in the distressed municipalities.

- F. Provide resources to the Connecticut Department of Labor, the Workforce Investment Boards and other CTWorks partners and strengthen the employer service component of the CTWorks centers as a “one-stop” for services that employers need.

Action Taken: Streamlined One-Stop Business Services. The Governor has proposed to create and regularly convene a Commissioner Steering Committee comprised of the agencies that are participants in the on-line permitting, licensing, and registration system to create a network of business development in each agency. There is no cost to implementing this proposal.

Action Taken: Made CT-CLIC Transactional. Over 27 agencies administer about 900 licensing/permitting activities for businesses in the state. Businesses may download applications, but must submit applications and fees through the U.S. mail or by hand delivery. The Governor proposed, and the legislature funded, \$500,000 to begin the process of bringing e-businesses to the state agencies. The process will include electronic applications and payment of fees that will reduce the application and processing time.

- G. The Council should seriously study tax relief methods including the following:
1. Create dependent exemptions against the state income tax.
 2. Create a child care and/or child education credit that phases out as household income increases and is at least partially refundable for

parents whose income tax liability is too low to take full advantage of the credit (offset some of a family's costs in providing quality educational experiences for their children).

3. Expand property tax rebates (now available for low-income elderly and disabled homeowners and renters) to low-income families who are raising children (offset high housing costs).
- H. Provide outreach to increase awareness of and participation in the federal Earned Income Tax Credit (EITC) for families that are eligible.

Action Taken: Promoting use of federal Earned Income Tax Credit. Public Act 05-244, AAC the Implementation of the Recommendations of the Child Poverty Council, requires the Department of Social Services (DSS), within available appropriations, and in consultation with the Child Poverty Council, to promote greater utilization of the federal EITC to municipalities, public and private employers, Community Based Organizations (CBO) and other entities that have frequent contact with low-income families and to enhance financial literacy and self-sufficiency programs. In November 2005, DSS convened a workgroup to develop strategies to promote the federal EITC program. Follow-up meetings will be held to finalize strategies for implementation. DSS has received \$50,000 for this purpose.

- I. Establish a refundable state Earned Income Tax Credit (EITC) program to supplement low-wage parents (This recommendation was adopted by a vote of 13 to 4.)

II. Help Low-Income Families to Build Assets

- A. Strengthen the Connecticut Department of Labor's Individual Development Account (IDA) program that assists low income earners to accumulate assets such as an automobile, education and/or other assets necessary to become more economically self-sufficient. Develop and/or enhance matched savings accounts such as IDAs and Universal Savings Accounts. Make IDAs available to all working families.
- B. Encourage entrepreneurship.
- C. Encourage homeownership programs that facilitate homeownership, especially in central cities and among minorities. Expand the second mortgage pool which allows purchase of a home without down payment.

D. Curb predatory lending by addressing loopholes that may be in the law.

III. Enhance Affordability of Health Care, Housing, Child Care and Early Childhood Education

A. Increase access to affordable child care.

Legislative proposal died in Appropriations Committee: HB 6536 would have required DSS to establish a competitive grant program to provide child care services to children under age six living in homeless shelters.

1. Increase the Care4Kids child care subsidy to more closely match the current market costs.
2. Increase the number of Care4Kids child care certificates.

Action Taken: Expanded child care subsidies for low-income working families. "Care 4 Kids", the child care assistance program administered by DSS provides child care assistance payments to various categories of families. These families are categorized into priority groups. One of these priority groups, (PG-4), includes families who are employed and who do not receive cash assistance through TFA. These non-TFA working families must, at the time of application, have incomes less than 50% of the state median income. In FY 05, intake to the PG-4 portion of the child care subsidy program was re-opened due to additional funds that were provided, including \$4 million in TANF performance bonus funds. The additional TANF bonus funds were not needed in FY 05 because general fund budgeted resources were sufficient to meet program needs. As a result, the Governor proposed carrying forward the \$4 million in TANF performance bonus funds for use in the biennium so that intake to the PG-4 portion of the child care subsidy program could remain open and the legislature agreed.

