

A Roadmap to Renewal:

POLICY SOLUTIONS
TO REVITALIZE
CONNECTICUT

Connecticut can prosper again!

Lately we've heard the frustration in the voices of friends, neighbors and family members who have moved or who have thought about moving from Connecticut:

"I left! Good luck, but I think it's a lost battle!"

"I'm considering joining those that have moved out."

"Connecticut is lost! I do not plan on going down with the Titanic!"

All of these are real quotes, from real people, who are being hurt by our state's policies.

Our state is on the wrong course – but with the right policies, Connecticut can come back!

For our state to recover, the 2014 gubernatorial and state legislative candidates of both parties should adopt the following common sense solutions. They will revitalize our state's economy; ensure fairness for all its citizens; renew the prosperity of its people; and enable Connecticut residents of all generations to thrive together.

Right now, Connecticut is broken – but with these changes, it can be fixed!

Read our full *Roadmap to Renewal* at www.YankeeInstitute.org

Reviving the Economy

Problems

- State taxes are crushing the middle class.
- Red tape and small fees are tying up our businesses.
- The state's workforce is shrinking.
- The state shows favoritism in the way it distributes tax breaks and subsidies.

Our Solutions

- Reduce burdensome licensing and regulatory requirements for businesses.
- Roll back all of the 2011 tax increases, and eliminate nuisance taxes and fees that cost more to collect than they bring in.
- Streamline and privatize social services; offer low income families more control over their benefits.
- Eliminate unwarranted exemptions, tax deductions and subsidies given to special allies of the governing class.

Reforming Our Public Education System

Problems

- Spending for K-12 has increased by 51 percent over the last decade, but achievement has remained flat.
- Connecticut's achievement gap is worst in the nation.
- Common Core is reducing local control.
- Tuition at in-state public colleges and universities has gone up an average of 48 percent in eight years; the salaries of administrators and professors have soared.

Our Solutions

- Suspend and re-think implementation of Common Core State Standards.
- Empower parents by having state money follow children to their school of choice.
- Rein in costs and tuition increases at public colleges and universities.



Improving Our Infrastructure

Problems

- Road quality is ranked last in the nation; 406 bridges are considered structurally deficient.
- State government uses transportation money as a slush fund to pay other expenses.
- The state overspends on transportation projects because of prevailing wage laws and project labor agreements.
- Connecticut has an inadequate energy infrastructure.

Our Solutions

- Spend special transportation money only on transportation projects.
- Revamp prevailing wage laws and open all contracts to every qualified construction firm.
- Move forward with plans to increase access to natural gas.
- Upgrade the bridges and cars used by the Metro-North rail line.
- Expand the state's capacity for and use of nuclear energy.

Find more common sense policy solutions in our full-length *Roadmap to Renewal* at www.YankeeInstitute.org.



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Curing Health Care

Problems:

- Connecticut's health insurance rates are among the nation's highest.
- Health care costs at hospitals and clinics are not transparent.
- The state is financially unprepared for the huge influx of new Medicaid beneficiaries, who signed up under the Affordable Care Act.

Our Solutions:

- Reduce the number of insurance mandates to lower the cost of insurance premiums.
- Allow consumers to see provider costs before treatment.
- Maintain consumer control of health care options.
- Grant low-income residents more choices by moving some out of Medicaid and onto the exchange created by the ACA.
- Lower the Medicaid-qualifying income to a level appropriate for our region.

Civil Service Reform

Problems:

- The state owes \$100 billion in liabilities for its promised employee pensions and other benefits – roughly \$27,000 for every man, woman and child in the state.
- Public employees earn \$10 more per hour than their private sector counterparts in the Hartford area.
- The state has a no-layoff pledge.
- Public employee benefits are more extensive and more expensive than those of private sector workers.

Our Solutions:

- Move to a defined contribution, 401(k)-style retirement plan for all new employees.
- End pensions for state judges; offset the lost benefits with higher wages.
- Provide all state employees with high-deductible health savings account health plans.
- Negotiate with state employee unions to bring wages and benefits back in line with those offered by the private sector.
- Give workers the choice of whether or not to join a union, and don't make union membership a condition of employment.

Public Management Reform

Problems:

- Connecticut is drowning in debt.
- The state uses budgeting tricks to conceal its overspending.
- State spending outpaces revenue growth, leading to deficits.

Our Solutions:

- Strict adherence to the constitutionally-mandated spending cap.
- Eliminate accounting gimmicks and adopt GAAP accounting principles.
- Apply sound management principles including zero-based budgeting and a cost/benefit analysis of all programs; lean management; and disruptive innovation to increase oversight and accountability to Connecticut's taxpayers.



Connecticut's economy is headed in the wrong direction!

These common sense solutions will help jump-start the economy and get us back on the path to prosperity.

Improving Lives through Freedom and Opportunity