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TESTIMONY ON THE STATE OF THE AMERICAN CHILD, UNITED STATES SENATE HEALTH, EDUCATION, LABOR AND PENSIONS COMMITTEE, SUBCOMMITTEE ON CHILDREN AND FAMILIES New Haven, Connecticut July 26, 2010

Good morning, Senator Dodd. I am Jim Horan, Executive Director of the Connecticut Association for Human Services. Thank you for the opportunity to testify at the second hearing in this series on the State of the American Child. This year, CAHS celebrates 100 years of advocacy to improve the lives of children and families in Connecticut, with a focus on policies and programs that create family economic success.

CAHS and other child advocates have long admired and appreciated your leadership in the Senate not only on financial and health reform, but on issues directly affecting children, including Head Start, Child Care and Development Block Grants, and Family and Medical Leave.

You have been a champion on children's issues throughout your distinguished tenure in the Senate, and these hearings help lay the groundwork for continued progress on issues critical to children, including the potential for a national Commission on Children, even after you leave the Senate. Connecticut's Commission on Children has done such important work over the past 20 years.

As the Annie E. Casey Foundation's KIDS COUNT grantee in Connecticut, CAHS gathers and releases data on child and family well-being to inform policymakers and our own advocacy work at the State Capitol in Hartford and in Washington. Therefore, CAHS understands the **importance of timely, accurate data**. We thank you, Senator Dodd, for your current sponsorship of legislation to expand the National Survey of Children's Health, and your lead sponsorship of the Measuring American Poverty (MAP) Act. We are very pleased that the Obama Administration is working to address the latter issue with the Supplemental Poverty Measure (SPM).

The most recent available data is outdated. Right now, that means that we lack current data on the impact of the recession on children and families. Patrick T. McCarthy, president and CEO of the Casey Foundation, recently noted: "the reality is that we can only go so far without needed improvements to our data collection systems. None of us has a good grasp on the conditions facing America's children because state and federal agencies collect data too infrequently, and often do not measure what really matters for kids."

The Casey Foundation will release the national Kids Count data book tomorrow. The most recent data available, from 2008, shows child poverty rising both nationally and in Connecticut. Overall improvements in child well-being that began in the late 1990s stalled in the years before the current recession began, both nationally and in our state.

Of course, the statewide picture of Connecticut does not tell the full story. Often, Connecticut looks better than other states in national rankings on the well-being of children. But when data is disaggregated by community and by race, it is clear that kids in Connecticut of color and in our larger cities fare poorly. That is why it is important to increase the sample size of the American Community Survey (ACS), to provide more precise data for urban neighborhoods, as well rural communities.

I would briefly like to look at data trends in three areas, to show what is happening to children in Connecticut, including areas where government actions are helping, and where they were failing to do so, even before the recession began.

- **Poverty** in Connecticut was rising before the deep economic downturn. The child poverty rate was basically flat from 2000 to 2004, and then rose from 10.5 percent to 12.5% in 2008. This is especially disappointing since followed the passage in 2004 of a state target to reduce child poverty in half, by 2014. This legislation, the first in the nation, created good recommendations but practically no investment from the Governor and legislature. The increase of 13,000 kids in poverty will rise with the recession, as many parents have lost their jobs. And as previously noted, the relatively low rate of child poverty statewide masks the disturbing rates of child poverty in many urban communities. Hartford's child poverty rate of 46 percent in 2008 is among the highest of any city in the nation, an increase from 41 percent in the 2000 census.
- In **Education** in 2009, Connecticut had the second highest level of fourth grade reading proficiency in the nation, behind only Massachusetts, according to the National Assessment of Educational Progress (NAEP). Despite the high national ranking, only 40 percent of Connecticut fourth graders were proficient, compared to 32 percent nationally, showing how poorly Connecticut and all states are doing. And again, the data is worse when disaggregated. NAEP data show 53 percent of White Connecticut fourth graders were proficient readers, compared to 22 percent of Blacks and 15 percent of Hispanics. A small piece of good news in these distressing data is that the gap between Black and White students narrowed in recent years, due to gains by Black students between 2003 and 2009.
- On **Health**, there is encouraging news that despite the decline in insurance provided by employers, the number of uninsured kids in Connecticut declined in recent years because of HUSKY, the State Children's Health Insurance Program. More kids were covered in 2009 than in 2003, and only 5.4 percent were uninsured, about half the rate of adults. The positive trends on children's health should continue, with the reauthorization of CHIP last year, and the passage of national health reform that you helped to shepherd through Congress earlier this year, Senator Dodd. Connecticut's passage of universal health care legislation in 2009 puts the state in a very good position for implementation of federal health reform.