Legislative proposal died in Appropriations Committee: sSB 1334 would have increased the income limit for the C4K program from 50% to 75% of state median income and required DSS or the program administrator to grant eligibility presumptively when parent supplied income information.

3. Expand facilities for child care.
 4. Expand Care4Kids eligibility to cover those in education or job training programs.
- B. Ensure quality child care.
1. Enhance training of child care workers, especially for “kith and kin” providers. Continue to support the differential rate to encourage use of licensed child care centers.
 2. Ensure adequate wages and health insurance benefits for child care workers.

Legislative proposal died in Appropriations Committee: sSB 1334 (see above) would have required the DSS commissioner to increase the unit cost reimbursement to providers.

- C. Provide a system of “education through birth” by continuing to support school readiness and early childhood educational programs.

Action Taken: Increased funding for School Readiness slots. Approximately 7,000 children are projected to be in the existing School Readiness program during the FY 06-07 biennium. Providers in these programs have struggled financially, often with unmet capital needs. Staffing has been problematic, with high turnover. To address these problems, the Governor proposed an additional \$2 million in FY 06 and \$4 million in FY 07 to increase slot funding from \$7,500 to \$7,750 and finally to \$8,025. The legislature provided this funding and an additional \$850,000 in each year of the biennium. The Governor also proposed \$2 million in capital funding to address unmet needs for enhancement and expansion of school readiness programs and day care centers in both FY 06 and FY 07. The legislature provided this capital funding.

Action Taken: Created a Kindergarten Assessment Program - The Governor provided \$400,000 in FY06 to finance the creation of a developmentally appropriate kindergarten assessment program. This assessment would provide empirical data with which to measure whether preschool populations are coming to kindergarten ready to achieve and succeed. The legislative budget delayed implementation of this assessment until FY 07.

Action Taken: Child Care Enhancement – Rather than funding Governor Rell’s \$5.5 million Early Childhood Pilot Program to create 1,000 new preschool slots in unserved communities, the legislature appropriated \$4.35 million to DSS in each year of the biennium to increase childcare center subsidies, provide scholarships for childcare workers, for quality enhancement efforts, and for the accreditation and facilitation project.

Governor’s proposal not enacted: Early Childhood Pilot Program. The legislative budget eliminated funding that the Governor had proposed in her budget to create 1,000 new pre-school slots in unserved communities. This would have been accomplished by developing a new competitive grant program for communities not currently served by School Readiness. \$5.5 million in each year of the biennium would have provided for a new program that would reach out to parents who had not been able to access the School Readiness program unless they lived in one of the state’s poorest and academically challenged communities. The legislature did not fund this initiative, but appropriated \$4.35 million to DSS in each year of the biennium to increase childcare center subsidies, provide scholarships for childcare workers, for quality enhancement efforts, and for the accreditation and facilitation project.

1. Create one coordinated system for early childhood education.

Action Taken: Established an Early Childhood Cabinet – The Governor proposed \$1 million in FY 06 funding be appropriated to the Department of Education for a new Early Childhood Advisory Cabinet to be used for a variety of functions. The legislative budget reduced this funding by \$600,000 and by \$800,000 in FY 07.

Legislative proposal died in Legislative Management Committee: HB 6954 would have created the Early Childhood Research and Policy Partnership.

2. Enhance pre-school teacher training, including on-site consultation for pre-school teachers to encourage continuing education toward advanced degrees.

Action Taken: Public Act 245 § 1 raises the minimum school readiness staff qualifications. § 4 allows DSS Quality Enhancement grants to be used for staff scholarships for training for any type of early childhood education or child development

credential. It also expands the use of grants for supportive networks to include all child care providers, not just family day care homes. § 50 establishes a 21-member committee to review and assess pathways to baccalaureate degrees in early childhood education and child development to promote the professionalization of the early childhood education workforce.

