

Ladies and Gentlemen:

My name is David Wolin, and I am a partner in the law firm of Willkie, Farr & Gallagher. I am testifying today on behalf of our client, Habitat for Humanity International, which we represent on a pro bono basis. My purpose in testifying today is to describe Citicorp's involvement in Habitat's innovative securitization program to raise additional funds to build more low income housing and to describe the Traveler's Group's program for providing low cost homeowner's insurance to Habitat families.

A. Background of Habitat for Humanity

Habitat for Humanity was founded in 1976 to build and sell simple decent homes at no profit to low income families who are not eligible for conventional financing. Those families finance their homes with a no-interest mortgage to Habitat.

In the United States, the Habitat for Humanity program is run by 1,450 local not-for-profit affiliate in different communities. In 1997, Habitat affiliates built, repaired or renovated 3,717 houses. The typical mortgage is for twenty years and the average combined monthly payment, including taxes and insurance,

is \$290. Typically, family income for a Habitat family of four ranges from just under \$11,000 to under \$21,000.

Although the homes are generally built by volunteers, the affiliates are limited in the number of homes they can build because of a lack of funds.

B. Habitat for Humanity's Securitization Program

Citicorp has been active in helping local affiliates raise money and by providing volunteers.

In particular, Citicorp has purchased bonds in Habitat's securitization program which is converting Habitat's portfolio of mortgages into cash to build additional housing. The Affiliates hold millions of dollars in zero interest mortgages which previously were illiquid assets. With approximately 18,000 mortgages held in the United States, the total potential pool of Habitat mortgages is approximately 500 million dollars.

Habitat's goal is to raise 100 million dollars for its affiliates through this program over the next five years. To date, 25 affiliates have raised approximately 5 million dollars to build new homes. Habitat for Humanity International is expecting to make its next offering of bonds in the fourth quarter of 1998. The bonds pay interest at a below market rate to its investors.

Citicorp has already invested \$400,000 in low interest bonds that were secured by mortgages issued by the Rochester, New York and Washington, D.C. affiliates. By providing the necessary liquidity for these affiliates, Citibank has allowed their programs to expand.

For example, the Rochester affiliate has been able to expand the types of services it provides. For years, the Rochester affiliate had been trying to establish a program to rehabilitate homes in its community, in addition to its building new homes. However, it had been unable to raise the funds for the rehabilitation program. Using Citibank's investment in the Habitat bonds, the Rochester affiliate has been able to institute the long-awaited rehabilitation program. In addition, Citicorp has provided direct grants to the Rochester affiliate and permits its employees to take time off to work on Habitat homes.

Citibank has made a commitment to Habitat that it will continue to invest in bonds which are secured by mortgages held by affiliates in one of Citibank's service areas. Through Citibank's commitment to the securitization program, affiliates in Citibank's service area have needed liquidity which allows them to provide more homes with low income families.

C. Homeowner's Insurance Program.

In addition, Habitat has worked with Traveler's since 1993 to provide low cost homeowner's insurance to our partner families. Traveler's currently insures approximately one-third of all Habitat homes in the United States.

Traveler's program has helped to alleviate the difficult problem of Habitat families obtaining homeowner's insurance. Because Habitat homes are typically in low income neighborhoods and have low dollar values, many insurance carriers will not insure them. Some affiliates have even been unable to transfer ownership of the homes because the family could not to obtain insurance. Even when coverage was available, the policies only provided limited coverage, and the family had to pay substantially higher premiums than would be paid by homeowners in more affluent communities.

Traveler's policies are issued to the homeowners without any credit checks or limitations on home value. Traveler's coverage is even available to Habitat families in states where because of weather related problems, insurance is difficult to obtain. Under its program, Traveler's charges Habitat homeowner's its lowest rate for homes situated in that community.

The policies provide full replacement cost for the home and property, and \$100,000 in liability coverage. The typical homeowner pays between \$150 and \$250 per year for this coverage. Because the average Habitat homeowner earns

between 25% and 50% of the area median income, the low premium can be the difference between being able to afford a home or not.

In conclusion, I want to emphasize that Habitat for Humanity has been fortunate to work with Citicorp and Travelers in the past and is looking forward to a long term relationship with the new Citigroup.

Thank you



LONG ISLAND DEVELOPMENT CORPORATION

MONEY & TECHNICAL ASSISTANCE FOR SMALL BUSINESS



NASSAU OFFICE
NASSAU COUNTY DEPT. OF
COMMERCE & INDUSTRY
(516) 571-4160

SUFFOLK OFFICE
SUFFOLK COUNTY DEPT. OF
ECONOMIC DEVELOPMENT
(516) 853-4800

June 25, 1998

Federal Reserve Bank of New York
33 Liberty Street
New York, New York 10045-0001

Att: James K. Hodgetts, Sr. VP

Re: Proposal by Travelers Group, Inc. to
acquire Citicorp

Gentlemen:

Thank you for allowing me to testify at the public meeting regarding the above proposal. This shall constitute my written testimony. Long Island Development Corporation supports the proposed acquisition.

