

CONNECTICUT UNITED WAYS 2017 POLICY AGENDA



Shining a Light on Financial Hardship in Connecticut

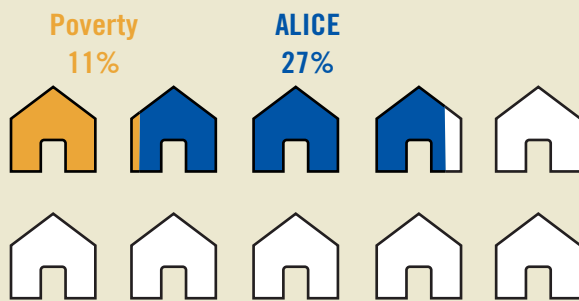
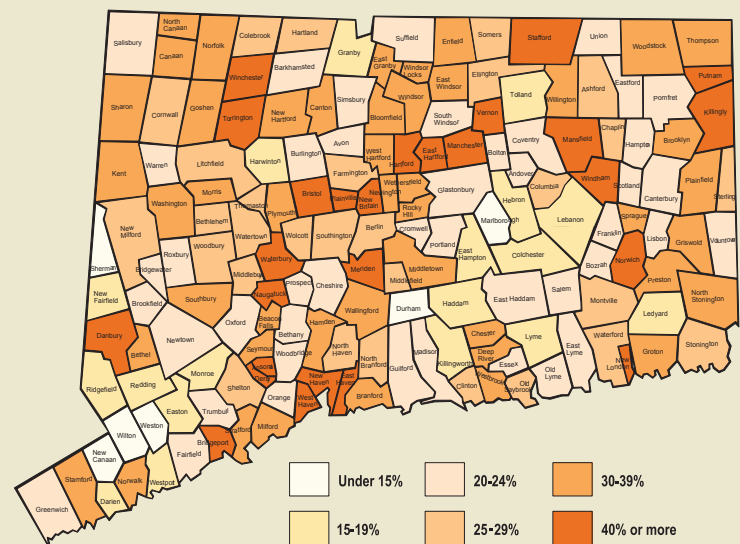


Connecticut United Ways are committed to addressing the challenges faced by many hard working families and individuals that struggle to make ends meet. More than one in four (27% or 361,521) households have earnings above the Federal Poverty Level but below a basic cost of living threshold. This population, defined as ALICE® (Asset Limited, Income Constrained, Employed), includes men and women of all ages, backgrounds and ethnicities that live and work in every town and city throughout our state and across the nation.

In collaboration with many dedicated community partners throughout the state, Connecticut United Ways aim to promote policies that boost the resiliency of these hardworking individuals and families by removing barriers that keep ALICE households from achieving financial security. In particular United Ways are collaborating to support and provide more free tax preparation at VITA sites, help in claiming Earned Income Tax Credits and Child Tax Credits, financial education and budget coaching and asset building strategies.

In October of 2016, Connecticut United Ways released the **2016 ALICE Update Report**, their second report on the true scope of financial hardship in Connecticut. The ALICE Update Report digs deeper into trends effecting ALICE households in Connecticut and provides a detailed examination of the causes and effects of financial insecurity, with the goal of informing public discussion of short and long-term solutions.

ALICE AND POVERTY HOUSEHOLDS BY TOWN



38% Households in Financial Hardship

Learn more about ALICE at <http://alice.ctunitedway.org/>

United Ways seek to put a face on ALICE – who may be our friends, neighbors, co-workers, and family members – and call attention to the challenges that ALICE faces in our state. United Way strives to be non-partisan and non-ideological in our advocacy work.

POLICY RECOMMENDATIONS

Drawing from the in-depth research in the 2016 ALICE Report and from the work of nonprofit, business, and government leaders, Connecticut United Ways offer the following policy recommendations to help working families and individuals that struggle financially. United Way will work with our government and community partners to promote the adoption and implementation of these and other policies which can help ALICE families achieve financial security.

CHILD CARE

Young families with an infant and toddler often spend more than 28% of their income on child care.



- Support changes in the federal and state law regarding child care subsidies that encourage stability in child care for each child with the recommendation that federal and state funding be increased to cover the cost of these important changes.
- Implement system changes in service delivery to better coordinate child care, adult job training and other services to address the needs of the whole family (Two-Gen initiative).
- Support efforts of Office of Early Childhood and the Early Childhood Cabinet to end chronic family homelessness by 2020.

HOUSING

Many ALICE households are housing burdened, spending more than 30% of their income on housing. On average, ALICE spends upwards of 20% of their income on housing.



- Increase the supply of affordable housing by supporting state capital financing and subsidies, offering incentives to encourage development in towns with a shortage of affordable housing; and, streamlining the permitting and development process. Affordable housing, connected to other services such as transit and child care will expand access to jobs and education.
- Preserve funding for critical housing and homelessness services and supports including Coordinated Access Networks for shelter diversion, rapid re-housing strategies, rental subsidies, and the creation of permanent supportive housing.
- Develop additional incentives for the creation of more multi-family rental housing for municipalities and for developers.

JOBS

Career advancement strategies are good for ALICE, good for Connecticut business and good for the state.



- Ensure the success of Connecticut's top industry sectors through the support of workforce development programs that focus on closing the skills gap and aligning with industry needs.
- Invest in non-degree technical courses that earn industry-recognized credentials directly linked to occupational opportunity in targeted industry sectors.
- Promote opportunities for "upskilling" to allow current employees to increase their skills and achieve higher wages.

FINANCIAL SECURITY

30% of Connecticut households are considered asset poor and 39% of households lack the liquid assets necessary to survive a financial shock.



- Support tax assistance preparation for lower to moderate wage earning families through efforts such as Volunteer Income Tax Assistance sites or My Free Taxes, a free on-line service; connect ALICE families to financial education and asset-building services.
- Address "benefit cliffs" for ALICE households when they earn more income so that the reduction of public benefits (Housing Vouchers, Care 4 Kids, etc.) is more gradual.
- Expand eligibility for the Earned Income Tax Credit to include low-wage workers not raising children and ensure low income working families with children can access the full amount of the Child Tax Credit.

If you have questions or would like to discuss this policy agenda further, please contact Richard Porth, CEO of United Way of Connecticut, at (860) 571-7501 or Richard.Porth@ctunitedway.org.

To walk in ALICE's shoes, go to www.makingtoughchoices.org.