

Good morning Mr. Chairman (Madam Chair) and Members of the Committee.

My name is Vivian Nasiatka and I am a resident of Salisbury, CT (House District 64)

I support this Tenth Amendment Resolution and believe passing it should be overwhelmingly non-partisan because Connecticut's financial survival must include the General Assembly's option to exert nullification.

Connecticut can no longer bear the cost of unfunded federal mandates or national programs that force our state's tax payers to bear the burden of increasing state debt.

Passing this Resolution is, in fact, nothing more than a symbolic gesture when in actuality this General Assembly should be passing a Bill that has some real teeth. The Tenth Resolution initiative is about our legislators protecting its citizens, which has not been the case over the past decade of fiscal decline. Connecticut's fiscal problems are being compounded and exacerbated by the current economic crisis that many economists – including Connecticut's own native son and renowned economist Peter Schiff – predict will get a lot worse before it gets better.

As our legislators you should be familiar with the following December 2009 financial numbers that were provided by the Office of Policy and Management in a Presentation for the Connecticut Conference of Municipalities from Michael J. Cicchetti, Deputy Secretary.

- The state's long-term obligations total **\$61.7 billion**, up 7.1% from last year
- This equates to approximately **\$17.6 thousand** for every man, woman and child in Connecticut. **That's over \$70,000 for a CT family of four.**
- Personal Income Tax collections in Fiscal Year 2010 are projected to only be **\$6.6 billion**.
- Over **\$40 billion** of the state's long-term obligations are un-funded pension obligations for state employees and teacher's and their post retirement Health & Life coverage.
- Based on the enacted budget, the state is projected to experience significant deficits unprecedented in our history.
- The state's budget reserve fund balance will be exhausted during Fiscal Year 2011.
- Debt service will continue to grow and consume a significant portion of the budget.
- Stagnant economic conditions and low-growth revenue projections will continue to be the most significant challenges facing the state.

What this report fails to mention are the cost of federally unfunded mandates that will inevitably be forced upon Connecticut.

Where do Connecticut's legislators expect to get the funds to continue subsidizing a growing state debt and budget deficit?

According to this same report:

- When county and local taxes are added to state taxes and adjusted for Personal Income, Connecticut ranks 3rd in the nation amongst the highest tax states.
- Connecticut ranks 1st in state, county and local tax burden on a per capita basis at \$7,007, which is 63.6% higher than the national average of \$4,283

These are the state of Connecticut's own numbers and they are frightening.

The Manhattan Institute for Policy Research found Connecticut ranked 50th in the nation in terms of the rate of increase in the number of wealthy filers - those with adjusted gross incomes of \$200,000 or higher.

This Tenth Amendment Resolution initiative is Connecticut citizens asking the General Assembly to protect us from an over reaching federal government.

Inevitably, Connecticut will be subjected to future unfunded mandates and with this Resolution we are asking our legislators to assert state rights when the government exerts authority this state deems unconstitutional.

Thank you.