What is Long Island Development Corporation (LIDC)?

LIDC is a not-for-profit (501C3) economic development organization providing financing and technical assistance to small businesses in Nassau and Suffolk Counties, Long Island, New York. LIDC's members represent the economic development community of Long Island and include representatives of Citicorp. LIDC has made over 1,000 loans to LI small businesses under the following programs:

- SBA 504. LIDC is the US Small Business Administration's Certified Development Company under the SBA 504 loan program. Funds are provided to help small businesses acquire and renovate capital assets. LIDC's loans provide up to 40% of the project cost in a long term, subordinate mortgage at a low, fixed interest rate. Banks or other lenders provide 50% of the project cost and the small

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businesses provide equity of 10%. This scenario induces small businesses to expand, create and retain jobs and otherwise aid the economy. The 504 funding comes from debentures issued by the certified development companies nationwide, pooled and sold to major institutional investors. The pool is guaranteed 100% by the SBA. The program operates at a zero subsidy rate and receives no federal appropriations. LIDC approves, closes, services and liquidates the SBA 504 loans it makes to small business.

- New York Job Development Authority (JDA) (under auspices of Empire State Development Corp.). LIDC is the Long Island branch bank of the JDA. In small business capital asset projects where both SBA 504 and JDA financing are used, LIDC has authority to commit state funds. JDA loans provide long term, subordinate funds up to 40% of a project. JDA issues bonds to fund the loans. LIDC underwrites and approves the loans. JDA closes and services them.
- LI Defense Diversification Revolving Loan Fund (Defense RLF). The RLF is funded by grants from the Economic Development Administration (US Dept. Commerce) and NYS. The fund provides loans to help defense dependent manufacturers diversify. Applicants are required to undergo a self improvement process under the NYS Industrial Effectiveness Program. LIDC underwrites, approves, closes, services and liquidates these loans.
- LI Fisheries Assistance Revolving Loan Fund (Fish RLF). The RLF is funded by the EDA and NYS and provides loans to commercial fishermen and fishing related companies negatively impacted by pollution or regulation. Technical assistance is provided by Cornell Cooperative Extension. LIDC underwrites, approves, closes, services and liquidates these loans.
- Suffolk County HUD 108 Revolving Loan Fund. This is a fund to provide working capital to small businesses in Suffolk County, in depressed areas in need of revitalization. It is funded by Suffolk County and HUD. LIDC underwrites the loans for the county.
- Conventional Loan Placement. LIDC packages and places conventional loans (non government guaranteed) with banks and other lenders on a fee based basis.
- SBA 7A Packaging. LIDC packages and places SBA 7A loans for small businesses with banks and nonbank lenders. In some cases,

LIDC approves, closes and services the loans on behalf of the lenders.

- Hempstead Minority & Womens Micro Revolving Loan Fund. LIDC provides technical assistance for and underwrites loans for a local micro loan fund for minority and women owned businesses in the Town of Hempstead.
- In formation: LI Working Capital Loan Fund. Eleven area banks are lending \$12 million to LIDC to lend to targeted industries on Long Island in cooperation with technical assistance programs and loan loss reserve funds provided by NYS and Nassau and Suffolk Counties.
- In formation: DCC Growth Fund LLP. LIDC is a co-founder and limited partner in two new national Small Business Investment Companies which will provide small business venture capital for economic development.

In addition to lending, LIDC provides free counseling to small businesses to help them obtain and perform on government and other contracts under the LI Procurement Technical Assistance Program (PTAP). PTAP is funded by grants from the Department of Defense and local matching private sector sources. LIDC works with small companies to find them contracts, help them submit bids and assist them with performance issues. Under this program, LIDC has worked with 1800 small businesses on Long Island and brought over \$180 million in DOD contracts alone to very small LI companies. In this initiative, LIDC works with Black Women Enterprises on a national certification program for women owned businesses in cooperation with the Women Business Owners Corporation and Fortune 500 Companies.

LIDC is also active in community development and regional marketing. LIDC is a founder, financial and technical supporter of the Long Island Neighborhood Initiative (LINDI) which provides technical assistance to community based groups to accomplish projects in blighted areas. LIDC coordinates a regional economic development effort which promotes Long Island to a national audience. It is centered around a major sports event and televises Long Island nationally, promoting Long Island as a place to do business.

LIDC staff and members are active in a number of national, state, and local business, civic and charitable organizations and they interface with a number of the organizations testifying before this group on this matter.

What is LIDC's relationship with Citicorp and Travelers?

