

House Republican Press Release

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A VIEW FROM THE INSIDE State Representative Ruth Fahrback



**Proclivity for government spending
has state in tough spot**

In a development that should not come as a surprise to many, the state of Connecticut is staring down the barrel of a multi-million dollar budget deficit. It appears as though the “spend, spend, spend,” attitude that permeates in the Capitol has finally caught up with the tax and spend crowd in Hartford.

The alternative GOP budget offered by the House and Senate Republicans would cut state gas taxes, phase-out the \$250 business entity tax and would be balanced by offering thousands of state employees an early retirement plan that will reduce spending by \$163 million next year, according to the non-partisan Office of Fiscal Analysis.

One of the most important facets of the GOP budget proposal is that it is a balanced spending plan that does not raise taxes, streamlines government and will avoid potentially huge budget deficits in the coming years. The majority party must come to grips with the fact that people are hurting, and part of the reason for that hurt is a bloated, out-of-control state government.

The Republican alternative budget proposal would:

- Cuts gas prices by 10 cents through a summer state tax moratorium and a roll back the scheduled gross receipts tax increase of .5 percent on July 1. Those roll backs will save consumers \$50 million, Republicans said.
- Eliminates the \$250 Business Entity Tax over two years that all businesses pay just for opening their doors. This will save \$35 million (\$17.5 million in the first year).
- Phases out of the so-called Death Tax cliff that will save estates \$24 million and help keep more people in Connecticut (\$12 million in the first year).
- Offers up to 11,600 eligible state workers an early retirement incentive program, or ERIP, to save a projected \$163 million in the next fiscal year.
- Allows hundreds of seniors to receive home care for a savings of \$17 million. (Money Follows the Person.)

The ERIP offered in 2003, in the midst of the last state fiscal crisis, saw more than 4,000 workers retire and cut the state payroll by more than \$155 million. According to this proposal, no state workers would lose their jobs because of the ERIP.

Now is not the time to increase taxes or spending. Now is the time for the state to act responsibly, to tighten its belt, and to understand how difficult it is for many of the citizens of Connecticut to make ends meet.

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