While the news is positive on health care, **a lot more needs to be done to reduce poverty and improve education for children in our nation and state**. These are critical factors for children that underlie many other indicators, and affect them throughout their lives. We know what needs to be done to create better outcomes for children and families. We just need the political will and leadership to make it happen, in Washington, in Hartford, and in our communities.

With the indicators headed in the wrong direction, poverty is the toughest nut to crack. The American Recovery and Reinvestment Act (ARRA, the stimulus) stopped the recession from deepening. It also expanded SNAP (formerly food stamps) and the EITC, expansions that should be made permanent. While ARRA prevented the loss of millions of jobs, it has not yet resulted in the creation of many new jobs to replace those lost. This is crucial for poverty reduction. Congress must have the courage to continue stimulus measures, including additional FMAP Medicaid funding for states to avoid a \$265 million in the current Connecticut budget. And new stimulus funding is needed for schools, to prevent significant local teacher layoffs, like those we're seeing in New Britain and towns across Connecticut. Pending reauthorization of the Child Nutrition Act, with more money for healthier school meals and after-school programs, will also help.

On education, Race to the Top prompted state education reform legislation this past year. More needs to be done, especially to close the achievement gap between whites and kids of color. Action is needed not only to ensure that every child achieves his or her full potential, but also so that Connecticut and the United States can compete in the global economy with a highly-educated workforce.

At CAHS, in partnership with our funders and other nonprofit organizations, we're taking action to improve the well-being of kids, with some positive results. To reduce child poverty, CAHS led efforts in 2006 and 2007 to create a state Earned Income Tax Credit, modeled on the very successful federal EITC. This was a top recommendation of the Connecticut Child Poverty and Prevention Council, but Gov. Rell vetoed it twice. In 2008, CAHS was launching a broad-based "Opportunity and Prosperity Campaign." As the economy tanked, that no longer seemed viable. CAHS shifted gears to expand our federal EITC and SNAP (formerly food stamps) outreach. Earlier this year, we launched *EarnBenefits Online*, a screening program that can completes applications for up to 13 state and federal benefits, including SNAP, HUSKY, and the EITC. We are working with 13 community partners in five cities, with support from six foundations, using a tool developed by Seedco, a New York based nonprofit.

Last year, CAHS started the Connecticut Money School, which offers financial education classes. This partnership with the United Way of Connecticut and nonprofits in our three largest cities is only the second statewide financial education project, and a potential national model. CAHS also started a multi-faceted family economic success program in Bridgeport with the support of the local United Way and banks.

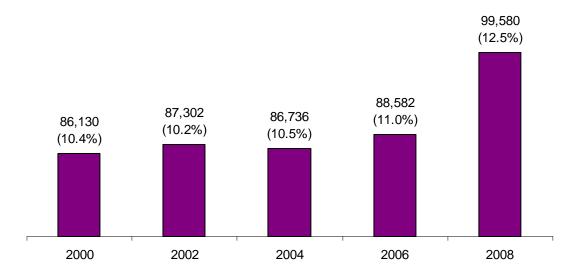
On education, our primary focus is to close the achievement gap while raising the performance of all students, from early childhood through post-secondary. With support from the Graustein Memorial Fund, CAHS is working with advocates including the Connecticut Early Childhood Alliance, Connecticut Voices for Children, and Connecticut Parent Power, to regain Connecticut's former status as a national leader. New investments are needed, especially to expand the state's successful School Readiness program to more children in low-income communities, and to create a true system of early childhood education. CAHS has a forthcoming report with recommendations on how to help all students become reading proficient by the end of third grade. This is a major focus of the Annie E. Casey Foundation, which is partnering with philanthropies across the country, including the Graustein Memorial Fund in Connecticut. And last year, CAHS published a report on strengthening the role of Connecticut's community colleges in educating adult workers—because kids need parents who earn wages that can support their families.