Governor's proposal not enacted: Professional Development Funds for Early Childhood. The Governor proposed to enhance pre-school teacher training by adding \$1 million to the budget for 330 preschool teacher scholarships to increase education credentials and reduce staff turnover. The legislative budget eliminated this funding.

Legislative proposal died in Senate: sSb 1339 would have authorized the SDE commissioner, within available appropriations, to award grants up to \$3,000 to existing school readiness program employees to use in obtaining an associate's degree in early childhood development. It also would have required the SDE commissioner, within available funding, to provide technical assistance and training to school readiness programs to assist in the application of State Board of Education (SBE) adopted preschool curriculum guidelines.

3. Amend the pre-school system to allow for full-day, full-year or school-day, school-year pre-school programming.
4. Advocate for year-round school programming for grades K-3 in low-income districts.
5. Provide comprehensive early childhood education programs with mandated parent involvement.

D. Reduce housing costs.

1. Expand availability of state rental assistance subsidies.

Action taken: Provided additional Rental Assistance Program (RAP) Certificates. The legislative budget provided \$1.8 million in both FY 06 and FY 07 for additional RAP certificates to offset federal reductions in the Section 8 voucher program.

2. Expand the Transitional Rental Assistance Program (T-RAP) to allow families to remain eligible for a longer period of time. In addition, the

state should allow use of T-RAP for individuals re-entering education and needing assistance with rent.

- E. Expand availability of affordable, family-sized housing units.
 - 1. Provide incentives to housing developers to develop family-sized units
 - 2. Create a Housing Trust Fund.

Action Taken: Created a Housing Trust Fund. Public Act 05-5, June Special Session, creates a Housing Trust Fund and authorizes the State Bond Commission to capitalize it by issuing up to \$100 million in bonds, with \$20 million effective each July 1, from 2005 to 2009. It establishes a Housing Trust Fund Program to expand affordable housing opportunities for low- and moderate-income people and requires the bond proceeds to be used for this purpose. The State Bond Commission allocated the first \$10 million to the Department of Economic and Community Development on December 9, 2005.

- 3. Expand supportive housing for families

Action Taken: Created 175 new supportive housing units for families. As part of Governor Rell's initiative to create 500 new units of supportive housing, the Governor proposed, and the legislature funded, 175 units for families with multiple barriers to housing and employment stability. Annual costs for the 175 family units include \$2,187,675 to fund capital costs, \$1.1 million for service provision, and \$841,500 for rental certificates. State agencies, including OPM, DCF, DSS, DECD, CHFA, DMHAS and the Corporation for Supportive Housing are currently preparing an interagency Memorandum of Understanding and a Request for Proposals to be released in January.

Legislative proposal died in Appropriations Committee: SB 492 would have required the DMHAS commissioner to implement and administer a program to provide grants-in-aid to non-profits for providing support services to eligible households.

Legislative proposal died in Finance Committee: HB 6108 would have authorized bonds for renovating the second floor of Norwich's Martin House to create 17 additional efficiency units.

4. Expand use of Low Income Housing Tax Credits to help finance housing and rehabilitation efforts.
- F. Support maintenance of owner-occupied housing by providing subsidy or tax incentive to low-income property owners for rehabilitation projects.
- G. Enforce laws ensuring non-discrimination based on rent source.
- H. Ensure public or private health care coverage for parents.
1. Provide tax incentives to small businesses that offer health insurance to employees and their dependents
 2. Consider use of State Children’s Health Insurance Program (SCHIP) or other funds to subsidize small employers to make it more affordable for families to provide health insurance coverage.
 3. Continue to explore ways to expand health coverage for parents.

Action Taken: Provided HUSKY coverage to adults in families with incomes up to 150% of the federal poverty level – Effective July 1, 2005, the enacted budget provided new funding in excess of \$39 million (\$55 million in FY 07) that allows DSS to expand Medicaid eligibility for families with income up to 150% of the federal poverty level. Increasing the threshold from 100% to 150% is expected to serve an additional 25,000 individuals annually.

