



CONNECTICUT AFL-CIO

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Testimony before the

Finance, Revenue and Bonding Committee

Monday, March 1st, 2010

Senator Daily, Representative Staples and members of the Finance, Revenue and Bonding Committee, my name is Lori Pelletier and I serve as the Secretary-Treasurer of the Connecticut AFL-CIO, which has over 900 affiliated local unions representing the working men and women from every one of our 169 cities and towns, and am here to testify in favor of the following bills.

S.B. No. 1 AN ACT CONCERNING THE PRESERVATION AND CREATION OF JOBS IN CONNECTICUT.

We applaud Senators Williams and Looney and the co-sponsors of this legislation. Connecticut workers are looking to the legislature for leadership on creating jobs, and SB 1 is one of the answers. The problem we face is massive job losses, rapid technological change, global competition and stagnating wages and benefits have left today's workers and their families with anxiety and uncertainty about their prospects for good jobs and upward mobility. We need greater systematic public investment in education and skills-development programs linked to economic policies that support high-wage job creation, improved living standards and stronger worker bargaining power.

To solve this we must expand support for career and technical education at the high school level, and call on Congress to retool and modernize the Wagner-Peyser Act to establish a stronger federal-state partnership that can make available (through online tools and counseling services) accurate up-to-date information about job vacancies, labor market trends, emerging careers, requirements for skills, education and credentialing and the availability and quality of education and training programs in communities.

We must urge Congress to pass a federal jobs training initiative to get Americans back to work quickly in high-growth sectors, while creating career paths so incumbent workers can upgrade their skills and advance into quality jobs with family-sustaining wages and benefits as well as call on Congress to reauthorize the Trade Adjustment Assistance (TAA) Act. A greatly improved version of TAA was enacted in the 2009 ARRA, but it expires on Dec. 31, 2010. Unless Congress takes action, TAA will revert to its weaker version and then terminate completely on Sept. 30, 2011.

SB 1 calls for a tax on those state income tax rates on the very rich or limit some of the available deductions, exemptions and credits that the highest paid taxpayers are able to claim. According to the Center on Budget and Policy Priorities, if every state with a personal income tax were to pass a 1 percentage point increase in the tax rate for households with incomes greater than \$500,000 per year, as much as \$8 billion could be raised. In late January 2010, Oregon voters passed a ballot initiative raising taxes on household incomes at or above \$250,000. The funds generated from this tax increase on the very rich will be used to pay for education, health care, public safety and other services.

SB 1 lays the groundwork for Connecticut to step up and take on this economic challenge by devoting increased tax revenues into retooling our education and training opportunities for our workforce. Connecticut's workers need this legislation, small business owners need this legislation and our children need this legislation. Thank you to the Committee for holding this public hearing and if you have any question I'd be happy to address them.

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