LIDC has no direct relationship with Travelers. Several of its small business borrowers have insurance with Travelers. LIDC does, however, have numerous interactions with Citicorp through its subsidiary Citibank NA:

- Douglas Asofsky, VP Citibank NA, has been a member of LIDC's voting board of directors since January 24, 1996. Michele DiBenedetto, VP Citibank NA, is a member of the procurement technical assistance program committee of LIDC.
- Citibank NA has participated in at least 21 of LIDC's financing projects with first mortgages in front of SBA 504 loans.
- Citibank NA has assisted LIDC in marketing its programs by sponsoring meetings, inviting LIDC representatives to speak before Citibank NA customers and potential customers, etc.
- Citibank NA is a participant in the LI Working Capital Loan Fund and is providing a \$1 million loan to LIDC under that fund. Citibank NA is also acting as lead bank in the venture.
- Citicorp has tentatively committed to providing a \$6 million investment in the new DCC Growth Fund LLP (national SBIC's for venture capital for small business).
- Citibank NA is a founder, major funder and participant in LINDI.
- Citibank NA provides an annual grant to the LI PTAP.

Why does LIDC support the acquisition of Citicorp by Travelers Group Inc.?

- The acquisition will result in a large increase in funds committed by Citicorp to small business and community development. Citicorp has pledged \$115 billion (twice its domestic deposits) for community initiatives. This will greatly increase Citicorp's participation in the SBA 504 program as a first mortgage lender. It will also increase the conventional and SBA 7A loans available to small businesses on Long Island. Initiatives such as LINDI which help to revitalize blighted areas will be increased as a result of this commitment.

- The acquisition will create a direct tie between the insurance products offered by Travelers and the lending by Citicorp. This will increase the availability of insurance products such as bonding to Long Island small businesses. Ability to bond contracts is a major need of small businesses seeking to expand and do government contracting work.
- The acquisition will give the Citicorp small business lenders access to a variety of products and services which can benefit the small business customer. For example, Travelers investment banking and other finance businesses provide the knowledge to create innovative financing products (such as securitization of small business loans) for small business.
- The acquisition will provide increased accessibility for small business customers to Citicorp products via the Travelers agents network. Instead of having to go to a Citibank NA branch for service, a customer will be able to work through its insurance agent's office.
- Due to the acquisition, an office of financial literacy will be created which will increase the knowledge base of the small business person as well as the individual consumers. It will also spread information about financial products available including those offered by LIDC and other government programs.

For all these reasons, LIDC supports the proposed acquisition of Citicorp by Travelers Group Inc.

Thank you for your courtesies.

Very truly yours,

LONG ISLAND DEVELOPMENT CORPORATION

Roslyn D. Goldmacher
Executive Director
RG/

Disclosures:

Roslyn D. Goldmacher owns 100 shares of the Travelers Group Inc. in a retirement account. There also may be mutual funds held by her or in the LIDC pension plans which own shares of Citicorp or Travelers.

FEDERAL RESERVE BANK OF NEW YORK

RE: PUBLIC MEETING REGARDING THE PROPOSAL BY TRAVELERS GROUP INC. TO ACQUIRE CITICORP.

LOCATION: Federal Reserve Bank of New York. 33 Liberty Street NYC 12th. Fl.

TESTIMONY - PANEL # 14 June 25, 1998

PRESENTED BY: Dr. M. Vicki Wacksman, President & CEO

New York State Association of Black Women Owned Enterprises Inc.

730 Fulton Avenue. Hempstead, NY 11550 (516) 485-5900

My name is M. Vicki Wacksman. I am the President and CEO of the New York State Association of Black Women Owned Enterprises Inc. The Association is known publicly as Black Women Enterprises or BWE. Black Women Enterprises is the outreach and service division of the organization. For the purposes of this testimony, I will refer to our organization as BWE.

I am here this afternoon, on behalf of the BWE Board of Directors and our 625 members, to share some of the experiences our organization has had with Citibank over the years. It is our hope that these experiences will assist your deliberations related to the proposed Travelers Group, Inc. acquisition of Citicorp.

Black Women Enterprises, ("BWE") is a nonprofit, statewide, 501 (c) 3 organization, established in 1993 and located in Hempstead Long Island. The 1991 Croson Report was the catalyst for the founding of the organization. The report studied the awarding of contracts to women and minorities by New York State agencies. The report revealed that the greatest disparity fell upon Black women owned firms.. To reverse this trend, a group of progressive Black women business owners established BWE.

The mission of BWE is *to remove barriers that impede the success of Black women who desire to start or expand a business.* Our mission is achieved through the delivery of a comprehensive Monday-Friday, 10-6 p.m., counseling, technical assistance and training service to BWE members. The organization started in November 1993 with 25 members. Today, four and one-half years later, we have over 625 members. We remain the only organization in New York State to

specifically target the disparity issues affecting Black women owned firm: the State's largest group of minority women owned enterprises. The chart below, presents data provided by a 1998 report by the National Foundation of Women Business Owners. It describes the enormous gap that exists between Black women owned enterprises and enterprises owned by Caucasians, Hispanic, and Asian women.