Action Taken: Expanded family planning services. Public Act 05-120 requires DSS to apply for a federal waiver to provide Medicaid coverage for family planning services for families with income up to 185% of the federal poverty level.

Action Taken: Created a study. Public Act 05-280 requires the Insurance and Real Estate Committee to study possible implementation of a “Nutmeg Health Partnership” to (1) increase the number of residents with health insurance, (2) provide broader health care access, and (3) make health care more affordable.

Governor’s proposal not enacted: Implement a premium assistance strategy for HUSKY A families. The Governor proposed to use Medicaid funds to help families purchase health insurance from their employers. Currently, there are a substantial number of state assisted clients receiving full HUSKY A benefits who are employed but fail to participate in their employer sponsored health plans due

to high co-pays, premiums or other cost sharing requirements. Under this program, DSS would have developed a “wrap-around” program that will coordinate coverage between the Medicaid program and private insurance plans, assuring no loss of benefits and no change in coverage. The legislative budget eliminated funding for this initiative.

Governor’s proposal not enacted: Employer Sponsored Health Insurance Program. The Governor proposed making employer-sponsored health insurance accessible to low-income workers by including \$3.6 million in both years of the biennium to establish a pilot subsidy program for working families who are currently not income eligible for Medicaid and who cannot afford premiums for the health insurance coverage offered to them by their employers. The legislative budget eliminated this funding.

Legislative proposal recommitted by Senate to Labor Committee: SB 1147 would have created a new state-run health insurance (HUSKY W) program for employees of employers with workforces of more than 100 that were not providing their own health insurance.

4. Enhance mechanism to provide information about employer sponsored health insurance coverage for TFA participants transitioning off cash assistance.
- I. Ensure access to sufficient number of health care providers in the community and timely appointments.

Legislative proposal died in Appropriations Committee: SB 5697 would have appropriated funding for DSS to increase reimbursement rates to Medicaid dental providers.

- J. Strengthen health care coordination and outreach to improve effectiveness.
- K. Enhance prevention and early intervention programs.
 1. Increase education about preventing disease and accessing disease prevention services, e.g. diabetes, obesity.
 2. Provide immunizations for all children.

3. Increase early identification and accessible, culturally appropriate health promotion and care services for all families, especially families with a parent or child with mental illness or substance abuse problems.
- L. Enhance medical and behavioral health care availability for families with special needs.
1. Strengthen care for children with special health care needs through transitional programs and medical home models through the Department of Public Health.
 2. Expand availability of behavioral health inpatient and outpatient treatment services for all children and parents in need.

Action Taken: Established a Behavioral Health Partnership. The Governor's budget included \$9.8 million in FY 06 and \$12.9 million in FY 07 to move forward with the KidCare initiative to coordinate the clinical management and administration of behavioral health services for adults and children covered under the HUSKY A and HUSKY B programs and the DCF Voluntary Services Program. The legislative budget reduced the funds available for this effort to \$4.8 in FY 06 and \$8 million in FY 07.

Action Taken: Expanded Adult Mental Health Initiatives. The Governor added \$3.1 million to the DMHAS budget to continue ongoing "Second Initiatives" programs begun at the recommendation of the Community Mental Health Strategy Board. These programs include funding for Assertive Community Treatment (ACT) teams, mobile crisis and respite programs, programs that provide step-down from inpatient stays and programs that provide intensive community services tied to housing. The Governor also added \$217,500 to develop an interactive, comprehensive web based inventory of services that will assist individuals with locating services, \$1.2 million to fund community support services for difficult-to-discharge acute clients, and \$500,000 for additional acute care services. The legislature funded these initiatives and added \$750,000 to upgrade ACT teams to implement a Medicaid rehabilitation option.

Action Taken: Enhanced Children's Mental Health - The legislative budget provides \$1 million to DCF for flexible funding.

Action Taken: Funded Additional Slots under the Katie Beckett Waiver. The legislative budget provided \$1.5 million in both FY 06 and FY 07 for additional slots under the Katie Beckett Waiver.

