



CAFCA
Connecticut Association
for Community Action

**February 16, 2021 Public Hearing Testimony before the
Connecticut General Assembly's
Finance, Revenue and Bonding Committee**

Board of Directors

Peter DeBiasi
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(formerly ABCD)

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Michelle James
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Agency of Western CT,
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Marlo Greponne
Human Resources Agency
of New Britain, Inc.
(HRA)

Dr. James Gatling
New Opportunities, Inc.
(NOI)

David Morgan
TEAM, Inc.

Deborah Monahan
Thames Valley Council
for Community Action,
Inc. (TVCCA)

In support of

Senate Bill 873: An Act Mitigating Adverse Tax Consequences Resulting from Employees Working Remotely During Covid-19, and Concerning the Removal of Liens on the Property of Public Assistance Beneficiaries and a Three-Tiered Grants In Lieu Of Taxes Program.

Distinguished Chairpersons, Vice-Chairpersons, Ranking Members, and Members, my name is Deb Polun, and I am the Executive Director for the Connecticut Association for Community Action (CAFCA), the state association that works with Connecticut's nine Community Action Agencies (CAAs), the state and federal designated antipoverty agencies serving nearly 200,000 low- and moderate-income people in all 169 cities and towns across the state.

I write to express our support for Senate Bill 873, *An Act Mitigating Adverse Tax Consequences Resulting from Employees Working Remotely During Covid-19, and Concerning the Removal of Liens on the Property of Public Assistance Beneficiaries and a Three-Tiered Grants In Lieu Of Taxes Program*; specifically, sections 2-9 of the bill, which talk about the removal of liens on the property of public assistance beneficiaries.

CAAs connect their customers to essential programs and services like employment and training, housing and shelter, energy and heating assistance, early childhood care and education, asset development, and food and nutrition. Through a holistic, comprehensive, multigenerational approach, CAAs work with those in need to plan, achieve, and maintain a realistic path to short and long-term economic self-sufficiency.

Connecticut's policy of recovering public assistance by placing liens on the homes of former welfare recipients is not mandated by federal law, and we are one of the only states in the country doing it. This outdated, unfair practice disincentivizes residents who received public assistance in the past from building up their assets, becoming homeowners, and saving money for retirement lest the state come after them for reparations. In turn, this "poverty tax" perpetuates the cycle of generational poverty.

Connecticut's Community Action Agencies have fought to address the causes and conditions of poverty for decades, and work to remove barriers like this that hinder people from building a better and brighter future. Eradicating this measure is one step closer in attaining this goal.

In closing, I urge you to support S.B. 873. Thank you for raising this important bill and for your time and consideration.