

**Testimony of the Wisconsin Community Action Program Association, Inc.  
(WISCAP) in support of the Wisconsin Opportunity Act**

**Senate Bill 467 & Assembly Bill 508**

Submitted to the Members of the Senate Committee on Local Government, Small Business, Tourism and Workforce Development & the Assembly Committee on Housing and Real Estate

WISCAP is a statewide association of Wisconsin's 16 Community Action Agencies and two single purpose agencies working to fight poverty in Wisconsin. WISCAP and its members are committed to creating economic opportunity and supporting community-based solutions to poverty. As a leader in efforts to address poverty in Wisconsin, we keenly understand the need for policies that promote economic equality and that provide pathways for the Community Action network and its many partners to address needs of Wisconsinites with low income. Community Action Agencies work in urban, rural, and suburban communities alike – operating in 69 counties. Local agencies are governed by a tripartite board consisting of low-income individuals, elected officials or their representatives, and community members from among business, industry, labor, religious, law enforcement, education, or other major groups and interests in the community served. This unique structure helps to ensure the whole community is involved in prioritizing, designing and implementing services that are responsive to local needs.

And, it works. The network's wide geographic footprint, diverse board, and community-informed programming has resulted in far reaching and effective anti-poverty and economic development efforts. For example, in 2018, Community Action Agencies across the state helped over 6,000 people obtain or maintain affordable housing and provided more than 4,000 low-income households with emergency rent, mortgage assistance, and temporary shelter. In 2019, thirteen CAAs and six community partners distributed 26 million pounds of emergency food (TEFAP) commodities - valued at \$24 million dollars - to 339 food pantries, meal sites and shelters in every county of the state. Food pantries distributed an additional 52 million pounds of private sector food to food insecure households, serving 180,000 people each month. WISCAP directly managed statewide food ordering & data collection for the network, including supplemental summer delivery of 2.3 million pounds of commodities. On the job front, since its inception, WISCAP's Job and Business Development Program has created 2,285 businesses and more than 6,250 jobs in Wisconsin. For every dollar spent on JBD, \$1.78 was returned to the state in increased tax revenue. Similarly, with support from the Department of Children and Families, program graduates of the Skills Enhancement Program witnessed an average increase in earnings of \$20,992 per year.

Yet, despite such results, deep poverty and economic insecurity remain a daily reality across the state, in rural and urban communities alike.

Current data paints a troubling picture:

- The Institute for Research on Poverty reports that more than 1 in 10 Wisconsinites live in poverty,
- In 2019, the Department of Public Instruction identified more than 18,000 homeless children and youth throughout the state;
- While unemployment remains low, housing costs have increased out of proportion to income;
- 306,000 low-income Wisconsin renters pay more than half their income for housing;
- 37.5% of Wisconsinites struggle to afford the necessities of housing, childcare, health care, food, and transportation, according to the 2018 United Way *ALICE Study of Financial Hardship*.

These numbers reveal an uncomfortable truth; that too many of our fellow Wisconsinites have been left behind. But we should guard against treating this data as an abstraction instead recognize that within these hard numbers are real people experiencing great hardship. To begin to address this unacceptable picture of our state, WISCAP supports the passage and enactment of AB 508/SB 467. While making serious inroads in the fight against poverty will require large scale policy and societal shifts, the sound proposals contained within WOA can provide transformational investments that reduce poverty and fundamentally improve people's economic circumstances. The Wisconsin Opportunity Act builds on sound experience and locally driven responses to address barriers to achieving economic stability.

As its centerpiece, the Act would create a Wisconsin state supplement to the federal CSBG program that has proven to be an effective and flexible vehicle in fighting poverty in every corner of the state. Currently the state receives close to \$9 million per year in the form of a federal Department of Health and Human Services grant. SB 467/AB 508 would create a 25% match that would operate under the same program rules and serve to deliver additional resources to every Assembly and Senate district in Wisconsin. The Act also places at its core the principle of housing justice and greater housing stability, starting with increased funding for eviction prevention activity and DOA's Housing Assistance Program; within that framework, the Act further begins to reframe the state's approach and understanding of homelessness by fully recognizing and serving homeless families and children that are often ineligible for assistance under an overly narrow and restrictive HUD definition. Underlying the promise of housing stability, of course, is a sound income, and, if passed, the act would secure long-overdue additional funding for the high-performing Job and Business Development and Skills Enhancement Programs. Linking jobs and services to transportation coverage, particularly in rural communities, features prominently in the Act as does greater health supports found within the proposed grant program to provide community support to respond to the opioid crisis and the development and expansion of sober living residences.

Taken together, the many elements of the Wisconsin Opportunity Act (AB 508/SB 467) represent an integrated strategy to advance poverty fighting efforts throughout the state. The Act helps to address critical unmet needs, in rural and urban areas alike, and establishes a solid foundation for securing additional resources and pursuing comprehensive public policy action. WISCAP strongly supports AB 508 and SB 467 and urges members of the Wisconsin Legislature to seek its timely passage and implementation.