**Comparison between Women Owned Businesses in New York State
by number of firms, employment and sales FY 1996**

<u>Group</u>	<u># Firms</u>	<u># Employees</u>	<u>\$ Sales</u>	<u>Sales Average</u>
All Women	527,000	1,365,200	\$ 205,639,300 (205.6 billion)	\$ 390,000
White	437,100	1,277,000	191,918,000 (191.9 billion)	439,000
Asian	27,700	36,800	7,258,500 (7.3 billion)	262,000
Hispanic	27,900	40,800	4,319,000 (4.3 billion)	155,000
Black	34,300	10,600	2,143,800 (2.1 billion)	63,000

Its important to note, that all women and minority owned enterprises fall at the bottom rung in overall sales. However, it is important to our mission to show that the targeting of Black women owed firms in economic development is not race-based but need driven. Black women owned firms average \$63,000 annually in sales while their Hispanic, Asian and Caucasian counterparts average from \$155,000 to \$439,000

Since opening our door for services in January 1994, BWE has sponsored 84 workshops in small business planning and management, provided over 2,000 hours of individualize technical assistance and business development coaching and in 1997, piloted a Corporate Procurement and Technical Assistance Program. This program makes a frontal attack on the disparity we talked about earlier by helping our members win corporate contracts. Our goal for Phase I was \$700,000 in contract awards and we achieved \$1,619,000. We are finally getting a handle on how to help small micro businesses compete effectively and we hope to double and triple these achievements in the coming year.

BWE's achievements would be far less without the help and support from Citibank. In establishing the organization, we broadly reached out to government and the corporate community to assist the funding and implementation of our mission.

Citibank was among the first to respond. To assist our outreach and start-up service delivery, Citibank donated \$20,000. They also invited us to attend some of the community development and revitalization training that Citibank offers which broaden our perception, skills and knowledge about economic development and revitalization issues. We needed to get our mission before legislators, especially those serving minority communities. Citibank assisted this need by sponsoring our BWE Legislative Reception that is held in Albany each year during the Black and Puerto Rican Caucus Weekend. We cannot achieve our mission without advice and guidance in identifying easy to use resources from the private-sector. We formed a Corporate Advisory Board for this purpose. Citibank accepted our invitation to join and actively assist the planning and implementation of all BWE programs including the Corporate Procurement and Technical Assistance Program. Each year they provide \$5,000 to assist our cash match requirement for grants we use to support overall program delivery. We have attached a newsletter, brochure and a calendar of events to illustrate how we have leveraged this important help into a comprehensive service delivery.

Thus, Citibank has truly been an excellent partner. It provides BWE invaluable assistance. From the very beginning of our relationship, Michelle DiBenedetto, Citibank's Vice President for Government and Community Relations and CRA Officer for Long Island, provides advice on a regular basis. She has encouraged us to reach out to other lending institutions for support and assistance. As illustrated in our newsletter, this outreach has fostered a variety of helping relationships with other banks.

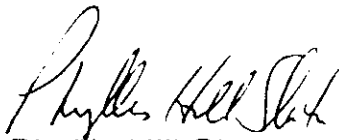
We feel certain that the Citibank/Travelers acquisition will result in greater opportunities for the entire community and especially for small minority and women-owned businesses. Our members say that Citibank "listens and provide real guidance in business finance". We know, first hand, that Citibank knows how to help people who need help the most and have the capacity to do so while maintaining the integrity of a helping relationship.

We sincerely hope that this testimony will provide decision makers a clearer insight into the people behind the name Citibank and ask that the proposed acquisition request be granted. We feel confident that the combined strength of Trav-

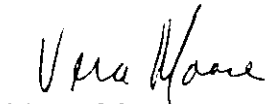
elers and Citicorp will enhance their capacity to support to assist women and minority in their quest to participate more fully in economic development.

Thank you for the opportunity to share our views.

BWE Board of Directors and Founding Officers:



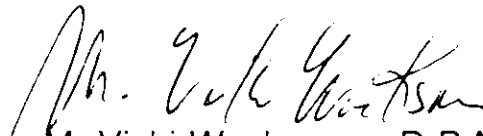
Phyllis Hill Slater
Chairperson



Vera Moore
Vice Chairperson



Viola Newton
Secretary/Treasurer



M. Vicki Wacksman D.P.A..
President and C.E.O.

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Its important to note, that all women and minorities enterprises fall at the bottom run in overall sales in our great State. However, it is important to our mission to show that the targeting of Black women owed firms in economic development are not race-based but need driven. Black women owned firms average \$63,000 annually in sales while their Hispanic, Asian and Caucasian counterparts average from \$155,000 to \$439,000

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development and revitalization training that Citibank offers which broaden our perception, skills and knowledge about economic development and revitalization issues. We needed to get our mission before legislators, especially those serving minority communities. Citibank assisted this need by sponsoring our BWE Legislative Reception that is held in Albany each year during the Black and Puerto Rican Caucus Weekend. We cannot achieve our mission without advice and guidance in identifying easy to use resources from the private-sector. We formed a Corporate Advisory Board for this purpose. Citibank accepted our invitation to join and actively assist the planning and implementation of all BWE programs including the Corporate Procurement and Technical Assistance Program. Each year they provide \$5,000 to assist our cash match requirement for grants we use to support overall program delivery. We have attached a newsletter, brochure and a calendar of events to illustrate how we have leveraged this important help into a comprehensive service delivery.