This work is not enough to reverse negative trends for kids in our state and country. Continued leadership at the federal level is critical. Most recently, CAHS has teamed up with Connecticut Voices for Children and our Kids Count and Voices for America's Children counterparts across the region to create the **New England Consortium to reduce child and family poverty**. We're working together on data, policy solutions in our states, and an emerging federal agenda. With our strong regional Congressional delegation, we think this may be where we can make the greatest difference, and create a model for advocates nationally. You can check out our collective work at <u>www.endpovertynewengland.org</u>. We are moving beyond strengthening the safety net to creating real pathways to opportunity for children and their families.

The state of the American Child in 2010 is fragile and unacceptable. But there are actions the federal government can take, as it has done in the past and is doing now on health care, to improve child well-being, especially with regard to poverty and education. And there is a role for all of us—in state and local government, nonprofits, education, as parents and community leaders. We need to engage everyone, especially those most effected by the negative consequences of poverty and poor quality education, to make the necessary changes. Maintaining the status quo has serious negative consequences for these children and for the economy. As Harry Holzer and his colleagues at Georgetown University and the Urban Institute has written, child poverty has lifelong impacts on workforce productivity, crime, health, and ultimately on our Gross Domestic Product.

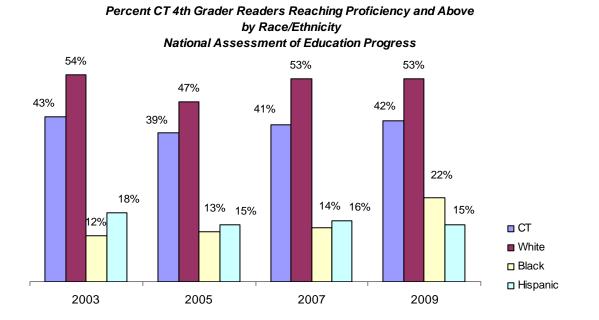
The challenges to improving child well-being seem daunting, especially in the midst of the nation's most serious economic downturn since the recession. But the economy will recover, and we need to ensure that everyone will share in it. Working together, with good data and a clear focus on improving the future for our children, we can adopt policies and make investments that ensure that our country's brightest days are ahead of us.

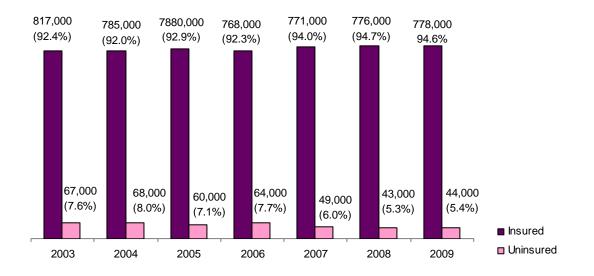
Thank you for holding this hearing, Senator Dodd, and inviting CAHS to testify. We look forward to continuing to work with you on this important initiative.



CT Children Living in Families with Income < 100% FPL

FPL is Federal Poverty Level. Data for 2000 are from the Decennial Census, Summary File 3, Table P87, Poverty Status in 1999 by Age. Data from 2002 are from the American Community Survey (ACS), Table P114, Poverty Status in the Past 12 Months by Sex and Age. Data for 2004, 2006, 2008 are from ACS, Table B17001, Poverty Status in the Past 12 Months by Sex and Age.





Number and Percent of CT Children by Health Insurance Coverage Current Population Survey