

Testimony

In Opposition to Governor's H.B. 6388 – An Act Implementing The Governor's Budget Recommendations Concerning The Office Of Policy And Management

Senator Daily, Representative Widlitz, Senator Roraback, Representative Williams, and distinguished members of the Finance Committee, thank you for the opportunity to testify in opposition to the Governor's H. B. 6388 – An Act Implementing The Governor's Budget Recommendations Concerning The Office Of Policy And Management.

I wont get into specific details about the budget, for I am sure you are all very familiar with it. My concerns are that the Committee and Connecticut legislature in general do not fully understand the broad economic and social ramifications of such a bill. Connecticut is in one of the worst fiscal states in the union. It is pure and simple that frivolous overspending and union involvement is at the heart of it to say the least.

Connecticut is a decent state to live in, but make no mistake about it is not geographical wonder in relation to other states. People and corporations choose to stay here because of the *former* fiscal sense of fair play. The industrial base has been dwindling for many years, and now you are about to chase away the fund managers of Fairfield County, as well as the affluent that *choose* to live here. Dont be fooled into thinking that people will stay here because of routine and habit. One of the reasons for Connecticut's affluence was it's proximity to New York's financial district. The advent of electronic transactions has made the necessity to be near any one location..... passé. I am personally embarking on registering as a Commodity Pool Operator (CPO). In my discovery process I have found that every one who is newly established has incorporated in South Carolina, Texas, Hong Kong, Singapore, Caribbean and now even Malta. Singapore and Hong Kong's **TOTAL** tax rates are 16% and 15.5% respectively.....That includes local, city, state, federal taxes. Financial entities are doing back and forward computer testing to see how much more money they will save by doing business abroad. Make no mistake about it...not all will be repatriating their profits here to Connecticut and the United States. I myself moved to Connecticut from NYC for social, as well as economic reasons. Dont think that we all didn't hear *Governor Malloy's* response to "what do the affluent get for the extra taxes they will have to pay?".....They get to live in Connecticut. Unfortunately I cannot respond in the manner in which I would like to this man's arrogant comments. So I will simply say.....we will gladly move again.

I am a trader, my wife is an attorney, my neighbors are fund managers, CHO of railroads, CPAs, doctors, actuaries and well as construction professionals. Please pause to take this seriously. Corporations will leave, their talent will go with them. The people who will suffer are the service industry that work for them. The restaurants, the construction industry, the tailor, the gas stations, the car dealers, the retail establishments and.....the State of Connecticut itself.

But fret not!! All is not lost. All the honorable esteemed members of the finance committee have to do is resoundingly reject the budget proposal, and send it to the drawing board for a 180 degree revamping of the document. What should be done by the state of Connecticut is systematically approaching ALL businesses still here, and ask them "what can we do to make you happy, and have you remain in Connecticut?" Remember, it is easier to keep a business here, than to get it back again once it leaves. In addition there should be a proactive program geared towards attracting business, not only from out of the state..but out of the country.....at any cost.

Please consider this to be a correspondence from many people and individuals who do not have the time to send in testimony...but echo my sentiment perfectly and completely.

Thanks you for your time.

Sincerely,

Thomas Philippides
Wilton, Connecticut