



Greater Hartford Legal Aid, Inc.  
Testimony before the Human Services Committee  
February 27, 2007  
Submitted by Lucy Potter  
Greater Hartford Legal Aid

S.B. No. 146: "An Act Creating an Earned Income Credit against the Personal Income Tax"  
S.B. No. 1156: "An Act Aligning the Food Stamp Motor Vehicle Rule with the Care4Kids Motor Vehicle Rule"  
S.B. No. 1221: "An Act Concerning State-funded Food Stamps for Legal Immigrants"  
Position: support all three

I am an attorney at Greater Hartford Legal Aid. I represent low income clients, many of whom are transitioning into work. I am speaking in support of three bills that will provide crucial support to help such families to maintain employment.

**S.B. 146** would create a state earned income tax credit. The federal earned income tax credit benefits over 150,000 Connecticut families each year and brought \$268 million into the state in 2004. It is a critical income supplement that benefits both the families and the communities where they spend their money. I have seen the direct benefit for clients who were able to put a down payment on a car, or pay a security deposit when they got their refund.

As the study that Program Review issued in December documented, the Temporary Family Assistance caseload declined by 66% over the past ten years. But many of these families are still struggling with low earnings and have a hard time maintaining employment. Those who transition from welfare to work face an "income cliff." When the cash supplement stops families must survive on their, typically low, earnings alone. Program Review's study recommended that Connecticut adopt an EITC to help counter this cliff and to provide additional support for the tens of thousands of families who no longer qualify for cash assistance.

Connecticut is alone among our neighbors in not having an EITC. I urge you to adopt a state EITC this year to

**S.B. 1156** increases the permissible value of a food stamp recipient's motor vehicle. Under present rules, a car's value up to \$4650 is excluded and the rest counts against the program asset limit of \$2000 (\$3000 if over age 60 or disabled.) This bill would essentially double the excluded amount of a car's value by increasing the exclusion to \$9500, as rules in the Care4Kids program permit. A car is a key to maintaining employment for most of us in Connecticut. It is time that this exclusion was updated to allow a food stamp recipient to drive a more reliable car.

**S.B. No 1221**, continues food stamps for legal immigrants. Immigrants comprise a growing part of Connecticut's labor force. The immigrant working population in Connecticut increased by 35 to 40% during the 1990s. About 20% of those employed in the food and service industries here in Connecticut are immigrants. The state food stamp program allows many of these workers to supplement their families' food budget. This bill would continue support for this important program, helping to ensure that these families have enough to eat.

