

House Republican Press Release

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Capitol Commentary By State Rep. Mary Ann Carson



Governor Rell Introduces Budget Proposal

On Wednesday, February 6, the Legislature opened its 2008 legislative session. The day featured Governor M. Jodi Rell's address regarding her proposed adjustments to 2008-2009 state budget. The Legislature will be making further adjustments to the proposal during the next several months, with a goal of approving a package prior to its May 7 adjournment.

The governor's budget recognizes that the state is facing uncertain economic times and does not break the constitutional spending cap or increase taxes. In fact, the proposal would eliminate one tax that most impacts small businesses--the \$250 business entity tax. These companies are responsible for creating the vast majority of new and replacement jobs in our state and it is unfair to effectively penalize them each year for merely opening their doors.

Other economic initiatives in the budget plan would make investments in nanotechnology. This field draws upon the state's strengths in the fields of biology and chemistry and is an economic driver in manufacturing and biotechnology. The spending plan would invest \$500,000 in operating funds and \$5 million in capital funds to support this field.

In addition, Governor Rell's proposal notes our state's economy will need quality skilled nurses and engineers to fill its current and future labor needs. She proposes providing \$800,000 in additional funding for nursing scholarships and teaching at UConn, our state universities, and community-technical colleges. Other business-oriented proposals in her budget would allocate \$300,000 for an engineering loan reimbursement program to engineers who work in Connecticut, establish a corporate tax credit for offsetting greenhouse gas emissions and establish an exciting "Green Collar" Jobs program at our vo-tech schools to train students in energy efficient building, construction and retrofit work.

The Governor's address also proposes several transportation initiatives, including separating the Department of Transportation (DOT) into two agencies: The Department of Transportation and the Department of Public Transportation, Aviation and Ports. This separation is intended to create more efficient operation and focus of the respective agencies.

Additional transportation-oriented initiatives would:

- Provide new staff for bridge safety and design
- Provide 100 new state troopers for traffic safety, 10 new inspectors for truck safety and speed camera radar operations on Interstate 95
- Provide new railcars for the Metro North and Shoreline East Commuter lines
- Develop of the New Haven to Springfield Commuter Rail Line and Hartford-New Britain Busway
- Make numerous congestion mitigation projects along I-95 and the state's other highways

Other noteworthy investments in the budget proposal include:

- \$15 million to improve and preserve the state's 138 state parks and forests
- \$30 million for arts groups, theaters, museums, historic structures and tourist attractions
- Increasing the state's Rainy Day Fund to \$1.6 billion, its highest level ever. This fund is designed to reduce the impact on state taxpayers in the event of a future budget crisis.

The governor's proposal represents a starting point for this year's budget process. I look forward to providing updates as the process unfolds.