



The Commonwealth of Massachusetts

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October 10, 2007

The Hon. Karen E. Spilka, Senate Chair
Committee on Children, Families and Persons with Disabilities
The State House, Rm. 511C
Boston, MA 02133

The Hon. Cheryl A. Coakley-Rivera, House Chair
Committee on Children, Families and Persons with Disabilities
The State House, Rm. 146
Boston, MA 02133

Re: S. 64, "An Act Encouraging Low-Income Savings and Economic Opportunity"

Dear Chairwoman Spilka and Chairwoman Coakley-Rivera:

Thank you for the opportunity to provide testimony on S. 64, which, if implemented, will provide low income individuals and families an opportunity to escape from the cycle of poverty. It is my hope that the Committee will report this legislation favorably.

S. 64 would amend Section 111 of Chapter 5 of the Acts of 1995 by allowing for up to \$10,000 in lump sum income to be disregarded as income and excluded as an asset as long as it is deposited in a separate savings account within 30 days of its receipt. Money could be drawn from the account only for certain specific expenses, including education or job training at an accredited institution, purchase or repair of a principal residence, purchase or repair of a vehicle used for transportation to a job site or educational program, capital to start a small business, or health care costs not covered by insurance.

This legislation will help ease the transition from welfare to work, and provide a valuable opportunity to the Commonwealth's most vulnerable residents.

Thank you in advance for your kind consideration of this request. As always, should you have questions or require additional information, please do not hesitate to contact my office.

Very truly yours,
Gale D. Candaras
State Senator