

Finance, Revenue and Bonding Committee

Public Testimony of the Connecticut Women's Education and Legal Fund (CWEALF)  
S.B. 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

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The Connecticut Women's Education and Legal Fund (CWEALF) is a statewide nonprofit that advocates for and empowers women and girls in Connecticut, especially those who are underserved or marginalized. For forty-seven years, CWEALF has been a leading advocate for policy solutions to enhance women's economic security, combat discrimination, and increase gender equity in our state.

CWEALF also serves as an advocacy partner to Secure Jobs 2.0, multiyear program led by the Melville Charitable Trust and other philanthropic partners to increase the income of families transitioning out of homelessness by connecting them to the education, training, and supports they need to secure and maintain stable employment. In the program's pilot, 87% of participating families were female headed households.

CWEALF supports section nine of S.B. 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.*

Connecticut is currently one of just two states in the country that continues to require welfare recipients to pay the state back for the financial assistance they have received, which essentially treats welfare as a loan. The state places a lien on the recipient's assets and demands repayment when the person sells or refinances a home, receives a legal settlement or any inheritance, or dies and attempts to leave any inheritance to heirs.

A national study from 1973, concluded that Congress should prohibit all recovery in the federally funded cash assistance programs, and that states should also repeal the

requirement in General Assistance. Since the study, at least 30 states have followed that recommendation.

Prior to COVID, 9.9% of women in Connecticut lived in poverty, including 11.1% of Asian women, 13.9% of Black women, 22.8% of Latina women, and 17.8% of Native women.<sup>1</sup> More than 170,000 family households in Connecticut are headed by women, and roughly 24% of those families earn incomes that fall below the poverty level.<sup>2</sup> According to United Way's ALICE report, 48% of women under the age 65 earn incomes above the poverty threshold but below what is needed to afford household necessities including child care, transportation, food, and health care.<sup>3</sup>

The COVID-19 pandemic has also created a “shecession”, or an economic downturn where job and income losses are disproportionately affecting women more than their male counterparts. “[Essential Equity: Women, COVID-19 and Rebuilding Connecticut](#)” illustrates that since the beginning of the pandemic, women have filed the majority of initial and continuing unemployment claims. Women of color have been even more affected by the pandemic: more than 1 in 3 of initial unemployment claims filed by women were by women of color.

Without bold and intentional action this session, the lingering effects of the pandemic on women could take decades to reverse. CWEALF supports the repeal of welfare liens as stated in section nine of S.B. 873 to support low-income women and their families during and after the pandemic.

Connecticut does not treat other forms of assistance that support wealthier families or corporations as debts, including income tax credits and corporate welfare. To continue to collect “debt” from the state’s most vulnerable and poorest residents perpetuates the cycle of poverty.

CWEALF urges the Committee to take action on this issue to support families who receive cash assistance to reach economic sufficiency.

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<sup>1</sup> National Women’s Law Center. Women and Poverty, State by State. 2018. Retrieved from: <https://nwlc.org/resources/women-and-poverty-state-state/>

<sup>2</sup> See note 1

<sup>3</sup> <http://womenandgirls.ctdata.org/>