

NEW HAVEN REGISTER

Connecticut Senate Minority Leader Len Fasano floats urban agenda

Mary O'Leary

February 22, 2016

State Senate Minority Leader Len Fasano, R-North Haven, is looking for consensus among lawmakers on changes in unemployment compensation, welfare benefits and justice reforms that he is characterizing as his urban agenda.

The response to the draft he is circulating has been varied, but any dialogue across the aisle that seeks to address poverty and a fairer court system was welcomed.

The biggest push back was on the economic underpinnings of the agenda, which looks at a 2013 Cato Institute report that attempts to calculate the amount of welfare benefits available to individuals by state and compares that with the earnings of low-income working families.

“The overall goal is: I believe the strength of our state is dependent on the strength of our cities and if we can get the people in our cities on a better tract, on a tract of hope and promise, on a tract that gives them opportunity, then we are doing something that is going to strengthen our cities,” Fasano said in an interview with the New Haven Register’s editorial board.

Fasano pointed to poverty statistics that show 33.6 percent of Hartford residents live in poverty, which means an income of less than \$24,250 for a family of four. In New Haven the percentage is 26.5 percent; it is 23.3 percent in Bridgeport.

“We are not making any headway on it,” Fasano said of reducing poverty.

Human services professionals and advocates for the poor said they were happy the minority leader was beginning a dialogue around these issues and they agree with him that things can be improved.

“Child poverty is up 50 percent over the past 15 years. We need to do something different. Whether it is these measures or not, we would like to have a discussion with him,” said Jim Horan, CEO of the Connecticut Association for Human Services.

Jane McNichol of the Legal Assistance Resource Center of CT said to the extent that Fasano is looking to ease the sharp cliff that people reach when they lose cash assistance on Temporary Assistance for Needy Families after 21 months, it is a good goal.

The CATO report, however, was seen as a bad starting point.

That report adds up every possible state and federal benefit program available to people in poverty and gives the impression that it is a typical payout.

In Connecticut, CATO calculates this at \$38,761 for a single mother with two children. “The Cato study is very misleading,” Horan said.

In Connecticut, the average number of people in 2015 on TANF, which provides cash assistance for those with incomes in area of 50 percent of the federal poverty level, was 25,730, out of an estimated 350,000 residents in poverty.

Some 15 percent of those, or 3,900, also get housing assistance, one of the more expensive benefits, or 1 percent of the total in poverty.

The biggest cost is health care coverage through Medicaid, which covers those on welfare as well as the working poor. About one-quarter of the state’s \$20 billion budget goes to health and human services expenditures, with \$3.2 billion sent to the Department of Social Services with \$2.5 billion of that the state’s share of Medicaid.

To accelerate entry into the workforce, Fasano suggested increasing the amount that the family on TANF can receive when they find a job, within the 21 month cutoff, from 100 percent of the poverty level to 150 percent.

Now, when you start earning 100 percent of the poverty level, you lose the entire cash assistance, although other benefits can continue.

The poverty level for a family of three is \$20,160, under the 2016 guidelines; at 150 percent, it would be \$30,340.

Fasano’s proposal would allow the additional income to be in place for 12 months within the 21-month program.

He also suggests a one-time bonus of \$1,000 when they stop receiving TANF, if an adult in the household finds a job.

McNichol said it is difficult to go from essentially no income to a job paying 150 percent poverty within such a short time frame.

She said a step-down rule, where a portion of TANF was cut over time as a person’s income accelerated would be a better solution.

“We’re going to give you a little kicker to get you going. We’re getting them to use their potential. Get into the job market. Make something happen for themselves,” Fasano said.

McNichol said the assumption is that people don't want to work. She said people want to work, but the problem has been the economy and the lack of jobs.

Horan had a similar reaction.

"I disagree strongly with the premise of people choosing welfare versus work after the 1996-97 welfare changes," Horan said of another implication in the report.

Fasano wants to "stop this generational cycle" where the children of parents in poverty continue to live in poverty.