Action Taken: Public Act 05-280 § 86 allows DMHAS, within available appropriations, to expand services for young adults with psychiatric disabilities to cover additional state catchment areas, requires DMHS to identify service gaps for this population, and report by 1/1/07 on the need to expand existing services or add new ones.

Legislative proposal recommitted to Public Health: SB 553 would have required DCF, within available appropriations, to make emergency mobile psychiatric services available on a continuous basis in order to divert children from emergency rooms.

Legislative proposal died in Senate: SB 688 would have set conditions under which Connecticut-based health insurance policies had to cover some of the cost of intensive community - based services for children under age 18 in DCF's voluntary services program.

Legislative proposal died in Senate: SB 1237 would have required the state to amend its Medicaid plan or receive Medicaid waivers to enable it to be reimbursed for some of the costs of supportive housing; assertive community treatment for adults; nursing home, hospital, and incarceration diversion for adults and young adults; in-home and mobile services for children; training; and public information.

Legislative proposal died in Appropriations Committee: HB 5179 would have required the DCF commissioner to ensure that all children under her supervision or custody received uniform, comprehensive, multidisciplinary child and family assessments and individualized mental health assessments.

3. Increase transitional living options for people discharged from inpatient behavioral health treatment facilities.

M. Expand, enhance and subsidize after-school programming.

Action Taken: Enhanced after-school programming. Public Act 05-245 allows SDE, in conjunction with the After-School Committee and within available appropriations, to provide grants to school districts,

municipalities, and nonprofit organizations for programs that take place when school is not in session.

Legislative proposal died in Appropriations Committee: HB 6802 would have required SDE to administer a grant to help municipalities to form public/private partnerships to meet the need for quality programs and activities for enrichment and education. Programs had to be available during non-school hours, including after school.

Legislative proposal died in Appropriations committee: SB 5691 would have appropriated \$50,000 to DSS for a grant to an organization providing mentoring and athletic services to New Haven youth.

N. Enhance availability of transportation.

O. Develop incentives to recruit and retain qualified teachers to work in low income school districts

Legislative proposal died in Education committee: HB 6957 would have provided \$3,000 bonuses to teachers who teach in priority school districts and \$5,000 to those who teach in schools in need of improvement.

P. Enhance drop out prevention efforts.

Legislative proposal died in Education committee: HB 6923 would have required school officials to hold a meeting with the parent or guardian of a truant child, and to make home visits for failure of parents to attend. It would have required districts to adopt policies for superintendents to file reports of education neglect with DCF.

IV. Support Safety Net Programs for Families (with parents who have multiple or extraordinarily high barriers to employment)

A. Provide intensive case management to identify the ways to reduce barriers to employment for families identified with extreme barriers to employment.

B. Rethink the 21 month time limit in the Temporary Family Assistance (TFA) Program. (This recommendation was adopted on a vote of 10 to 5.)

C. Improve food stamp participation rates.

V. Enhance Family Structure and Support

Action taken: The Department of Children and Families submitted a legislative proposal, which was enacted in Public Act 05-254, making relative guardians eligible for DCF's higher subsidized guardianship rate after they have cared for the child for six, instead of 12, months.

Legislative proposal died in Appropriations Committee: HB 5706 would have loosened eligibility for the DCF subsidized guardianship program.

- A. Create stable, two-parent homes with two earners.
 - 1. Increase economic opportunity for men in order to increase marriage rates.
 - 2. Enhance fatherhood initiatives and child support enforcement
- B. Provide family planning and decrease teen pregnancy
- C. Ensure culturally competent case management services.
- D. Establish and maintain an infrastructure to support young at-risk families through early intervention. Provide culturally competent newborn-through-five home visiting medical and social services to enhance parent/child interaction and parenting skills, parent education, work and life skills and to access community resources and build social support.

