



**State of Connecticut**  
HOUSE REPUBLICAN OFFICE  
STATE CAPITOL  
HARTFORD, CONN. 06106

Good morning Chairs Bye and Willis, and Ranking Members Boucher and LeGeyt, and members of the Higher Education and Employment Advancement Committee. I am here to comment on SB 238, *An Act Expanding The Learn Here, Live Here Program*.

One of the largest issues facing Connecticut is the loss of our educated youth to other states due to our high cost of living and unfriendly business climate. Connecticut is currently ranked number one in the country in losing its educated youth to other states. If this problem continues, the long term effect will be disastrous. As young people flee the state, for opportunities afforded to them in others, our population will continue to grow older with fewer young professionals available to share the burden of paying taxes that help pay for services to our neediest citizens, thus placing further strain on the state's economic condition. The state simply cannot afford to lose its younger population.

Learn Here, Live Here is an initiative the House Republican Caucus is proud to have introduced numerous times over the past few sessions. The basic concept of the program is that college graduates pay income tax as they normally would; however, their tax liability would be set aside into something like a savings account for a period of 10 years. Within 10 years, the participating graduates could withdraw from their accounts to make a major purchase.

Last session, legislation was passed enabling the Department of Economic and Community Development to establish this program. The scope of the program as it stands today is extremely limited. The House Republican caucus is happy to support any proposal that expands the current program, including this bill which increases the overall dollar amount of the program from \$1 million to \$10 million. It retains all other aspects of the current program including the following:

- An individual limitation of \$2,500 each year
- Limited to public colleges and universities, as well as vo-techs
- Limited to purchasing a first home

In addition to expanding the overall program amount to \$10 million, I hope that the Committee might consider a few other changes to further enhance the program:

- Individual limited only by the amount of their state income tax liability, not \$2,500
- Expand to include graduates from private colleges and universities (which SB 78 does)
- Expand the use to include paying off school loans and starting a business

Our proposal will allow graduates to set aside 100 percent of their state income tax liability into a Learn Here, Live Here Account. The funds in their account will be accessible for up to ten years and could be used for buying their first home, paying off school loans, or starting a business in the state. If a graduate moves out of state, they are no longer eligible to contribute to the account. The account will remain open for ten years in hopes that the participant moves back to Connecticut and settles down to live and work here. Once ten years has elapsed, and the individual has not used the fund for any of its intended purposes, the money in the fund will be returned to the General Fund.

It is our hope this kind of program will keep our young professionals in the state. We believe that by expanding the current program beyond buying a first home to paying off school loans or starting a new business, we will be providing our young professionals with many options to keep them living and working in Connecticut. Their future success is in the best interest of the entire state.