

Montgomery County Community Action Board Testimony SB666 - Maryland Community Action Agencies - Funding February 18, 2025 <u>SUPPORT</u>

TO: The Honorable Guy Guzzone, Chair; The Honorable Jim Rosapepe, Vice Chair; and Members of the Budget and Taxation Committee FROM: Dr. Jeffery Johnson, Chair, Montgomery County Community Action Board

The Montgomery County Community Action Board, the County's local, state, and federally designated anti-poverty group, is in full support of SB666 and asks the Committee for a favorable report. This bill would require the Governor to include funding for Maryland Community Action Agencies in the state budget. The funding would be allocated to the Maryland Department of Housing and Community Development and would be issued to Community Action Agencies (CAAs) statewide in the form of grants.

Sixty years after its inception, Community Action, which was established to implement the Economic Opportunity Act (EOA) of 1964, includes thousands of local agencies that support millions of residents impacted by poverty. Throughout the country, Community Action Agencies aid people in need with a myriad of services. In Maryland alone, approximately 129,480 residents received support in housing and utility education from CAAs, while over 18,900 families benefited from children's and adults' education services in 2023. In 2023, Maryland CAAs provided life-altering services to 207,365 individuals in 96,518 households. Additional and sustained funding for CAAs will help agencies continue to combat poverty and reduce disparities.

State organizations like the Maryland Community Action Partnership work tirelessly with the state's 17 CAAs to reduce poverty and help families move towards self-sufficiency. CAAs continue to provide housing and utility assistance, financial counseling and tax preparation, education and job readiness training, nutritional services, case management, and other critical services.

Our own agency, the Montgomery County Community Action Agency, supports residents with critical services every day. The agency's Volunteer Income Tax Assistance (VITA) program provides free tax help to low-to-moderate income households, completing 2,246 returns in FY24, with a free tax impact of \$8.6 million. The agency's Navigation Team and Takoma-East Silver Spring (TESS) Community Action Center each serve an average of 200 residents each month, linking households with critical services while utilizing a whole-family, two-generation model. Our own Board's free advocacy training program, the Community Advocacy Institute, provides free advocacy training to County residents with modest incomes. Now in its ninth year, the CAI includes 140 graduates, many of whom now serve on advisory boards, non-profit boards, and are actively engaged in community-level advocacy.

The ever-rising cost of living across the state and particularly in Montgomery County, makes additional financial support for CAAs even more critical. For example, the Montgomery County Self-Sufficiency Standard for a household with two working adults, one preschooler, and one school-age child is \$122,943 annually, <u>over four times</u> the federal poverty level.¹ Community Action Agencies are committed to helping families obtain critical supports and move towards the Self-Sufficiency Standard.

The Montgomery County Community Action Board strongly supports SB666 and asks for the Committee's favorable report.

¹https://www.montgomerycountymd.gov/HHS-Program/Resources/Files/MDMontCo2023_SSS.pdf