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Thank you for the opportunity to share our views.

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M. Vicki Wacksman D.P.A..
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BREAKING THE CYCLE

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Community Shows Progress On Pregnancy Goals

Births to Hartford teens dropped significantly in 1997 over 1996 in all three age categories targeted for reduction by *Breaking the Cycle*. For the first time in two decades, teen births dropped below 20 percent of total births in the city.

Teen births declined in almost every Hartford neighborhood during 1997. Beyond improvements throughout the city and in every age category, the data also show that Hartford substantially exceeded goals set by *Breaking the Cycle* in November 1995.

"We're very pleased with this development," said Hartford Action Plan President Don Wilson. "The community's work is paying off."

"This progress is very good news for Hartford," said Deputy Mayor Frances Sanchez, "but now we need to work even harder. We have to keep the numbers going down," Sanchez said, "and not let what happened in other places happen to us. They got the numbers down and then forgot about it and within a year they were way back up there."

Breaking the Cycle believes that credit for the progress belongs to the multiple efforts made by many individuals and groups throughout the city. Some campaign partners are already making plans to expand their work.

"The Postponing Sexual Involvement program has made a significant difference in the lives of both our fifth grade participants and our high school teen leaders," said Special Assistant to the Superintendent Jacquelyn Hardy. "For this reason, we are working to hire additional health educators and bring PSI to more schools next year."

The city Health Department's epidemiologist is working with *Breaking the Cycle* to further analyze the data. In addition, *Breaking the Cycle's* partners are collecting more information about existing youth programs that could help impact teen pregnancy.

The data on teen births in 1997 were acquired through the Hartford Health Department's participation in *Breaking the Cycle* and are considered preliminary until validated by the state.



Margaret Benson (l) and Elizabeth Carrasco (r) accept an award on behalf of Project YES (Youth Educating for Success). Project YES was one of many organizations and individuals honored by *Breaking the Cycle* for teen pregnancy prevention work. Story and photos, page 2. (Photo by Phillip Fortune)

Year	Mother's Age			Total Hartford births to teens	Total Hartford births (all ages)	% births to teens
	Under 15	15 - 17	18 - 19			
	1996	18	240			
1997	11	190	238	439	2,204	19.9%
% of Decrease	-39%	-21%	-10%	-16%	-2%	-14%

TEENS FIND CHALLENGES, REWARDS TEACHING PSI

Teens from Bulkeley, Hartford Public, and Weaver High Schools are teaching the Postponing Sexual Involvement (PSI) curriculum to Hartford fifth graders for the second year. PSI helps fifth graders develop the attitudes and skills they need to resist peer pressure and avoid becoming sexually active at too early an age.

Breaking the Cycle asked teen leaders from all three high schools to talk about what teaching PSI has meant to them and to their students. We will print additional essays in future editions of the Breaking the Cycle Progress Report.

curiosity, to understand social pressures, and to resist peer-pressure. Participating in this program has given me a sense of pride. I know that what I say and how I say it can make a difference in a child's life. I have been a teen leader since PSI began. The training was rigorous and I could never seem to put in enough time. My first class was nerve wracking. I didn't know how the fifth graders would react. Luckily, they were one of the best classes I've ever had. When I spoke, they listened, and they'd ask me questions if they didn't understand. They liked us, my teaching partner and I, and we liked them. So that's the best part of this program.

"I KNOW THAT WHAT I SAY AND HOW I SAY IT CAN

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1. Elizabeth Carrasco (l) and Natesha Burton (r) of Project YES role-play a mother-daughter conversation about sex.
2. Deborah Campagna, Vice President of the Connecticut Children's Medical Center Foundation (left) and Katherine McCormack, Director of Health for the City of Hartford (right) applaud *Breaking the Cycle* award recipients.
3. Dr. Ramón Rojano, Hartford Director of Human Services, introduces Project YES.
4. Hartford Deputy Mayor Frances Sanchez (left) talks about her involvement with *Breaking the Cycle* through the City Council, the Hartford Public Schools and the Hartford Action Plan. Action Plan President Don Wilson looks on.

