

Statement by Jonathan Harris, Senior Advisor to the Governor for the Joint Informational Forum on Benefits Cliffs Jointly held by the Committees on Human Services, Children, and Labor of the Connecticut General Assembly January 30, 2020

Senators Kushner and Moore, Representatives Abercrombie, Linehan, and Porter, and members of the Committees on Human Services, Children, and Labor, thank you for the opportunity to provide this statement in support of ongoing work to better understand the issue of "benefits cliffs" in Connecticut. Governor Lamont is grateful to the legislators, state agency, nonprofit, and philanthropic leaders, advocates, and most importantly, Connecticut families with lived experience of the state benefit system for their efforts to explore together this important issue through the work of the 2Gen Benefits Cliffs Working Group.

"Benefits cliffs," or abrupt losses in public benefits due to small increases in income, exist across numerous adult and child systems nationally, including in Connecticut. Governor Lamont's highest priority is growing the economy of Connecticut and creating new opportunities for workers at all levels to enhance family incomes. But we know that when the loss of benefits outpaces a wage increase, a family may decide against exploring new job opportunities, halting their wage and career progression to ensure they can continue to provide adequately for their family. The benefits cliff can act as an impediment to efforts to increase family self-sufficiency.

At the same time, we know there is concern that the cliff effect may shrink the available labor pool, as current or potential employees may refuse wage and position advances or turn down positions entirely to prevent loss of the critical benefits on which a family may rely, including child care and health care. The result is a smaller available pool of workers to fill vacancies, and the loss of potential tax revenue from wages, while the state continues to provide critical financial support to families. This is a negative impact for these families, for our businesses, and for Connecticut.

The Governor welcomes this informational forum as an important opportunity for members of the 2Gen Benefits Cliffs Working Group, along with commissioners, legislators, parents, and representatives of business, academia, nonprofits, and philanthropy to provide their thoughts and insights, and to inform the state on this critical issue. We are grateful for the support of the federal Whole Family Approach to Jobs partnership of the Administration for Children and Families, which has been working closely with Connecticut and other New England states to better understand benefits cliffs. Several state agencies are participating at senior levels in the robust exploration of this issue. The administration looks forward to continuing to work together with partners in the Working Group, and under the leadership of Connecticut's Statewide 2Gen Coordinator, to develop a shared understanding of this challenging issue and exploring ways to solve it.

Thank you.

Jonathan Harris Senior Advisor to the Governor Office of Governor Ned Lamont