Action Taken: Expanded Nurturing Families Network. Rather than establish the Governor's proposed Great Beginnings Program, the legislature appropriated \$785,000 in FY 06 and \$1,385,000 in FY 07 to expand the Nurturing Families Network by starting three new programs each year of the biennium to expand from 23 to 29 sites. These programs provide support services to parents of newborns at risk of abuse or neglect, including health related services, parent education, assisting with multiple family problems, breaking social isolation and developing life skills. In 2004, the program screened and provided services to approximately 3,400 new parents through its three components: Nurturing Connections, Nurturing Parenting Groups, and Home Visitation.

Action Taken: Public Act 05-246 transfers responsibility of the Nurturing Families Network program from DCF to the Children’s Trust Fund.

Action Taken: Building a Coordinated Early Intervention System. The Children’s Trust Fund, the Department of Social Services, the Commission on Children and the Department of Public Health, in partnership with representatives of Healthy Start and Nurturing Families programs and legislators have formed a workgroup to explore strategies to expand early intervention services for at-risk families. The workgroup contracted consultant services to specifically investigate how Connecticut could draw down federal Medicaid funding for Nurturing Family Services similar to the current Medicaid reimbursement system for Healthy Start. The workgroup is also developing options to better coordinate programs to avoid duplication, expand services in order to provide efficient and effective services in order to maximize limited resources.

Governor’s proposal not enacted: Establish Great Beginnings Program. The Governor proposed the establishment of a new program through the Children’s Trust Fund to provide all 40,000 new parents in the state with regular, essential information during the first four critical years of a child’s development. Additional general fund cost of this new program would be \$200,000 in FY 06 and \$200,000 in FY 07. Instead, the legislature appropriated \$785,000 in FY 06 and \$1,385,000 in FY 07 to expand the Nurturing Families Network programming.

- E. Convince the general public and the business community of their self interest in ending poverty

VI. Further Study

- A. Undertake a study to identify the eligibility cliffs in Connecticut’s various assistance programs and develop recommendations regarding the most effective and economically-efficient ways to provide supplemental assistance to support families’ journeys to economic self-sufficiency.
- B. Evaluate the effectiveness of the implementation of Child Poverty Council recommendations

Action Taken: Requiring Performance-Based Standards and Outcomes. Public Act 05-244, AAC the Implementation of the Recommendations of the Child Poverty Council, requires the Office of Policy and

Management (OPM), within available appropriations, to: 1) develop a protocol requiring state contracts for programs aimed at reducing poverty for children and families to include performance-based standards and outcome measures related to child poverty reduction; and 2) require such state contracts to include performance-based standards and outcomes.

B. Progress made toward meeting the child poverty reduction goal

When the Child Poverty Council's Initial Report was released in January 2005, the most up-to-date census information showed that 10.8% of children under 18 (88,600) in Connecticut in 2003 lived in families with incomes under the federal poverty level (\$18,810 for a family of four).

In August 2005, figures for 2004 were released showing that 10.5% of Connecticut children under 18 (87,000 children) in 2004 lived in families with incomes under the federal poverty level.

While this slight decrease is a positive indicator, it occurred prior to the onset of work by the Child Poverty Council. Annual progress reports by the Child Poverty Council will continue to use census data to track trends and progress toward meeting the child poverty reduction goal.

C. Extent to which state actions are in conformity with the plan

One of the major strengths of the Child Poverty Council has been the development of strong partnerships with several state agencies, the legislative branch and non-governmental agencies working towards the development of an effective, comprehensive plan of action to reduce child poverty in the state by 50% over the next ten years.

The overwhelmingly positive response by the Governor and the legislature to the recommendations of the Child Poverty Council -- demonstrated by the major investments and significant contributions made by the state in 2005 to further address child poverty -- is a very encouraging beginning for the Child Poverty Council.

The Council believes that its recommendations should continue to be a high priority for decision-making during upcoming legislative sessions. By providing some new resources and, as importantly, targeting existing resources and

providing a coordinated framework, Connecticut has a real opportunity to reduce child poverty in the short and long term.