5. Connecticut State Representative Annette W. Carter helped *Breaking the Cycle* secure state funding for teen pregnancy prevention work in Hartford.
6. Hartford Action Plan President Don Wilson (left) thanks WTIC-TV/Fox 61 General Manager Jerry Martin (center) and Public Relations Director Chris Moses (right) for the station's support. Fox's pro-bono PSA encouraging parents to talk with their children about sexuality and values is currently airing on television stations throughout the Hartford market.
7. Members of Project YES (Youth Educating for Success) display their recognition award. *Breaking the Cycle* recognized Project YES for its community presentations on parent-child communication. Left to right: Natesha Burton, Norma Velázquez, Beverly Ryan, Margaret Henson, Elizabeth Carrasco, Julianne Gonzalez, Maria Castillo.

All photos by Phillip Fortune

CAMPAIGN HONORS ORGANIZATIONS, STUDENTS, CORPORATIONS

Hartford Public High senior Natesha Burton, Fox 61/WTIC-TV, and the Travelers Foundation were among 50 groups and individuals honored by *Breaking the Cycle* for contributions to teen pregnancy prevention at BTC's 1997 awards luncheon. Burton, an honors student and athlete, is a Postponing Sexual Involvement (PSI) team leader and a Project YES member.

Rep. Carter helped secure state funding for teen pregnancy prevention in Hartford. Carol Jackson-Lawhorn provided leadership to launch PSI. Hartford Deputy Mayor Frances Sanchez has championed *Breaking the Cycle* throughout the city.

Others recognized for individual contributions to *Breaking the Cycle* include:

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Teens Find Challenges *(continued from page 1)*

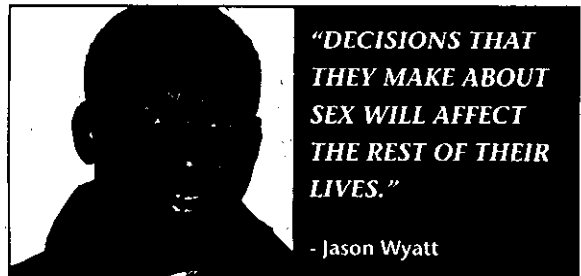
ATTITUDES about sex, BUT it's NOT OK to HAVE sex.
 Being a teen leader has given me more than I could have imagined. It has helped me career-wise. It has given me skills in reading and analyzing the curriculum. I have learned how to prepare for a class and how to deal with students. All this has given me confidence and experience I will be able to utilize as a future classroom teacher. My Spanish has improved because I have taught two bilingual classes. My oratorical skills have improved. Most importantly, I have become a better person.

Hartford has one of the worst teen pregnancy problems in the nation. Through this program teen pregnancies can decrease. I was born in Hartford and I've lived here all my life. I know that there is hope out there. I have put a lot into this program and I know that my effort will help break the cycle of babies having babies.

Jessica CasteBlanco is a Bulkeley High School junior and has been a PSI teen leader for two years. She is a National Honor Society member & plans to pursue a career in education.

BY JASON A. WYATT

To me, PSI is making the future better. It motivates our younger generation to be more aware of the dangers of having sex. As one of the 30 PSI teen leaders in my school, I am in the program to lower Hartford's alarmingly high preteen and teen pregnancy rates and to reduce the casual sex prevalent among these young people. Each Tuesday, I look forward to attending our PSI training meetings. Then on Wednesday when I am assigned to teach at SAND Elementary School, I bring an important message to the fifth grade students. I enjoy motivating them to make wise decisions about when they should become sexually active. I believe the decisions that they make about sex will affect the rest of their lives.



Because I plan to have kids one day, I don't want to have to worry about them growing up in a sex-crazed world where preteens and teens struggle with the many painful consequences of having sex at an early age. One way for me to make a difference and ensure that this scenario won't happen is to go out and share information with the younger generation coming up behind me. PSI gives me the chance to do just that. I like being part of it.

Also, PSI develops a keen sense of responsibility in us teen leaders. We soon discover that although teaching is rewarding, it is not an easy thing to do. Just like anything else in life, we get back as much as we put into it. We see that our hard work produces positive results. Spending the time to prepare for teaching determines if we succeed or fail at presenting PSI to the fifth graders.

As PSI teen leaders, we are committed to attending weekly meetings, studying our materials, preparing lessons and visuals, and showing up on time to teach. Our sense of responsibility and our presentation skills have both increased as a result. Many of us joined the program to help fifth graders, but found out that it benefited us just as much.

Jason Wyatt is a junior at Hartford Public High School where he is also an all-conference football player. This is his first year as a PSI teen leader.

