

House Republican Press Release

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Press Office: 860-240-8700

A VIEW FROM THE INSIDE **State Representative Ruth Fahrbach**



No-tax-increase budget proposal **still the best option**

When the Legislature finished its regular business at midnight on June 6, it did so having not passed a biennial budget for 2008-09. As a result, the General Assembly will be called in for a special session some time this month to pass a state budget before the new fiscal year begins on July 1.

After the Governor made her budget address and outlined a bold increase in education funding in early February, the super-majority Democrats unveiled a budget of their own which called for major tax increases and an irresponsible 10 percent increase in spending.

The House Republicans interjected some sanity into the discussion in April by offering a budget that managed to increase funding for things like education and Medicaid reimbursements, but did so without having to raise taxes to pay for it. How, you may ask? Given the nearly \$1 billion surpluses each of the last two years, it was obvious that revenue estimates were too low, and residents and businesses were being over taxed. By increasing revenue estimates (which have been verified by the non-partisan Office of Fiscal Analysis), the House Republicans found a way to maintain current services offered by the state and fund some other key initiatives, without having to raise taxes.

The respective leaders of both parties and the Governor have been in budget negotiations for weeks, and it is yet to be seen what kind of agreement will be agreed upon before the special legislative session is convened, but any budget agreement will likely blow through the state spending cap, which is unfortunate. The GOP proposal also broke through the cap in the first

year, but fell back under the cap in the second year. It is my belief that we must start to look at spending reductions rather than tax increases to make ends meet.

Additionally, tax incentives, not tax increases can really drive and buoy our state's economy encouraging business development and creating jobs. For instance, the legislature has passed incentives in an effort to lure the film industry to Connecticut as a location for movie studios and filming. Instead of proposing tax increases, why not offer tax incentives for other industries to try and get our state back on the right track. Why just the film industry?

It is my hope that the legislative leaders and the Governor will hammer out a budget that does not tax increase taxes on our already over-taxed residents. With many residents leaving for less-taxing destinations, we can't afford to stay on our current course.

If you have any questions or comments regarding the state budget, please call my office at 240-8700.

Rep. Ruth Fahrback represents the 61st District, including Suffield, and parts of Windsor and East Granby, in the General Assembly.