

Current Issues Report November 2008

Human Services Division





Special thanks go to the Human Services Issues Team for the development of this report and for their continual efforts in tracking critical issues affecting the area of human services.

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Summary of Recommendations 2009 Legislative Program

State:

Food Bank Operations - Support legislation that maintains the \$2 million budget for the coordinated hunger program designated for food bank operations.

Domestic Violence - Support legislation that maintains funding for domestic violence prevention programs for women, children and families and maintains funding for services to support victims of domestic violence.

Homelessness - Support legislation that maintains funding for eviction prevention, shelters and supportive services for homeless individuals and families.

Payday Loans - Support legislation that allows for additional regulation of payday loan establishments and addresses issues raised by these types of companies.

Federal:

Community Development Block Grant Program (CDBG) - Support restoring funding for the CDBG formula grant program to its FY 2001 level of \$4.4 billion.

Housing Choice Voucher (Section 8) Assisted Housing Program - Support the continued viability of the Section 8 assisted housing program as an important compliment to other core HUD programs, such as CDBG and HOME.

Low Income Home Energy Assistance Program (LIHEAP) - Support at least \$2.6 billion annually for the LIHEAP program, as Arizona's (and other warm-weather states) formula distribution increases significantly at that level.

Current Issues State

Food Bank Operations

Support legislation that maintains the \$2 million budget for the coordinated hunger program designated for food bank operations.

- In 2007, the Association of Arizona Food Bank members and their emergency food bank network distributed more than 120 million pounds of food in Arizona.
- In Fiscal Year 2007/08, Vista del Camino distributed 1,391 emergency food boxes and \$5,220 in food vouchers to Scottsdale households.

Domestic Violence

Support legislation that maintains funding for domestic violence prevention programs for women, children and families and maintains funding for services to support victims of domestic violence.

- On average in Arizona each year, there has been a domestic violence related death every four days.
- Arizona ranks seventh in the nation for number of females murdered by males in single victim/single offender homicides.
- In 2007, the City of Scottsdale Police Department reported 1,272 domestic violence incidents.
- In 2007, there were five homicides in Scottsdale and three were domestic violence related.

Homelessness

Support legislation that maintains funding for eviction prevention, shelters and supportive services for homeless individuals and families.

- Last year, Vista also provided emergency services to 125 homeless or transient individuals.
- Vista del Camino provided \$170,835 in emergency rent and mortgage assistance to 357 Scottsdale households for eviction prevention during fiscal year 2007/08.
- In January 2008, a point-in-time survey identified 82 homeless persons in Scottsdale (*Maricopa Association of Governments Continuum of Care*).

Current Issues

State

Payday loans

Support legislation that allows for additional regulation of payday loan establishments and addresses issues raised by these types of companies.

- Payday loans are short-term loans for immediate cash. They are typically secured by a borrower's post-dated check or authorization for automatic withdrawal from the borrower's bank account on a certain date.
- The initial interest rate on these payday loans usually range from 391 percent to 443 percent APR.
- Currently, Scottsdale has 12 payday loan establishments as recorded by the Arizona Department of Financial Institutions. Six establishments are located in ZIP code 85257, four are located in ZIP code 85251 and one is located in ZIP code 85266.
- If no legislative action is taken during the next two years, the law allowing payday loans will expire July 1, 2010. At that time, the maximum interest that can be charged for short term consumer loans will return to 36% annual percentage rate, compared to the 391% and higher now allowed for payday loans.

Current Issues

Federal

Community Development Block Grant Program (CDBG)

Support restoring funding for the CDBG formula grant program to its FY 2001 level of \$4.4 billion.

The City of Scottsdale uses its annual CDBG allocation to deliver critical services, to low and moderate income persons, including housing rehabilitation to provide safe and sanitary housing to the elderly and working poor, homelessness assistance, domestic violence shelters, transitional housing, meals for the elderly, mentoring for children and employment services for the disabled. The continuing increased number of funding requests received each year to deliver eligible services exceeds the city's annual allocation. Restoring CDBG funding to FY 2001 allocation is vital to meeting the community's critical needs.

The City of Scottsdale was awarded CDBG funds in the amount of \$1,152,250 for FY 2008/2009; a decrease of \$36,415 from the prior year allocation of \$1,188,665. Since FY 2003/2004, CDBG funding to Scottsdale has decreased by \$247,750, an 18% funding reduction over 5 years. While funding levels continue to decrease, service needs continue to increase.