BY MORGAN ROANE

In my high school being pregnant is a fashion statement. We have girls walking the halls with their jeans unbuckled because their pants can no longer accommodate the size of their bellies. There are girls boasting about receiving public assistance. There are girls fighting over a certain boy who has fathered both of their

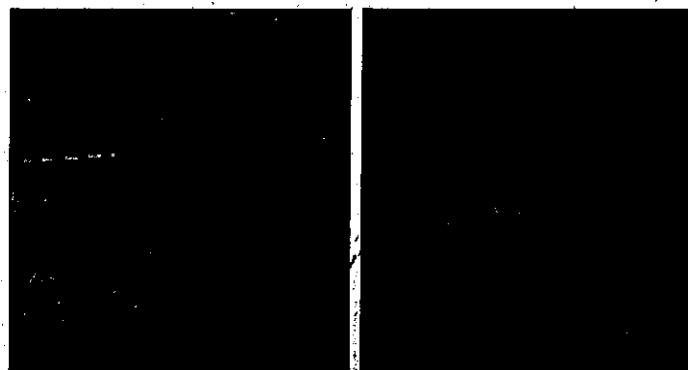
certain life. Every day is a struggle. Her life as a teenager ended abruptly.

Having observed the consequences of teenage pregnancy, I decided to come a PSI teen leader. By focusing on fifth graders, we catch students while they are thinking about sex but may not have acted on their feelings.

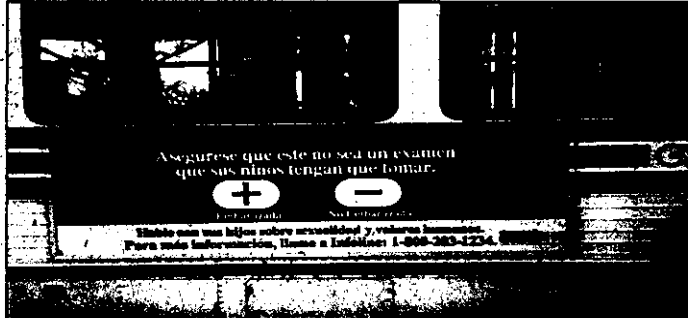
PSI teen leaders do not preach. Rather our purpose is to foster understanding and dialogue. We use videos, art, and group discussions to address issues like peer pressure, the importance of abstinence, and the consequences of premarital sexual involvement. We role-play tricky situations students might find themselves in and suggest ways to get out of them. I often ask my students, "If your friend is forcing you to do something, is he/she really your friend?" I tell the students, "Sometimes making the right choices means losing the wrong friends." Our goal is to tell the students never to have sex or to scare them, but to let them know the best thing to do is postpone sex until they are responsible.

I have participated in PSI for three years now and enjoy every minute. It's a wonderful feeling to know you have made a positive impact on a young person. We do not reach everyone, but we are making a difference. It is my hope that a program like this one will help make teenage pregnancy a fashion faux pas.

Morgan Roane is a senior at Weaver High School and will begin college in September. An earlier version of her essay appeared in the Hartford Inquirer.



*(Left) Marketing consultant and Public Awareness Work Group member Ana Alfaro introduces Breaking the Cycle's "Let's Talk" campaign to the media. (Staff photo)
 (Right) Bulkeley High School Teen Leader Gladys Santiago talks about the need for good communication between parents and children about sexuality. (Staff photo)*



(Above) Breaking the Cycle's "Let's Talk" campaign gets rolling on CT Transit. The message in English reads: "Make this the one test your kids don't have to take. Talk with your child about sexuality and values. For information, call Infoline: 1-800-293-1234." (Photo courtesy P&C Media.)

Breaking the Cycle tells parents, "Let's Talk"

Partnership finds success with first media effort

Breaking the Cycle's first public awareness campaign has attracted positive response in Hartford and around the state of Connecticut. Launched in December 1997, the campaign includes public service announcements and ads on television, radio, and public buses that encourage parents to talk with their children about sexuality and values. The initiative, known as Breaking the Cycle's "Let's Talk" campaign, includes materials in both

of children having children having children having children having children

National Expert On Sexuality Training Speaks On What Works To Prevent Teen Pregnancy

As keynote speaker at *Breaking the Cycle's* 1997 awards luncheon, Barbara Huberman challenged Hartford to maintain and build upon its commitment to teen pregnancy prevention. Huberman, an international expert with 25 years' experience in the field of adolescent sexuality, is Director of Training at Advocates for Youth and a board member of the National Campaign to Prevent Teen Pregnancy.

Huberman praised BTC's effort to involve every sector of the community and to focus on setting measurable goals. Huberman also emphasized the importance of insuring access to contraceptive services, noting that nationally 80 percent of youth are sexually active during their teen years.

Just back from a European fact-finding mission, Huberman noted reasons for Europe's low teen pregnancy rate as compared to that of the United States. First, most European countries provide all youth with access to balanced, accurate sexuality education that helps them make informed decisions. Second, most European teens have access to free health care, including family planning services not easily accessible to U.S. teens. Finally, reproductive health policy in Europe focuses more on contraception than on so-called "abstinence only" approaches.

