

Iowa Community Action Association

2022 Legislative Priorities

Support a 3% increase (\$204,000) in funding for the Family Development and Self-Sufficiency (FaDSS) program.

FaDSS is one of Iowa's best investments to prepare families with a limited income and barriers to education, work, and self-sufficiency to become employed, increase family income, achieve education milestones, and save the state money through decreased FIP cash assistance.

During this time of workforce shortage, FaDSS helps families become stable and ready to succeed in the workplace. In FY21, FaDSS helped increase the number of households with at least one adult employed from 13% at program entry compared to 45% at exit.

The Community Action Network appreciates the funding increase for FaDSS approved by the Legislature and Governor during the 2021 session. It marked the first increase for the program in six years. ICAA is now recommending a modest provider increase for FY23 to allow local FaDSS agencies to keep up with increasing costs.

FaDSS is one of the nation's premier family development programs. This evidence-based model provided comprehensive services through certified Family Development Specialists to 2,198 Iowa families in FY21. Families in FaDSS make substantial progress in a variety of self-sufficiency measures such as increased wages, education, job training, housing, and mental health counseling, and stay off welfare longer than non-FaDSS families.

In FY21, families in FaDSS earned total wages of \$6,623,924, resulting in savings to the Family Investment Program (FIP) of \$975,610. Families exiting FaDSS decreased their average monthly FIP amount by 63%, from \$379 to \$139. Families that were employed at exit had an average monthly family income of \$1,439, an increase of \$1,206.

Raise the eligibility level for state Child Care Assistance to at least 175% of the Federal Poverty Level (FPL).

The cost of child care is one of the greatest obstacles to self-sufficiency for Iowa's working families with low incomes. Average annual costs of child care in Iowa are \$10,400 for an infant and \$8,600 for a 4-year old. This is 60-80% of total income for a worker at minimum wage with just one child.

Iowa made important progress in addressing child care affordability in 2020. These changes allow families under 145% of FPL to maintain state Child Care Assistance (CCA) on a sliding fee schedule up to 225% of the FPL. This allows families to earn more income without abruptly losing all child care assistance due to a "cliff effect."

These changes, however, apply only to families that *begin* utilizing childcare assistance at an income under 145% of FPL, i.e. families must still qualify at or below 145% of FPL for state CCA. The 145% eligibility is one of the lowest in the nation. This means families with an income between 145-225% of FPL are not eligible for *any* assistance. This results in families with the same income being treated differently.

To encourage work, promote family self-sufficiency, and increase Iowa's workforce, ICAA recommends the Governor and General Assembly raise the eligibility level for state Child Care Assistance to at least 175% of the FPL.

Support changes to Iowa's Child Care Assistance Program to increase eligibility for students working toward a degree. .

Current child care rules limit eligibility for part time students to those who work at least 28 hours per week. In addition, assistance is limited to a total of 24 months for all students. Students striving to succeed in school should not lose child care assistance because they work less than 28 hours per week. Further, working students often require more than 24 months of child care assistance to achieve a degree, including an associate's degree. Child care assistance should be provided beyond the current limit of 24 months for students progressing toward an education degree.

Head Start

Blending and braiding funding sources with federal Head Start and Early Head Start dollars enables partners to work and/or attend school while their children are preparing to become lifelong learners.

- Maintain level funding for state Funded Early Head Start
- Align funding increases for Early Childhood Iowa with State Supplemental Aid (SSA) K-12 funding
- Increase allocation for Wrap-Around Fund
- Increase funding for Shared Visions (Preschool & Home Visitation)
- Ensure that Head Start remains at the table in the Build Back Better conversations as decisions could significantly impact enrollment and funding

Governor's Office Ask: Provide Community Action Agencies One-Time Infrastructure Funding of \$1.7 million

Iowa's 16 Community Action Agencies (CAAs) delivered critical services to nearly 300,000 Iowans last year. CAAs were on the front lines of Iowa's response to the COVID-19 pandemic, providing critical services such as food banks, food delivery, rent and utility assistance, well-elderly checks, and diapers to families in every county across the state. Agencies administered a wide variety of federal CARES Act, American Rescue Plan, and other state and federal disaster relief funds.

CAA's operate on a shoestring budget and often capital and infrastructure needs are put off so that greater services to the public can be accommodated. One-time infrastructure funding would assist agencies in providing services in a healthy, safe, and efficient manner. Examples of infrastructure improvements could include:

- modifications to provide on-site services in safe and healthy environment
- improve technology to better provide confidential, remote, and virtual methods of service delivery
- install energy efficiency measures to buildings to reduce energy usage and cost
- new servers for computer systems
- upgrade of essential electrical systems
- provide for centralized data center

Investments to upgrade and advance CAA infrastructure, facilities, and information technology capacity will allow agencies in all regions of Iowa to more efficiently and effectively serve Iowans, including in response to health or natural disasters.