

House Republican Press Release

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HOUSE REPUBLICANS OFFER UNIQUE AFFORDABLE HOUSING RELIEF FOR COLLEGE GRADS



“LEARN HERE, LIVE HERE” WOULD STEM CT BRAIN DRAIN

HARTFORD – House Republicans today offered a unique affordable housing program that encourages home ownership, promotes college education and helps stem the ongoing “brain drain” of young people heading out of state.

Republican Leader Lawrence F. Cafero Jr. unveiled the “Learn Here, Live Here,” initiative that creates a growing trust fund that young adults can access up to 10 years after graduating. The state would collect income taxes from college graduates who could then use that money to help participants buy their first home.

“We are number one in the country in losing educated young people to other states because they cannot afford to live where they grew up,” Cafero said. “We hear it all the time from parents and from the business community who struggle to retain talented, valuable employees. Our ‘Learn Here, Live Here’ program addresses those concerns. It is an affordable housing proposal that the state can truly afford.”

Here are the key components:

- Income tax receipts from recent college graduates would be deposited into a interest bearing account managed by the state treasurer;
- Those with at least an associate degree are eligible;
- Savings would grow over time and must be used within 10 years;
- Participants who move out of state and then return could still access whatever portion of their collected income tax receipts are placed in the account;
- The state Treasurer will manage the accounts and provide statements annually to participants.
- The interest and investment income would be deposited into the state general fund.

Cafero stressed that the program would be flexible and could be adjusted to include additional participants over time, perhaps graduates of out-of-state colleges who return to

Connecticut. “We need to begin somewhere in addressing these issues and make adjustments down the road once we see how this program performs,” Cafero said.

Cafero said an estimated \$10 million could be deposited into the accounts initially and that would increase as more graduates take advantage of the plan. He noted that the state’s general fund would still receive the interest on the principal deposits which would reduce the overall costs of the initiative.

“Connecticut lost more people in the 18-34 year old range in the last decade than any other state. If we give more people the opportunity to put down their roots here we will have provided a great service. Overall, ‘affordable housing’ is the goal and we believe that this is a unique approach that is truly a public-private partnership,” Cafero said.

The lack of affordable housing is a problem for business owners because they are finding fewer bright applicants. “This has consequences for economic development, transportation and education,” Cafero said.