Appendix A

Public Act 05-244

AN ACT CONCERNING THE IMPLEMENTATION OF THE RECOMMENDATIONS OF THE CHILD POVERTY COUNCIL.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 4-67x of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) There shall be a Child Poverty Council consisting of the following members or their designees: The Secretary of the Office of Policy and Management, the president pro tempore of the Senate, the speaker of the House of Representatives, the minority leader of the Senate and the minority leader of the House of Representatives, the Commissioners of Children and Families, Social Services, Correction, Mental Retardation, Mental Health and Addiction Services, Transportation, Public Health, Education, Economic and Community Development and Health Care Access, the Labor Commissioner, the Chairman of the Board of Governors for Higher Education, the Child Advocate, the chairperson of the State Prevention Council, the chairperson of the Children's Trust Fund and the executive [director] directors of the Commission on Children and the Commission on Human Rights and Opportunities. The Secretary of the Office of Policy and Management, or the secretary's designee, shall be the chairperson of the council. The council shall develop a ten-year plan, to begin June 8, 2004, to reduce the number of children living in poverty in the state by fifty per cent.

(b) The plan shall contain: (1) An identification and analysis of the occurrence of child poverty in the state, (2) an analysis of the long-term effects of child poverty on children, their families and their communities, (3) an analysis of costs of child poverty to municipalities and the state, (4) an inventory of state-wide public and private programs that address child poverty, (5) the percentage of the target population served by such programs and the current state funding levels, if any, for such programs, (6) an identification and analysis of any deficiencies or inefficiencies of such programs, and (7) procedures and priorities for implementing strategies to achieve a fifty per cent reduction in child poverty in

the state by June 30, 2014. Such procedures and priorities shall include, but not be limited to, (A) vocational training and placement to promote career progression [] for parents of children living in poverty, (B) educational opportunities, including higher education opportunities, and advancement for such parents and children, including, but not limited to, preliteracy, literacy and family literacy programs, (C) housing for such parents and children, (D) day care and after-school programs and mentoring programs for such children and for single parents, (E) health care access for such parents and children, including access to mental health services and family planning, (F) treatment programs and services, including substance abuse programs and services, for such parents and children, and (G) accessible childhood nutrition programs.

(c) In developing the plan, the council shall consult with experts and providers of services to children living in poverty and parents of such children. The council shall hold at least one public hearing on the plan. After the public hearing, the council may make any modifications that the members deem necessary based on testimony given at the public hearing.

(d) Funds from private and public sources may be accepted and utilized by the council to develop and implement the plan and the provisions of this section.

(e) Not later than January 1, 2005, the council shall submit the plan, in accordance with section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and human services and to the select committee of the General Assembly having cognizance of matters relating to children, along with any recommendations for legislation and funding necessary to implement the plan.

(f) On or before January 1, 2006, and annually thereafter, until January 1, 2015, the council shall report, in accordance with section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and human services and to the select committee of the General Assembly having cognizance of matters relating to children on the implementation of the plan, [and] progress made toward meeting the child poverty reduction goal specified in subsection (a) of this section and the extent to which state actions are in conformity with the plan. The council shall meet at least two times annually to review and coordinate state agency efforts to meet the child poverty reduction goal specified in subsection (a) of this section.

(g) Not later than July 1, 2006, the Office of Policy and Management shall, within available appropriations, develop a protocol requiring state contracts for programs aimed at reducing poverty for children and families to include performance-based standards and outcome measures related to the child poverty

reduction goal specified in subsection (a) of this section. Not later than July 1, 2007, the Office of Policy and Management shall, within available appropriations, require such state contracts to include such performance-based standards and outcomes. The Secretary of the Office of Policy and Management may consult with the commission on children to identify academic, private and other available funding sources and may accept and utilize funds from private and public sources to implement the provisions of this section.

[(g)] (h) For purposes of this section, the Secretary of the Office of Policy and Management, or the secretary's designee, shall be responsible for coordinating all necessary activities, including, but not limited to, scheduling and presiding over meetings and public hearings.

