



State of Connecticut

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**Testimony SB 128 - Appropriations Committee
Friday, March 27, 2015
1:00 PM in Room 2C of the LOB**

Chairman Bye, Chairman Walker, Ranking Members Kane and Ziobron, members of the Appropriations Committee, thank you for the opportunity to testify today on SB 128, An Act Concerning the Constitutional Spending Cap.

In August of 1991, the legislature adopted a resolution amending our state constitution to include a cap on annual spending (HJR 205). Having passed both chambers by significant enough margins, the question would be put to the voters on the next statewide ballot in November of 1992. Because this constitutional spending cap could not take effect until over a year after initial passage, and to assuage the concerns of those concerned about runaway spending with the enactment of the income tax, the legislature decided to also institute a statutory spending cap as a *temporary measure*.

Senator Nickerson, Senate Transcript, 5/23/91

Recognizing that, namely that no action that we can take this week or this Session can implement a constitution, the coalition has also agreed that between this Session and the date when such a constitutional amendment is in fact in effect, as I hope it is, we will have what is known as a mirroring statute, a statute which simply takes those terms and places them in statutory form.

As you know, Connecticut voters subsequently and overwhelmingly (81% voted in favor) supported an amendment to the state Constitution creating a constitutional spending cap, which was supposed to replace the statutory cap. Stronger and more difficult to alter, the constitutional spending cap would provide real protections for the taxpayers of Connecticut. Unfortunately, to be fully enacted, the legislature would be required to adopt certain definitions.

Amendments to the Constitution of the State of Connecticut, Article XXVIII

The general assembly shall by law define "increase in personal income", "increase in inflation" and "general budget expenditures" for the purposes of this section and may amend such definitions, from time to time, provided general budget expenditures shall not include expenditures for the payment of bonds, notes or other evidences of indebtedness. The enactment or amendment of such definitions shall require the vote of three-fifths of the members of each house of the general assembly.

Over 22 years later, these definitions remain undefined. During this time in which the legislature has failed to fulfill the intent of the voters, the Attorney General has ruled that the statutory spending cap remains in effect. Unfortunately, a statutory spending cap does not have the binding power or effectiveness of a fully implemented constitutional amendment. In fact, the statutory spending cap has been circumvented on eight different occasions through "emergency" declarations, and undermined by moving spending outside of the base.

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Connecticut does not have a strong constitutional spending cap. Rather, we have a weak and ineffective statutory cap. This was not the intent of those lawmakers that enacted the state income tax, nor the citizens who voted to amend the constitution. SB 128 defines the increase in personal income, increase in inflation, and general budget expenditures. Passing SB 128 will finally accomplish what was started 22 years ago.

Thank you for the opportunity to testimony today. I strongly encourage passage of SB 128.

Len Fasano
Senate Minority Leader