

TESTIMONY OF Dominique Wilson, MSW Student
Appropriations Committee
March 27, 2009

Good afternoon, Senator Harp, Representative Geragosian, and members of the Appropriations Committee. My name is Dominique Wilson, and I am an MSW student at UCONN School of Social Work. I appreciate the opportunity to testify before you this afternoon.

I am here to speak in opposition to the Governor's Bill No. 828, An Act Concerning State Revenue.

The Governor has proposed many budget options cutting programs that are essential to Connecticut citizens as a whole. Services such as schools, health care programs, roads, environmental protection agencies, and public safety organizations all benefit the state of Connecticut in a positive way. There is however an opportunity to significantly increase revenue in the state of Connecticut by adopting the following proposals from Better Choices for Connecticut. Better Choices is made up of labor organizations, advocates, grassroots organizations, and providers who are committed to preserving Connecticut's vital services by increasing revenue coming into the state.

Better Choices For Connecticut proposes an increase in tax rates for those who can best afford it, the closing of corporate tax loopholes so that large corporations pay their fair share of taxes, a 1% increase in the sales tax coupled with a state earned income tax credit and a business property tax credit, scaling back public subsidies to the entertainment business, and an increase in the cigarette and alcohol taxes.

I do understand that this may not be popular and may be a little overwhelming, however when you think of the lives of the families that will be affected because of the cuts in services proposed in the Governors budget, I hope you will give these options some consideration. The Governor's way of addressing the budget deficit has been to cut vital programs rather than finding sensible ways to bring revenue into the state in order to avoid these cuts.

If the Governor's proposed budget is accepted, it will have staggering consequences for Connecticut's most vulnerable individuals, children and families.

I am advocating that instead of cutting the funding for many of the programs, something be done to preserve these programs.

I urge you to support the continuation of the services provided by these programs. I also want to emphasize although I am a student and I don't have all the answers, I do know that making better choices, that affect the well-being of the state of Connecticut is an important factor to consider when thinking about the Governor's proposed cuts.

Thank you for your time and consideration.

There Are

Better
Choices

For CT

www.betterchoicesforCT.org

Connecticut is a great place to live and work because of the public structures we've created over the years — public schools, transportation system, courts, health care, police and libraries. These public structures reflect the values of Connecticut residents, who have long supported them. State revenues—taxes, fees and other income — are the collective investments we make to support our communities and maintain the high quality of life we all expect and enjoy. Unfortunately, an unbalanced and antiquated revenue system and an economic downturn have created a

budget deficit that puts funding for these public support structures at grave risk.

Governor Rell's proposed budget makes deep cuts in our state's public services and the safety net that so many residents rely on. Even with these cuts, as of February 4th, the day of her budget release, she was \$2.8 billion short of addressing the budget gap. The proposed budget cuts undermine our quality of life and will damage our state's economy. And worst of all, these cuts are simply not necessary.

In the long run, the state needs a comprehensive solution that would allow for more consistent investments in public structures and a fairer tax system.

Better Choices for Connecticut Plan:

- **Increase income tax rates for those who can best afford it.** Create a progressive tax structure that raises rates for the wealthiest Connecticut residents. **Estimated \$800 million to \$1.2 billion in additional revenue.**
 - Increase the tax rate to 6% on the portion of income over \$200,000
 - Increase it to 7% on the portion over \$500,000
 - Increase it to 8% on the portion over \$1 million
- **Close corporate tax loopholes.** Flaws in our tax code enable many large and profitable corporations to avoid paying their fair share and shift the responsibility for taxes onto in-state businesses and individuals. **Estimated \$130-\$150 million in additional revenue.**
- **Increase the sales tax by 1% and limit any harmful effects by creating a state earned income tax credit to help working families and a small business property tax credit.** **Estimated \$425-\$475 million in additional revenue.**
- **Scale back public subsidies to the entertainment business.** In FY09, the state will lose an estimated \$117.5 million in revenues to the television and film industry through the "movie tax credit." **Estimated \$90-\$100 million in additional revenue.**
- **Increase cigarette and alcohol taxes.** Increasing cigarette taxes will not only raise revenue, it will also discourage smoking, particularly among Connecticut's youth, thereby reducing long-term health costs. **Estimated \$78-\$80 million in additional revenue.**

It's a Better Choice for Connecticut.

Better Choices for Connecticut is a broad-based community coalition working to help Connecticut make the budgetary choices that reflect the priorities and values of its citizens.

For more information, contact Maggie Adair (860) 951-2212 x239 or Bill Meyerson (860) 251-6052 3.10.09