Since 1974, the locally oriented CDBG program has worked to ensure affordable housing for all members of the community, to provide programs and services to the most vulnerable, and to create jobs and expand business opportunities. CDBG is an important tool in helping local governments tackle the most serious challenges within their communities. Currently, non-profit agencies use CDBG funding to leverage private funds to provide both social services and housing assistance to Scottsdale residents. In fact, since FY 2001/2002, Scottsdale has awarded over \$7.5 million in CDBG funds to non-profit agencies that have leveraged over an additional \$25 million for Scottsdale programs.

- In FY 2007/08, the CDBG Program awarded over \$1 million dollars to 12 agencies. Those funds directly impacted over 1,225 Scottsdale residents through the following services:

Senior Congregate Meals	Senior Peer Counseling
Youth After-School Tutoring	Domestic Violence Advocacy
Facility-Based Training for Disabled	Transitional Housing
Roof Repair	Emergency Housing Repair
Housing Rehabilitation	Multi-Housing Acquisitions

- 416 elderly Scottsdale residents received a hot meal of the day, a total of over 12,000 meals served, at the Granite Reef Senior Center lunch program.
- 81 Scottsdale children received help with their homework in a safe, supervised after school facility.
- 217 women and children left abusive situations and found safe shelter, life skills training, employment services, and a start toward new, productive lives.
- 172 homeless Scottsdale families have been placed in transitional housing. These families received intensive case management, financial counseling, and training in workplace skills. An additional 409 families received shelter information and referrals.
- 54 Scottsdale homeowners received emergency, roof repair and housing rehabilitation assistance to address immediate health and safety needs in their homes.

Current Issues Federal

Housing Choice Voucher (Section 8) Program

Support the continued viability of the Section 8 assisted housing program as an important complement to other core HUD programs, such as CDBG and HOME.

Scottsdale currently provides assistance to 725 low-income families through the program, with another 450 families currently on the Section 8 wait list. More than \$4.8 million of Section 8 assistance was provided to Scottsdale families in FY 2007 and an estimated \$5.56 million will be provided for FY 08/09.

- Average Section 8 family income is \$7,273 annually
- 64% of participants are elderly and/or disabled
- 35% of participants are Female Head of Household with children
- 46% of participants have Social Security/Pensions as their primary source of income
- 34% of participants receive Social Security Disability as their primary source of income
- Section 8 wait list was reopened for one day in November 2007 with 500 applicants applying for assistance; wait list will not be reopened until all current applicants have been pulled off the list
- 450 applicants are currently on the Section 8 wait list; it will take approximately three years to pull all the applicants off the list, based on current funding levels

Low Income Home Energy Assistance Program (LIHEAP)

Support at least \$2.6 billion annually for the LIHEAP program, as Arizona's (and other warm-weather states) formula distribution increases significantly at that level.

Also support changes to the program formula that would recognize the challenges presented in warmer climates in the same manner as colder locations. Arizona remains one of the lowest per capita recipients of LIHEAP funds each year. Summers are particularly hard on the elderly, who may not have the resources for sufficient air conditioning.

- In FY 2007/2008, 674 Scottsdale households were assisted with emergency utility payments, totaling \$178,367. The portion paid with LIHEAP funds totals \$123,815 for 378 households.
- Arizona-eligible LIHEAP households spend, on average, 10 percent of their income on residential energy. The median energy burden is three percent.

2008 State Legislative Update

Food Banks

- ❖ A provision in the state budget (HB 2209) increased the Coordinated Hunger Program Budget from \$1.8 million to \$2 million.

Domestic Violence:

- ❖ There were no bills introduced that coincided with the City's legislative program of supporting legislation that increases the penalties for strangulation and suffocation for victims of domestic violence and support legislation that establishes a Civil Legal Assistance Fund to assist victims of domestic violence and support funding for shelters and supportive services.

Homeless Prevention:

- ❖ There were no bills introduced that coincided with the City's legislative program of supporting legislation that increases funding for eviction prevention and supportive services for homeless individuals and families.

