



Testimony to Committee on Government Operations Council of the District of Columbia

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Good afternoon Mr. Chairperson and members of the Committee on Government Operations and Happy Valentine's Day! My first name is Joseph and my last name is Leitmann-Santa Cruz. I am the Acting Executive Director of the DC-based non-profit organization Capital Area Asset Builders (CAAB).

Today it is my honor to provide testimony before this Committee re the partnership CAAB has with the Mayor's Office on Latino Affairs (MOLA). We are a proud grantee of MOLA's and currently maximize their \$40,000 grant to advance personal financial empowerment for the Latinx community in DC.

Income poverty is a way of life for 15% of households in the District of Columbia—a rate twice that of the number of households living in income poverty throughout the DC metropolitan region.¹ But far more households (41%) are financially vulnerable. Latinas/Latinos fare even worse: 57% of Latina/Latino households are liquid asset poor.² Although many residents in the District earn above poverty wages, these “liquid asset poor” households do not have enough savings to live above the poverty level for just three months if they lose a job, face a medical crisis or suffer another income disruption. This means that more than one out of every two Latina/Latino households in the DC live in a state of persistent financial insecurity, one emergency away from falling into debt or even losing a home. The inability to bounce back from financial pitfalls not only hurts local Latinas/Latinos, it stifles the long-term economic growth of the District of Columbia.

For several years now, CAAB has been a MOLA grantee. CAAB appreciates the support we receive from MOLA for our DC Ahorra y Prospera Campaign.

There are four primary needs the Campaign addresses: being unbanked/underbanked, lack of savings, lack of knowledge of credit-building strategies and low awareness of the Earned Income Tax Credit.

¹ DC Metropolitan Region refers to Washington-Alexandria-Arlington MSA

² CFED, Family Assets Count Profile for the District of Columbia, December 2015.



CAAB launched the year-round DC Ahorra y Prospera Campaign in an effort to assist and financially empower 1) Latinas/Latinos residing in the District of Columbia who are US Citizens and/or Permanent Residents, 2) Latina/Latino immigrants without legal status residing in DC and 3) DC-based Latina/Latino-owned small businesses. The Campaign launched in early-2016 thanks to the support from MOLA. CAAB is working to link the three identified target audiences to receive financial education materials in Spanish, access financial capability tools & resources, be aware of mainstream financial services & products, and obtain information on asset building and wealth building programs and services in DC.

Since we are in the middle of the 2019 tax season, we are kindly requesting that you work with us to ensure all of your constituents are aware of the economic power of the Earned Income Tax Credit (EITC) and are aware of the high quality, trusted and free tax preparation services available to them in all 8 wards and online.

Lastly, we would like to recognize the leadership of Executive Director Reyes and her great staff as well as the key role MOLA plays in informing, educating and empowering the Latinx community in the District.

Thank you for the opportunity to provide my testimony and I look forward to answering any questions you may have.

I hope you have a great day.