



Testimony of:

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Appearing on behalf of
Nueva Esperanza, Inc.
&
Esperanza USA

Thank you, Mr. Chairman. It is a genuine personal privilege to appear before you today representing Nueva Esperanza, Inc. and Esperanza USA. Should you have questions regarding the testimony I am about to read, my friends at Nueva Esperanza and Esperanza USA will gladly provide answers for the record following today's hearing.

Esperanza USA is a national association dedicated to serving the needs of Hispanics in America. Founded in 2003 as a wholly owned and operated subsidiary of Nueva Esperanza, Inc., Esperanza USA hosts the National Hispanic Prayer Breakfast and houses all of Nueva Esperanza's national operations.

The largest of all Esperanza USA's national programs is The Hispanic Capacity Project. Established with receipt of the second largest grant awarded from HHS' Compassion Capital Fund, the Hispanic Capacity Project provides technical assistance to Hispanic faith-based and community organizations nationwide helping them identify and meet the needs in their communities. During the first year of the grant, operations were established in Central and Southern Florida, Southern California, New York City, Philadelphia, Northern and Southern New Jersey. Over 150 faith-based organizations are participating in the project. These organizations collectively operate over 215 separate service ministries spanning the range of social and human service delivery.

The Hispanic Capacity Project forms the foundation for all other national initiatives.

Other national programs include Hogares de Esperanza (Homes of Hope), Esperanza USA's national home building initiative and Pacto de Esperanza (Pledge of Hope), the

first national HIV/AIDS initiative targeted at the Hispanic faith community. National mortgage counseling and employment programs are currently being developed.

Nueva Esperanza, Inc. (Nueva), Esperanza USA's parent organization, is the largest Hispanic faith-based community development corporation in the United States. Founded in 1987 by Rev. Luis Cortés together with Philadelphia's Hispanic Clergy, Nueva operates an impressive array of programs addressing the problems faced by the Hispanic community.

Headquartered in Philadelphia, Nueva operates an impressive array of social service and educational programs including a charter high school, a junior college and a campground for inner-city children. Nueva has built and rehabilitated over 100 single-family homes, helped more than 1700 families obtain their first mortgage and enrolled over 600 individuals in Nueva's job training programs. A \$28 million economic development project is underway to create a Latino Corridor in North Philadelphia transforming vacant lots and abandoned buildings into a vibrant commercial corridor surrounding by new and renovated homes.

A tribute to the vision of its leadership, Nueva Esperanza has become one of the leading voices for Hispanic Americans. In developing programs targeted to address the many unmet needs in Philadelphia's Hispanic community, Esperanza USA has become a leader in building Hispanic owned institutions nationwide.

The overriding lesson of the past twenty years of providing services in Philadelphia and this past year establishing national operations and working to build the capacity of Hispanic faith-based and community organizations across the country is, quite simply but very clearly, that public funds can be used effectively by the faith community to deliver services to serve the needy and further serve the public good. When the faith community and the government are brought together as partners, services are delivered more efficiently to those in need. And, most importantly, service delivery takes place well within the confines of the law.

An equally important lesson is that a thorough educational process is essential to educate the faith community on the process and the specifics required to adhere to the confines of the law. The Hispanic faith community is a newcomer to the world of federal funds. In many cases services have been funded in the past solely by private funds. The need to establish and maintain the separation of church and state is often a new concept and a new reality for many.

The central purpose of the educational process is to make clear the limits of and restrictions that accompany receipt of federal resources. The faith community needs to be clear that federally supported faith-based initiatives are not about proselytizing and religious education. Potential program participants can then make an educated choice to participate or not. Should they feel their service delivery would be compromised by restrictions, they can choose not to participate. Should they believe that the good that can be done with the federal funds outweighs the restrictions, they choose to participate.

This educational process needs to be two-fold, however. The largest obstacle encountered in recent years is the administrative uncertainty about the realities of service delivery within the confines of separation of church and state. Thus, the second fold of the educational process is to educate the various bureaucracies about the realities and genuine benefits of federally funded faith-based programs. Bureaucracies and bureaucrats by definition are risk averse and subject to repeating past patterns of behavior that have not raised concern or criticism. A continued educational process illustrating the success of federally funded faith-based programs and the ease with which the law can be followed is essential if we are to continue to reach those who have been left behind by all previously existing agencies and structures.

A second very real obstacle faced most especially by the Hispanic faith community is that ours is a system stacked against those who are not as sophisticated as others with past relationships and experience working with government. Many of the most effective agencies are affiliated with small congregations closely connected to the local community, in touch with individual families' lives --- who might be in need but too proud to come in for help.

This reality underscores the imperative of finding intermediaries, such as Esperanza USA, who have legitimacy with their constituencies, intermediaries that can navigate the intricacies of federal rules and guidelines. As we move forward it is critical to identify and ensure access for intermediaries who understand federal realities and can

act as broker on behalf of those unable to compete. It is equally critical that as intermediaries are identified that processes are in place to assure that these intermediaries have true grassroots operations rather than the more traditional Washington-based networks.

A third obstacle faced primarily by the Hispanic faith community is the experience of being the “new kid on the block.” Other minorities and constituencies have decades of experience receiving federal funds. With little, if any, increase in funding availability, bureaucracies are faced with a choice --- either continue to fund those who have been funded and performed adequately in the past or reduce their funding and take a chance on the “new kid,” essentially untested and relatively unknown. More than just our original discussion of the need to educate the bureaucracies, very real policy decisions must be made at the highest levels of government to support the work of those serving the “new kids on the block.”

Thank you again, Mr. Chairman, for the opportunity to appear before you today.