Instructions: Thank you for providing your testimony! Please customize this sample testimony to tell your story. Replace or delete all areas with **red, bold text** with your information.

**Public Hearing Testimony before the Connecticut General Assembly’s**

**Finance, Revenue, and Bonding Committee**

**Regarding “S.B 981 An Act Concerning Revenue Items to Implement the Governor’s Budget”**

**April 3, 2023**

Dear Senator Fonfara, Representative Horn, Senator Martin, Representative Cheeseman, and members of the Finance, Revenue and Bonding Committee:

Thank you for the opportunity to testify in support of creating state tax policies that advance the needs of Connecticut’s ALICE families.

In order to better understand the real needs in our communities, Connecticut United Ways launched ALICE, which stands for **A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed. ALICE is a data-driven approach to provide reliable and realistic information on the cost of living specific to regions in Connecticut.

**Statewide, nearly 40% of households were living at or below the ALICE survival threshold *before* the pandemic**. ALICE lives in every city and town in Connecticut. More than 85% of Connecticut municipalities have at least 1 in 5 households who are ALICE – ALICE lives in urban, suburban, and rural Connecticut. ALICE is working hard, but not getting by. The 2020 ALICE Report demonstrated that a family of four with one infant and one toddler needed a household income of more than $90,000 a year to afford just their basic needs - that is $45.33 per hour. Adjusting for inflation, that same family now needs more than $110,000 a year just to afford the basics.

As a resident of **[insert town]**, Iam submitting testimony in support of creating a permanent state Child Tax Credit (CTC) *and* increasing the state Earned Income Tax Credit (EITC) to 40% of the federal credit as two proven and practical measures that *together* provide immediate relief to the hundreds of thousands of families in Connecticut who are struggling to make ends meet. I applaud Governor Lamont’s budget for proposing an increase to the EITC. But the EITC eligibility squeezes out two groups -- families with very low or no work income *and* families who earn more than $60,000 annually but who are still living paycheck-to-paycheck. That is more than 341,000 ALICE Connecticut households who will not get help to afford life's necessities because they either earn too little or too much income.

In my **[town/city/region]**, hardship is real. **[Insert a story about how you or ALICE families you know struggle to get by and/or how a Connecticut Child Tax Credit would make a difference. You can pull town-by-town testimony directly from residents about why the Connecticut Child Tac Credit matters** [**here**](https://alice.ctunitedway.org/wp-content/uploads/2023/04/Local-Resident-Feedback.xlsx)**]**.

Federal benefits have shrunk in recent months, including the federal Child Tax Credit and the Child and Dependent Care Credit. With record-high inflation, families have less money to spend for household essentials, like food, rent and transportation. In addition, many people are receiving $3,000 to $7,000 less in their income tax returns than they did last year. These losses add up.

This is a perfect storm for families who are working hard to get by. Connecticut can and must act to help families, the center of our communities and workforce, with an increased EITC *and* a permanent, refundable CTC.

Thank you to the committee for the opportunity to submit this testimony.

Respectfully,

**[First and Last Name]**

**[Town where you live or work]**