

Finance, Revenue and Bonding Committee

S.B. 21: AAC *A State-Wide Property Tax On Certain Residential Real Property*

S.B. 28: AA *Establishing A Capital Gain Surcharge*

S.B. 29: AAC *The Earned Income Tax Credit*

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

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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-eight years, CWEALF has been a leading advocate for policy solutions to enhance women's economic security and increase gender equity.

CWEALF urges the committee to support S.B. 21: *An Act Concerning A State-Wide Property Tax On Certain Residential Real Property*, S.B. 28: *An Act Establishing A Capital Gain Surcharge*, and S.B. 29: *An Act Concerning The Earned Income Tax Credit*. These bills will begin to address Connecticut's financial disparities and inequities and create fairness for low and middle income taxpayers.

The economic impacts of the COVID-19 pandemic continue to linger in homes throughout the state, especially for women and people of color. As Connecticut continues to work on recovery efforts, we must focus on centering the lives and experiences of the most marginalized and minoritized communities in our state in that process. Our most vulnerable communities have time and time again pleaded for support from lawmakers in our state's capital to ensure the livelihood of themselves and their families and now, with the exacerbated impacts of the pandemic, it is time for this long overdue relief.

In order to combat the financial effects of the pandemic for families in Connecticut, we must strengthen our communities for the long-term by eliminating the disparities that create inequality. Connecticut residents are hurting substantially - our state's unemployment rate is over 8% and more than 15,000 families are in danger of eviction and have requested renter's assistance since the beginning of the pandemic. Throughout the pandemic, CWEALF witnessed the disproportionate impacts for women, especially women of color. As a statewide organization, we saw that these impacts affected women in every corner of the state because women face historically-rooted barriers that create gaps in economic success, stability and security.

[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 experienced the most disproportionate job and income losses of the pandemic: more than 1 in 3 of initial unemployment claims filed by women were by women of color.

The report also indicates women of color reported increased difficulty in meeting their usual expenses during the pandemic and felt slight or no confidence in their ability to pay rent or mortgage in the coming month compared to white women. Without significant action this session, the lingering effects of the pandemic and “shecession” will erase a generation of progress toward gender equity.

Increased investment in the state of Connecticut will significantly benefit the clients and communities CWEALF serves; many of the people that seek our services are focused on surviving - S.B. 21, S.B. 28, and S.B. 29 will be essential steps towards alleviating those devastating burdens. Senate Bill 29 will begin to provide immediate and permanent relief to those who need it most. It should be coupled with a child tax credit to help bring working families out of poverty and give them a fighting chance to make ends meet, provide for their children and save for a rainy day.

Senate Bills 21 and 28 would ask high income earners to share the responsibility of building a strong economy. Although crucial, our state should also raise marginal rates on households with incomes over \$1 million. That level of contribution will go a long way to revitalizing and expanding programs and services that build equity by helping communities thrive and achieve their definitions of success.

These initiatives are absolutely necessary; the state of Connecticut has the responsibility to meet the needs of its people. We cannot ignore the disastrous effects of the pandemic on our communities, and how we continue to cause more harm with our current inequitable distribution of wealth and resources. We have an unprecedented opportunity to stop the hurt so many families are feeling by funding essential services, reducing economic and racial inequality, and setting our state on a path to robust economic recovery by restoring fairness to our tax code.

In order to equitably recover from the COVID-19 pandemic, Connecticut must invest in policies that address decades of systemic racism and economic injustice. CWEALF urges the Committee and lawmakers to not only pass S.B 21, S.B. 28, and S.B. 29, but also make additional bold investments and take a historic stance in achieving equity in our state.