While the CATO study overestimates the value of poverty programs to residents on welfare, it underestimates the assistance to low-income working families, according to the Center for Budget and Policy Priorities.

Derek Thomas, an analyst with Connecticut Voices for Children, said they would welcome a discussion with Fasano, particularly around softening the benefit cliff.

"We are absolutely supportive of efforts to tackle poverty in our cities," he said.

Thomas also recommends implementing a low-income circuit breaker, which cuts tax liability through a rebate when property tax payments hit a certain percentage of family income. This would free up money for the necessities of child care, transportation and food.

Fasano is also suggesting reforming unemployment compensation where people could continue to get benefits after taking a job that paid less than their previous work, for a certain amount of time, to encourage people to get back into the market quickly.

He said this would save the state by only having to cover the difference between the salary of the former job and what the less-compensated work pays. Federal regulations, however, would require establishing a new fund for this subsidy.

On education, Fasano is suggesting that a certain portion of funds that the state's public colleges are required to put aside for need-based scholarships more directly benefit working poor adults.

The Connecticut Workforce Advancement Grants for Education and Women in Transition provide assistance to low-income working parents to help them complete their college degrees and is particularly geared to single mothers. They are both supported by philanthropic resources for those attending Charter Oak State College.

Studies have show the importance of the educational level of mothers when it comes to predicting the success of even low-income children in school.

Fasano, on justice reforms, proposed an automatic erasure of a record for a nonviolent misdemeanor drug conviction after an individual has been clean for five years with no more

arrests. He would also eliminate bond requirements for nonviolent drug offenses that are not related to the selling of drugs.

Gov. Dannel P. Malloy, as part of his continuation of Second Chance Society reforms, this year wants to reduce the number of defendants held in jail, pre-trial, due to their inability to post bail.

He would prohibit a judge from setting bail for anyone charged only with a misdemeanor, except where a judge determines that the accused posed an immediate threat to the health or well-being of another person or is accused of failure to appear. Michael Lawlor, Malloy's point person on criminal policy matters said Fasano's proposals follow up on last year's bill that streamlined pardons, while the bond proposal is in sync with the governor's.

"I think Sen. Fasano and his caucus are invested in Second Chance," which reflect the bipartisan approval of these changes across the country, Lawlor said.

The Senate minority leader would also offer more tax incentives for companies willing to reclaim brownfields.

This would build on the \$155 million for more than 100 brownfield projects across the state that the Malloy administration has made available since 2012.

Fasano would also require companies who benefited from his proposed tax relief to work with high schools and community colleges to develop curriculums for training workers for their industry and then promising to hire 30 percent of their workforce from these trainees.

He also wants to speed decisions on applications for brownfield remediation tax credits to 90 days.

Similarly, the minority leader encouraged businesses to work directly with the schools to teach the skills needed for industries so there is a direct pipeline from school to work, something that is happening at Platt Technical High School in Milford and in the Wallingford public schools.

As for the increased payments in lieu of taxes that will start coming to municipalities with high percentages of tax-exempt properties, Fasano wants more direct input from community groups on how it is spent.

He is suggesting the formation of Community Investment Boards in neighborhoods with 35 percent of the additional funds spent as approved by these boards; 35 percent by the priorities of a city's administration and 30 percent by agreement of the town and the boards.

Horan strongly disagreed with this as dis-empowering elected officials.

While it is good to increase citizen engagement, turning it over to these groups would hold an administration hostage, Horan said.

The most critical response to Fasano's proposed urban agenda came from state Senate Majority Leader Martin Looney, D-New Haven.

"While I am pleased that Republicans finally have a set of talking points that pay lip service to the critical role our cities and their residents play, I fear that this "urban agenda" is an election-related strategy in a year when they are aware that many of the positions taken by Republican presidential candidates are toxic to urban residents," Looney said.

He said their votes over the years "reflect their true lack of commitment to our cities."

Looney cited votes against the Earned Income Tax Credit, changes to payments in lieu of taxes and increases in the minimum wage.

"This is a party that is resistant to sensibly curbing the gun violence that plagues our cities and subserviently cowers to the NRA," Looney added.