



Testimony of Jody Barr on SB 445
Appropriations, Commerce, Finance, & Planning and Development Committees
March 23, 2018

Good afternoon chairs and members of the joint committees and thank you for letting me testify on the Fiscal Stability and Economic Development Commission's report.

My name is Jody Barr and I am President of AFSCME Local 2836, the State University Organization of Administrative Faculty. We represent non-teaching administrative faculty at our state universities and the Board of Regents. I also serve as President of Council 4 AFSCME, the voice of 35,000 dedicated workers in the public and private sector.

I am a graduate from Central Connecticut State University in New Britain and a Systems Analyst at Eastern Connecticut State University in Willimantic.

As an employee of the CSU system, I have been able to see the impact of austerity and budget cuts on our higher education system. The Commission report correctly agrees with the other reports that have covered the exodus of millennials from Connecticut. This problem has been one of the main driving forces in the economic problems we have faced in our state. We are losing talent and the future of this state because we have adopted a policy of budget cutting rather than investing in our future.

The next generation of business leaders, entrepreneurs, and public servants aren't moving to states like Kansas where taxes have been repeatedly slashed and services cut. Rather, they are moving to places like Massachusetts which has vibrant cities and have invested in their population. We need investments like tuition-free community college, funding to our cities and towns, a higher minimum wage, and more equitable taxes so that the wealthiest in our state have a highest burden of taxes than middle and working class families.

Even though we have gone from the 4th most millionaires per capita in 2010 to the 2nd most millionaires per capita in 2017, we have still cut budgets and been held hostage out of a fear of millionaires leaving. While we may be collecting less in revenue from this group of people, I would argue that that is more reflective of their ability to use loopholes and hide money which is why we need to adopt policies like closing the carried interest loophole.

Unfortunately, this commission has chosen to recommend policies that benefit corporations and the wealthiest residents yet ask more of working families. One of the clearest examples of this is how Commission members recommended eliminating the estate tax immediately but then giving minimum wage workers a raise to \$15/hour in 2022. Do minimum wage workers deserve a raise less urgently than the families of millionaires and billionaires deserve another tax cut? The commission also calls for eliminating \$1 billion in government spending which will directly cut investments in our people; raising the sales tax; and encouraging the reckless outsourcing of public services, which would return us to the dark and corrupt days of John Rowland.

We have cut our budget repeatedly over the last several cycles and where has it gotten us? I understand that the wealthiest in our state may not want to sacrifice by paying their fair share of taxes through closing the carried interest loophole and raising the top income tax brackets. But, as a state employee I sacrificed \$1.6 billion in the 2011 SEBAC deal and then \$24 billion over the next 20 years in 2017. I urge the committees to reject more austerity and to choose more investment in – and fairness for – our people and our state.

We urge the committees to reject further austerity and to choose investment in our people and our state. Thank you for listening.