Pay Day Loans:

- ❖ HB 2148 Payday Loans; Regulations would have made various consumer-oriented changes to the payday loan statutes including a prohibition on loans under \$3,000 unless done through a chartered bank. HB 2148 was introduced by Representative Ed Ableser, but failed to receive a hearing in the House Finance, Insurance and Retirement Committee.
- ❖ SB 1239 Payday Loans; Regulations would have extended the sunset date that authorizes payday loan transactions in Arizona. The enabling statute is set to expire on July 1, 2010. SB1239 would have extended this date to July 1, 2012. SB1239 was introduced by Senator Robert Blendu and failed the Senate Committee of the Whole.
- ❖ SB 1492 Payday Loans; Repeal Termination Date would have permanently repealed the statutory provision that authorizes payday loan transactions in Arizona. SB 1492 was introduced by Senator Pamela Gorman and failed in the Senate Finance, Insurance and Retirement Committee.

Bibliography and Research Sites

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Library of Congress	www.thomas.loc.gov
Office of Governor Napolitano	Arizona Governor Janet Napolitano
National Governor's Association	www.nga.org
National League of Cities and Towns	www.nlc.org
Search Institute	www.search-institute.org
Moving Ideas -The Electronic Policy Network	www.movingideas.org
The United States House of Representatives	http://www.house.gov/
The United States Senate	www.senate.gov
The White House	www.whitehouse.gov
US Census	www.census.gov
US Dept. of Health and Human Services	www.dhhs.gov
National Fuel Funds Network	http://www.nationalfuelnetwork.org/
Independently Tracking the United States Congress	www.govtrack.us

HUMAN SERVICES GROUPS

American Public Human Services Assoc	www.aphsa.org
Protecting Arizona's Family Coalition	www.pafcoalition.org

WELFARE REFORM & SELF-SUFFICIENCY

Arizona Community Action Association	www.azcaa.org
Arizona Dept. of Economic Security	www.de.state.az.us
Association of Arizona Food Banks	www.azfoodbanks.org
Arizona Coalition to End Homelessness	www.azceh.org

HOUSING & NEIGHBORHOODS

Arizona Department of Housing	http://www.housingaz.com/
National Low Income Housing Coalition	www.nlihc.org
U.S. Dept. of Housing & Urban Development	www.hud.gov
Greater Phoenix Economic Council	http://www.gpec.org/
Maricopa Association of Governments	http://www.mag.maricopa.gov/
Continuum of Care	

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DOMESTIC VIOLENCE RESOURCES

Arizona Coalition Against Domestic Violence	www.azcadv.org
Family Violence Prevention Fund	www.endabuse.org
Maricopa Association of Governments	http://www.mag.maricopa.gov/about.cms
National Center for Children Exposed to Violence	www.nceev.org
National Coalition Against Domestic Violence	www.ncadv.org/
Partnerships Against Violence Network	www.pavnet.org/
Stop the Family Violence	www.stopfamilyviolence.org/
Support Network for Battered Women	www.snbw.org/

MENTAL HEALTH AND SUBSTANCE ABUSE RESOURCES

American Psychological Association On Line	http://www.apa.org/
Mental Health Association of Arizona	http://www.mhaarizona.org/
National Alliance for the Mentally Ill	http://www.nami.org/
National Council on Alcoholism and Drug Dependence	http://www.ncadd-phx.org/
National Institute of Mental Health	http://www.nimh.nih.gov/
Office of the Surgeon General	http://www.surgeongeneral.gov/
Substance Abuse and Mental Health Services Administration (SAMHSA) Office of Applied Studies	http://www.oas.samhsa.gov/nsduh.htm

YOUTH & FAMILY ISSUES

Arizona Children's Action Alliance (CAA)	www.azchildren.org
American Youth Policy Forum	www.aypf.org
National Center for Children in Poverty	http://www.nccp.org/
KidsCare information	http://www.kidscare.state.az.us/

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SENIOR RESOURCES

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(AARP) American Association of Retired Persons	www.aarp.org
Area Agency on Aging, Region I	www.aaaphx.org
First Gov for Seniors	www.seniors.gov
National Coalition on Mental Health and Aging	www.ncmha.org
National Council on Aging	www.ncoa.org
Regional Public Transit Authority	www.azdot.gov/PTD/RPTA.asp
National Long Term Care Ombudsman Resource Center	www.ltcombudsman.org