[(h)] (i) The council shall terminate on June 30, 2015.

Sec. 2. Section 17b-16 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

The Labor Department, in cooperation with the Department of Social Services, shall provide information and assistance in obtaining, within available appropriations, the federal earned income credit established pursuant to 26 USC 32, to each applicant for or recipient of assistance from the department. The Labor Department, in cooperation with the Department of Revenue Services, shall promote the earned income credit program to recipients of benefits pursuant to section 17b-112. The Department of Social Services, in consultation with the Child Poverty Council, shall, within available appropriations, promote greater utilization of the federal earned income credit to municipalities, public and private employers, community-based organizations and other entities that have frequent contact with low-income families and shall enhance financial literacy and self-sufficiency programs. School and business partnership funds, private funds and other available funds may be used for purposes of this section.

Sec. 3. (*Effective from passage*) Within available appropriations, the Board of Trustees for Community-Technical Colleges may establish up to three pilot programs to provide for student household and family expenses of students with dependents while such students are attending a community-technical college. Participation in the pilot program shall be limited to students who are eligible for a federal Pell grant.

Approved July 8, 2005

Appendix B

Child Poverty Council Membership in 2005

Robert Genuario, Chairperson

George Coleman
Associate Commissioner
Department of Education

Valerie Lewis, Commissioner
Department of Higher Education

Catherine Sarault
Senate Republican Office

John Mengacci, Chairperson
State Prevention Council

Patricia Downs, Executive Director
Department of Economic and Community
Development

Faith VosWinkel
Office of the Child Advocate

Darlene Dunbar, Commissioner
Department of Children and Families

Mary Mushinsky
State Representative

Karen Foley-Schain, Director
Children's Trust Fund

Andrew Norton
Chief of Staff
House Republicans

Norma Gyle
Deputy Commissioner
Department of Public Health

Peter O'Meara, Commissioner
Department of Mental Retardation

MaryAnn Handley
State Senator

Pamela Sucato
Legislative Program Manager
Department of Transportation

Maria Houser, Director of Administration &
Operations
Department of Labor

Cristine Vogel, Commissioner
Office of Health Care Access

Mary Johnson, Director of Programs &
Treatment
Department of Correction

Patricia Wilson-Coker, Commissioner
Department of Social Services

Thomas Kirk, Commissioner
Department of Mental Health and Addiction
Services

Elaine Zimmerman, Executive Director
Commission on Children

Raymond Pech
Commission on Human Rights and
Opportunities

Appendix C

Child Poverty Subcommittee Membership

Anne Foley: Chair

Pamela Trotman-OPM

Tamekia Walton-Student Intern

Kim Andy
Workforce Investment Board

Valerie Lewis
Department of Higher Education

Neil Ayers
Office of Fiscal Analyst

John A. McCarthy
Department of Labor

Marybeth Bonadies
Office of Health Care Access

Mary Mushinsky
State Representative

Dawn Homer-Bouthiette
Department of Social Services

Karen Ohrenberger
Department of Mental Health and Addiction
Services

Thomas Brooks
Commission on Children

Julie O'Leary
Court Support Services Division

Elizabeth Brown
Commission on Children
George Coleman
Department of Education

Kathryn Reddington
Department of Mental Retardation

William Rivera
Department of Children and Families

Renee Coleman-Mitchell
Department of Public Health

Charlene Russell-Tucker
Department of Education

Devon Conover
Department of Public Health

Virginia Sampietro
Workforce Investment Board

Patricia Downs
Department of Economic Community
Development

Pamela Sucato
Department of Transportation

Karen Foley-Schain
Children's Trust Fund

Jon Swift
Office of Workforce Competitiveness

Stacey Gerber
Department of Children and Families

Jack Thompson
State Representative

Mary Ann Handley
State Senator

Susan Vater
Children's Trust Fund

Patrick Hynes
Department of Corrections

Faith VosWinkel
Office of Child Advocacy

Lorna Joseph
Department of Labor

Elaine Zimmerman
Commission on Children

