

12 DeForest Lane  
Wilton, Connecticut 06897-1906  
February 25, 2019

Subject: SB 738, SB 457, SB 874

Dear Representative Lavielle,

For almost 14 years, I have been a Wilton, Connecticut resident and practicing physician at Norwalk Hospital. I have family history going back six generations in this state, from northeast Putnam to southwest Norwalk. At no time in my family's centuries of Connecticut history has the state attempted to encroach on local school board governance -- until now. Senator Martin Looney's proposed SB 738 (aka SB 454) bill, touted "to create a more efficient educational system", is a direct attack on *the only* positive aspect of living in Connecticut in the current economic and political era.

Connecticut, once a bastion of Yankee frugality and balanced budgets until 1991's income tax law, strikes most people nationwide as a "tax nightmare" and the "Illinois of New England". Education is *the only* town asset left that draws educated parents to the suburbs. Do these listed dubious rankings draw a middle or upper class family to southwestern Connecticut?

5<sup>th</sup> worst state for retirement (Kiplinger's 2018)

**2<sup>nd</sup> worst state for per capita state debt** (Yankee Institute 2018)

CT state government spending increased 71% faster than inflation each year from 1991 to 2014 (Forbes, 8/24/16)

2<sup>nd</sup> worst state for Millennials based on living with parents (CT Boom 2018)

3<sup>rd</sup> highest real estate taxes nationwide (WalletHub 2019)

7<sup>th</sup> highest vehicle property taxes nationwide (WalletHub 2019)

47<sup>th</sup> of 50 states for fiscal solvency (ALEC 2015)

46<sup>th</sup> for population growth, especially among "young, college-educated professionals" (USA Today, 1/15/18)

Median age increase from 40 to 40.9 in only past eight years, meaning working-age tax payers are leaving the state (DataUSA)

**49<sup>th</sup> of 50 states in GDP growth since Great Recession** (-3.7% from 2006 to 2016)

Bridgeport-Stamford-Norwalk metropolitan statistical area (MSA) is **323<sup>rd</sup> of 342 real estate areas nationwide for growth/appreciation** (Veros Real Estate Solutions 2018)

In the setting of a state well known for ever-increasing government taxing and spending, Senator Looney now launches a bill that attacks the only remaining pillar supporting home values in southwestern Connecticut. The state government's outright greed to furnish fat public union contracts, mismanagement of past tax receipts, and blatant targeting of private sector individuals and corporations drives Connecticut's economic trajectory downward. Roads are but one example of Hartford's incompetence. Tax payers pay nine times the rate of other states' administrative highway costs. Our DMV regularly makes national news for incompetence and cost, including an embarrassing computer system rollout. A private sector investment company was brought in just to have efficient highway rest stops renovated competently. Tolls loom large as another source for our state's 20<sup>th</sup> century "transfer of wealth" tax/spend ideal. With this decades-long embarrassment of government boondoggles, Senator Looney now expects any educated parent to trust state government entreaties to regionalize education?

Senator Looney and other state politicians fail to grasp that there are thousands of state tax payers that have their finger on the speed dial to U-Haul and Ryder. Of four houses within easy sight of my living room, two are for sale, one man just lost his financial services job (GE Capital), and one couple does the "181 days in Florida" tax dodge. There will be thousands more high tax-paying citizens leaving the state should this bill pass. ***Parents will pay high taxes for safe, efficient, productive, high-achieving schools -- but will flee (even at a mortgage principal loss) -- if forced to join a poorly run, chaotic, urban school district.*** As one example, Wilton is linked to Norwalk in Senator Looney's proposal. Norwalk's last school board meeting involved overt threats such that the chair of the board was absent for the meeting (see Norwalk Hour 2/21/19)! I don't think any Wilton residents invested hard-earned and highly taxed money into a Wilton address to have their children attend a poorly performing school like Norwalk. I believe that there will be a massive exodus (including my own family) from Wilton should this bill pass. And like other Wilton tax payers in high brackets before me this decade, I will not be moving to another CT address.

Now Senator Looney and others may claim that other tax payers will move in to buy those newly empty homes in Wilton and other high-income towns. However, homes may be rented to at cost to lower income families, thus lowering state tax receipts. Second, homes may be gladly sold even at a loss on principal (many CT homes remain under 2008 values still), which further confirms Connecticut's poor economic outlook. Although the state has been barely maintaining its pre-Great Recession population, emigration out is taking more high earners than are coming into the state's heavily-taxed economy. *With each switch in state citizenry, a tax payer grossing \$130,000 leaves (Reason.com). Even worse, there are about 350 families that pay over 10% of the state's entire aggregate income tax each year.* Senator Looney might be surprised to learn that one family can transfer a financial services company from Greenwich or Westport to Jackson, Wyoming and pay no income or corporate taxes in only one week's time.

I do not mind paying higher taxes to shoulder the Wilton teachers' pension plans, but I will not support school regionalization with my tax dollars. Last year, I paid over \$20,000 in state taxes. Multiply that by several thousand families leaving the state, and Senator Looney may have some idea of what money will be moving elsewhere going

forward. It is not Amazon-level money leaving Queens, but the loss will hurt those he is intending to help. Instead of helping urban or inefficient districts, this plan will likely saddle them with more costs as the newly created districts still are obligated to cover ever-increasing special education and ESL budgets. For instance, a combined Wilton-Norwalk district would have numerous ESL students (50% of Norwalk's district) now hitched with a very large special education population from Wilton that uses greater than 30% of Wilton's current yearly budget. Senator Looney forgets that many parents of children with special needs moved to the state's "rich" districts like Wilton, New Canaan, or Weston to access high-cost special educations of their children. Now Senator Looney intends to saddle the other "poorer" district with those costs in a no-win situation that will complicate the coordination of education for all. Norwalk children will end up worse off!

Senator Looney presents no data that regionalization improves education. Personally, I attended the smallest public school district in New York State (New Suffolk, an actual 3-room red schoolhouse with 20-30 students K-6) and one of its smallest high schools (Southold, graduating class ranges from 50 to 80). I sat a 1901 wooden desk with an inkwell in the 1980s, yet parents were ecstatic because the school district provided a tax haven and almost private teaching! Senator Looney fails to understand that tax spending and education results have very little in common, but that parental and local control do determine positive outcomes. If parent(s) are involved, education flourishes. If government control, school regionalization, and unrestrained spending directly improved schools then Bridgeport, CT would rank among the nation's best public school districts.

Local control of school districts goes well back to the 1600's in New England history. Senator Looney's bill SB 738 presents no new idea for improving education in this state, but initiates a needlessly blind attack on four centuries of local school board control. The bill represents a real threat to the only asset that many Connecticut towns have for attracting families at all given the state's perpetual bad economic news published in *the New York Times* and *Wall Street Journal* over the past decade.

If the bill passes, it will be the last of many reasons that tax payers like me need to leave Connecticut. My wife has already green-lighted the move should the Wilton and Norwalk districts merge, no matter what the money lost on our home sale.

Please rescind SB 738, SB 457, and SB 874 from legislative consideration!

Sincerely,

James E. Babashak MD

Wilton, Connecticut  
h 203-761-1202  
c 203-291-9706