



Testimony to Committee on Human Services Council of the District of Columbia

**Brian Stone, Program Manager
Capital Area Asset Builders (CAAB)**

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Good morning Madam Chairperson and members of the Committee on Human Services. My name is Brian Stone, and I am a Program Manager of the DC-based, non-profit organization, Capital Area Asset Builders (hereafter referred to as CAAB).

Today I am honored to provide testimony before this Committee, and discuss the extremely productive partnership CAAB has with the DC Child and Family Services Agency (CFSA). Furthermore, we kindly request your support to approve the FY20 budget requested for CFSA.

Our foster care youth have been able to benefit and continue to benefit from this partnership far beyond their time in care. Through our partnership with CFSA, CAAB manages the Making Money Grow Program. CAAB is working to assist DC foster care youth ages 15-21 to get on the path toward taking control of their finances, increasing their savings and building wealth for a better future.

For approximately five years, CAAB has partnered with CFSA's Office of Youth Empowerment to provide financial education services and lifelong skills around the importance of savings and overall money management to youth in the care of the DC government. The matched savings program provides youth the opportunity to receive a 1:1 match on up to \$500 each year from ages 15-17, and a 2:1 match on up to \$1,000 from ages 18-21. If a youth starts the program at 15 and maximizes their savings, they can receive \$7,500 in matched funds and exit the program with \$12,000. The match funds can be used for housing, car purchase or repairs, health care expenses, education expenses, or to start a small business. Additionally, the program provides foster care youth the ability to use their matched savings funds for transitional purposes. Along with the match component of the program, youth also receive one-on-one credit coaching, and comprehensive financial education training. CAAB has witnessed the impact of this program on the lives of our youth, both while in care and once they transition from care.

To the best of our knowledge, this is the only matched savings program of its kind in the nation for the benefit of foster youth.

Approximately 100 youth, are currently enrolled in the Match Savings program, with an average account balance of approximately \$1,700. Many of our youth have used the program to purchase their first car, pay rent for their first apartment, pay off education expenses, and purchase medical necessities. Furthermore, youth in the program have worked tirelessly to build healthy savings habits, build their credit, and learn the importance of effectively managing their money.



Moreover, we are working with CFSA to inform all eligible CFSA clients of the Earned Income Tax Credit (EITC). For the past four decades, the EITC has been considered the most effective poverty alleviation program in the nation. The ability of CFSA to enable CAAB to raise EITC awareness is of great importance and we are very excited about this expansion of our partnership.

Considering we are two weeks away from the end 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 EITC and of the high quality, trusted and free tax preparation services available to them in all 8 wards and online.

We recognize and thank CFSA Director, Brenda Donald, and the team at the Office of Youth Empowerment for their involvement in the Making Money Grow program, and for their leadership in expanding our partnership and delivery of services to more CFSA clients. In order to ensure that more foster youth are financially empowered through this innovative program and other initiatives and services offered by CFSA, we kindly request your support to approve the FY20 budget requested for CFSA.

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