

March 5, 2011

Finance Committee

Re: Public Hearing SB-1007

Ladies and Gentleman;

Good day. My name is Mike Paine. I am president of Paine's Recycling and Rubbish Removal, located in East Granby, CT. We are a third generation family owned business and we are working to bring in the fourth generation. We currently employ 75 people and provide service to over 70, 000 homes and over 1,000 businesses each week. I am a member of National Federation of Independent Business, NFIB as well as several other business groups. Some of those groups are, Motor Transport Association, Connecticut Business and Industry Association as well as National Solid Waste Management Association.

I want to speak to you on SB-1007. I am opposed to this bill because it does nothing to control the real problem. We do not have a revenue problem... we have a spending problem. I fully accept that we, everyone in the state needs to have some skin in the game; that means business owners', tax payers and each and every citizen needs to share the pain.

This bill, as currently written, only raises taxes and does not fully resolve the shortfall of \$3.6 billion in FY 2011-2012. The estimates that I have heard are that this will raise only \$1.6 billion and will leave us short \$2.0 billion dollars. Where is the other \$2.0 billion going to come from?

These tax increases will hurt our business because they will negatively impact each and every one of our customers, both businesses and residents. Furthermore, the proposed taxes in SB-1007 will significantly impact our family business. We are an S-Corporation and the "profits" flow back to the owners and are then paid by our family members as personal income. I will not even go into why lowering the estate tax threshold is bad requiring small businesses to come up with money at the worst possible time.

The only way that I would regrettable support any of these new tax increases is if these increases are done with a 3 year sunset and then revert back to our current levels. But we must get "our house" in order. Does anyone in this room think that the state can keep increasing spending and not expect to run out of money to pay our bills?

I do understand that we, the entire State, is in a bad place. A very wise man, my father, told me once "If you find yourself in a holethe first thing you do isstop digging".

My message to you, our elected officials, is... **STOP SPENDING MONEY YOU DO NOT HAVE.**

I appreciate your time and listening to me and I believe that everyone in the entire State is watching you and that they will judge each of you by your actions to resolve this problem.

Sincerely,

Michael R Paine, Sr.

Michael R. Paine, Sr.
President