

House Republican Press Release

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GOP Budget, Gas Tax Proposals: Too Popular for State Legislature's Democrat Leaders?



Did an alternative Republican state budget that included proposals to give Connecticut motorists relief from soaring gasoline prices enjoy too much popular support for the state legislature's Democrat leaders to allow votes or debate on the GOP plan?

With most Connecticut residents outraged over high gasoline prices (and the role Connecticut gasoline taxes play in pushing those prices even higher) and the likelihood that their leaders will press for tax increases after the November elections if a projected \$24 million deficit materializes, it is possible many rank and file Democratic legislators would have voted for our proposals – had they been given the opportunity to do so.

Connecticut's economy is struggling because of sharp increases in the price of gasoline and a declining housing market. With state revenues declining, a \$24 million deficit has been forecast for the current fiscal year (2008-2009).

Our proposal featured an Early Retirement Incentive Program (ERIP) that is based on a similar plan that was offered to state employees in 2003. Based on the state's experience with the earlier ERIP, the legislature's non-partisan Office of Fiscal Analysis (OFA) estimated it would save \$163 million in the first year and \$121 million in the second year.

Those savings would enable us to prevent a deficit during the current fiscal year – without raising taxes - and help avoid further deficits over the next two years – assuming we adopt a responsible two-year budget that keeps state spending under control during the 2009 legislative session.

Our alternative budget also would have:

- Helped implement the “Money Follows the Person” initiative to enable more seniors who need long-term health care to receive it at home rather than at nursing homes.
- Repealed the business entity tax to help small businesses in today's sluggish economy.
- Fully funded new criminal justice reforms approved earlier this year with bipartisan support.
- Provided additional funding for staffing at battered women shelters throughout the state.

- Prevented the loss of 315 jobs for kindergarten teachers and others who provide reading skills to some of our most vulnerable children.

We offered our proposal in a series of amendments during the regular 2008 session and the June 11th special session with the expectation that it would be debated, amended and possibly result in a compromise package that would more effectively respond to the economic challenges we will be facing in the near future.

I agree with critics like state Senator Thomas A. Colapietro, D-31st District, who argue that the proper place to debate our initiatives should have been on the floor of the state House and Senate.

Unfortunately, his legislative leaders, apparently worried that too many of their members might desert them and vote for our alternative budget, refused to allow our proposal to even be considered, denying them the opportunity to debate it, amend it or vote on it.

Now, Senator Colapietro and other nay-sayers nit-pick over details of our alternative budget and denounce us for trying to explain to Bristol and Plymouth residents why it was a better alternative to their legislative leaders' successful effort to allow the second year of the state's current two year budget to take effect with no changes –for the first time since the state instituted two-year budgeting several years ago.

Their 'Do Nothing' budget does not respond adequately to the economic downturn that has overtaken us since the original two-year package was adopted last year.

If, as expected, we are faced with a budget deficit during the current fiscal year, I fully expect the Democrats to respond to it by forcing major tax increases on Connecticut's already overburdened taxpayers.

That could have been avoided had we been given the opportunity to discuss our alternative budget and if rank and file Democrats been allowed to negotiate a compromise.

Sadly, neither was permitted by the Democrat leadership and we all may be paying the price in 2009.