



Testimony of
Donald Williams
Connecticut Education Association
Before the
Finance, Revenue & Bonding Committee
Re
**SB 1106: AN ACT ESTABLISHING THE CONNECTICUT EQUITABLE INVESTMENT FUND
AND DEDICATING CERTAIN REVENUES TO SAID FUND**

April 20, 2021

Good afternoon Senator Fonfara, Representative Scanlon, Senator Martin, Representative Cheeseman and members of the Finance, Revenue & Bonding Committee. I'm Donald Williams, and I serve as Executive Director of the Connecticut Education Association. CEA represents educators in over 150 school districts across the state, and is a member of the Recovery For All coalition.

I want to begin by thanking Senator Fonfara for proposing SB 1106, regarding the creation of the Connecticut Equitable Investment Fund, and revenues for that fund.

As Connecticut continues to suffer from the economic and social fallout from the worst pandemic in the last one hundred years, it is critical that we take action to address the present needs of families and communities in our state.

The pandemic has heightened inequity in our state, and our country. The stock market has had a record year, yet the vast majority of our citizens suffered economic loss and hardship. Many families in Connecticut do not have enough food to eat. According to the Connecticut Food Bank, every corner of our state has experienced an increase in food insecurity of at least 18% since 2019 – with Fairfield and New London counties hitting nearly 30%.

Small businesses have been hit especially hard, and job loss for those in entry level positions has suffered the worst, with declines in employment of 28 percent, versus 8 percent for middle income and 2 percent for upper income jobs. It is not acceptable for the pandemic economy to deliver prosperity for a few, and job loss and hunger for many more.

This bill would raise critical revenue to help our state meet the needs of the present, and also to invest in areas that will create opportunities for families and communities in the future. This is important, because the significant federal aid that Connecticut will receive to cope with the immediate pandemic costs is temporary and will not provide on-going revenue for future investments. If we act now with this legislation, we can create a sensible plan that meets today's requirements with future opportunities and improvements.

Providing necessary resources through revenue raised on capital gains, high-income consumption, and digital advertising makes sense. This is an equitable approach that seeks out those segments that have profited during the pandemic.

The bill also provides necessary relief for those in need by increasing the state Earned Income Tax Credit to 40 percent of the federal EITC. It expands education initiatives including training opportunities in vocational, technical, and skill development areas to enhance job opportunities. It also supports communities with infrastructure improvement, increased owner-occupied housing, and pipeline programs for employment.

Finally, this legislation seeks greater parity for our communities by providing full funding for PILOT—payment in lieu of taxes for those communities with high percentages of tax-exempt property.

This is a bold initiative that will help Connecticut's families and move our state forward. Equitable investment makes sense for our state, and I urge you to support SB 1106.