While in Hartford, Huberman also met with BTC partners, including staff, volunteers and teens from the PSI program, Project YES, and many other Hartford youth organizations. With support from the Annie E. Casey Foundation, Huberman has also been a consultant to the Hartford Action Plan's Plain Talk/Hablando Claro program, helping the program develop its services for sexually active teens and their parents.



Adult Health Leader Cindi Avezzi (left) and Advocates for Youth Director of Training Barbara Huberman (right) discuss *Breaking the Cycle* and services for sexually active teens. (Photo: Phillip Fortune)

Teen Friendly Clinics:

IMPROVING SERVICES TO SEXUALLY ACTIVE TEENS

To reduce teen pregnancy in Hartford, *Breaking the Cycle* must improve reproductive health services for sexually active youths. To achieve this, *Breaking the Cycle* is working with health providers throughout the city to develop comprehensive reproductive health services for teens, including "teen friendly" reproductive health clinics. What makes a clinic "teen friendly?" How do reproductive health services for teens fit into *Breaking the Cycle's* overall strategy? Read on to learn more.

HOW TO MAKE REPRODUCTIVE HEALTH SERVICES MORE "TEEN FRIENDLY" IN HARTFORD:

Include reproductive health care for teens as part of primary care and make it a regular part of annual physical exams for all teens;

Make sure that all clinics providing reproductive health services to teens:

- have visible signs and be located in a place easily accessible to teens;
- reach out to teens through advertising, attending community events, and networking with schools, agencies and community organizations;
- assure teens that the clinic is confidential;
- train staff to reduce the risk of sexually transmitted infection;
- have staff that can provide counseling, testing;
- be open during convenient hours, including afternoons, evenings and weekends;
- have staff and policies to make teens feel comfortable and respected;
- offer confidential low-cost services;
- allow wait times and don't keep teens waiting during appointments;
- have staff that speaks the language and understands and respects the culture of the teens who use the clinic;
- offer the full range of age-appropriate services including education; counseling, birth control, and testing for pregnancy and STDs.

Because teens are teens and not adults, parents, other responsible adults, schools, and the broader community must also identify

TRAVELERS TAPS BREAKING THE CYCLE AS PROGRAM OF THE YEAR

The Travelers Foundation selected *Breaking the Cycle* as its program of the year for 1997.

Travelers, a supporter of *Breaking the Cycle* since its inception, took a particular interest in the Postponing Sexual Involvement Program (PSI) last year. Travelers Foundation staff from Hartford and New York attended PSI training sessions and met with PSI teen leaders on several occasions.

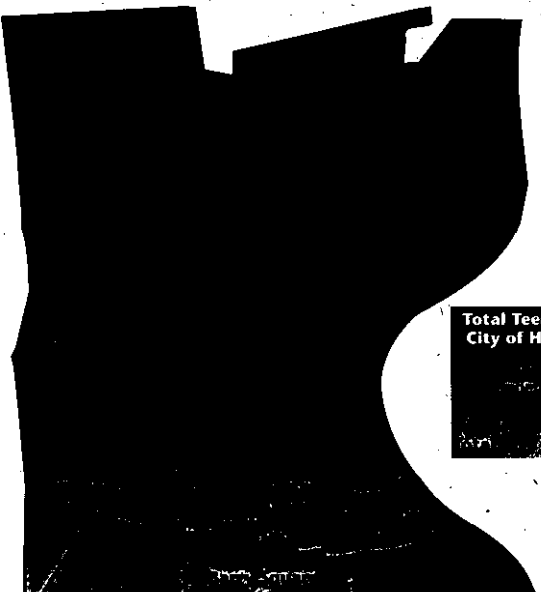
"We reviewed more than 100 programs that received grants from the Travelers Foundation and selected *Breaking*

the Cycle as our program of the year," said Travelers Foundation Manager Susan Glucksman. "There are a number of excellent, critically needed service organizations in our community, but this was an easy choice. It's a great program."

The award comes with an additional grant from the Travelers Foundation, which continues to support *Breaking the Cycle's* efforts in 1998.

Teen Births in Hartford, January 1 - December 31, 1997

Numbers on map at left represent total teen births for each neighborhood. For more detailed information, see charts below.



Total Teen Births City of Hartford
439

Asylum Hill
21
15
131
Total: 48

Frog Hollow
0
24
8
Total: 32

South Green
2
6
13
Total: 21

Barry Square
0
21
25
Total: 46

North Meadows
0
0
0
Total: 0

South Meadows
0
2
0
Total: 2

Blue Hills
2
9
19
Total: 30

Northeast
12
26
Total: 39

Southwest
0
1
8
Total: 9

Charter Oak/Zion
22
23
46
Total: 46

Parkville
11
24
Total: 24

Upper Albany
12
10
23
Total: 23

Clay/Arsenal
22
23
46
Total: 46

Sheldon/Charter Oak
11
24
Total: 24

West End
12
10
23
Total: 23