Yankee Institute Policy Paper Series 2019

**vol.1**

# An Affordability Agenda

## Yankee's First Five Practical Priorities for 2019

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# Executive Summary

Since the November election, public attention has focused on the Progressive Caucus' Big Five initiatives and on how Gov. Ned Lamont will address the myriad challenges confronting Connecticut. In keeping with Yankee Institute's mission to enable all Connecticut's people to be free to succeed, we offer policy proposals that are designed to present:

- A continuing dedication to strategies that will reform promises and payments to government retirees, allowing them to be set at affordable, sustainable and equitable levels;

- Support for Gov. Lamont's pledge to tackle the structural debt in this and coming years without raiding the Rainy Day Fund or raising tax rates;

- Five realistic, concrete proposals to enhance the well-being of our state and its people:
  - Regulatory reform to reduce the cost of doing business in Connecticut;
  - Municipal reform to allow municipalities to save money by voluntary cooperation while taxing more effectively;
  - A local-option minimum-wage cap rather than a uniform statewide increase;
  - A credible transportation plan that is not just another blank check to the state; and
  - Revenue-neutral tax reform that will slow the flight of Connecticut's tax base.

# Introduction

As a new governor and a new legislature have taken office in Connecticut after hard-fought campaigns, it may be safely assumed that regardless of ideology or partisan affiliation, virtually everyone in Hartford shares the same objective: return Connecticut to its long-held and rightful place at the head of American economic promise and progress.

After winning election, Gov.-elect Ned Lamont moved quickly to reaffirm his recognition during the campaign that Connecticut's tax base could not withstand any additional increases in tax rates.[1] Almost as important, he expressly recognized that the state's Rainy Day Fund – which will soon surpass $2 billion – must remain intact to enable the state to weather the next recession. If history is any guide,[2] a downturn is likely sooner rather than later.

If Gov. Lamont stands by this commitment, preserves the Rainy Day Fund, and tackles the structural deficit this year without raising tax rates, the net cyclical deficit brought on by the next recession-and-recovery cycle could run to about $2.5 billion over three years – ugly, but manageable. But if he surrenders to demands already being made by the legislature to raid that fund rather than fix the structural deficit in 2019 and for future years, the net shortfall in that three-year cycle could top $12.5 billion – or more than *20 percent annually* below the pre-recession baseline.[3] Worse, the state would still face unresolved and steadily growing structural deficits on the other side of the recession. This would be an economic disaster for our already heavily taxed and heavily indebted state.

For Gov. Lamont to keep his promise to fix the structural deficit in 2019 and into the future, he is going to have to fulfill perhaps his most difficult but indispensable campaign promises: to get the government-employee unions to the table, and convince them to make *real* concessions[4] in their benefits. Those steps are required to put the three government pension systems – SERS, TRS and MERS,[5] – on a sustainable and affordable footing. Given the government unions' wealth, political power and greater dominance in the new legislature, this will be anything but easy.

What's more, previous administrations and union leaders agreed for years to increase benefits regularly even while consistently and systematically underfunding the systems. The result was entirely predictable: the extravagant promises are bankrupting Connecticut's economy and hurting its people. If the state were to find itself unable to meet its promises, it's the state workers themselves who would ultimately be hurt the most because of their long reliance on these increasingly unsustainable promises.

We support the governor in these efforts to reform government benefits, in order to safeguard the futures of government employees and the taxpayers of Connecticut alike. We urge him to start by moving all employees, *but <u>only</u> for work not yet performed*, to a more cost-effective benefits package that would include risk-sharing and a significant defined-contribution aspect.[6] Trimming inflated pensions that exceeded reasonable expectations as a result of 15 years of historically low inflation, or because of pension spiking and other inappropriate practices[7] would result in further savings while bringing government-sector pension benefits and total government-employee compensation more in line with market averages.[8] Finally, government retirement healthcare benefits should be reformed, with the new benefits modeled on the packages that are reasonably available to Connecticut's private-sector retirees.[9] Right now, Connecticut government-worker retirees get annual retirement healthcare benefits that are *33 times* more generous than those available to private-sector retirees.[10] Partly because of this, Connecticut government workers currently enjoy total compensation between a quarter- and half-again more generous than that of their private-sector peers. All of this difference comes in the form of benefits, both during and after an employee's active working career.[11] Aligning public post-retirement compensation structures with private compeers could save the state significantly more than $1 billion each year.[12]

Responsibility for governance does not rest with Gov. Lamont alone. He will share power over the next two years with a highly progressive legislature. According to state Rep. Josh Elliot, the *de facto* spokesman of the Progressive Caucus, the top five priorities for 2019 are increasing the minimum wage to $15 per hour; introducing paid family and medical leave; legalizing and taxing sports betting; legalizing and taxing recreational marijuana; and imposing tolls on the drivers of Connecticut.[13]

The priorities articulated by Rep. Elliott and the rest of the Progressive Caucus are no doubt intended to improve the lives of Connecticut's residents and address its fiscal crisis. Although Yankee Institute agrees wholeheartedly with the intent, we believe a different approach will more effectively address Connecticut's fiscal crisis and enhance the economic well-being and liberty of its people.

Yankee Institute's initiatives – formulated to be achievable in light of the membership of the new administration and legislature – are set forth below.

# 1 Regulatory Reform

Connecticut is worse than broke; it starts 2019 with a $1.7 billion structural budget deficit that is forecast to rise steadily in coming years. The state's economic plight springs in large part from the fact that it has raised taxes so much that businesses and individual taxpayers are heading for more friendly states. General Electric, Rogers Corp. and other big corporations warned the state in 2015 that if it raised the corporate tax rates as proposed, they would leave.[14] It raised them; they left.[15] Connecticut families followed close behind, with the state losing residents in 2018 at the third-highest rate in the country.[16] When foreign immigrants are included, Connecticut was the only New England state to lose population in 2018 – for the *fifth* year in a row.[17]

If Connecticut is even to retain the tax base that remains – much less attract vibrant new business – it must make itself a more competitive business location. If it will not do so by lowering net taxes this session, it must compensate by other means. One readily available method is through regulatory reform.

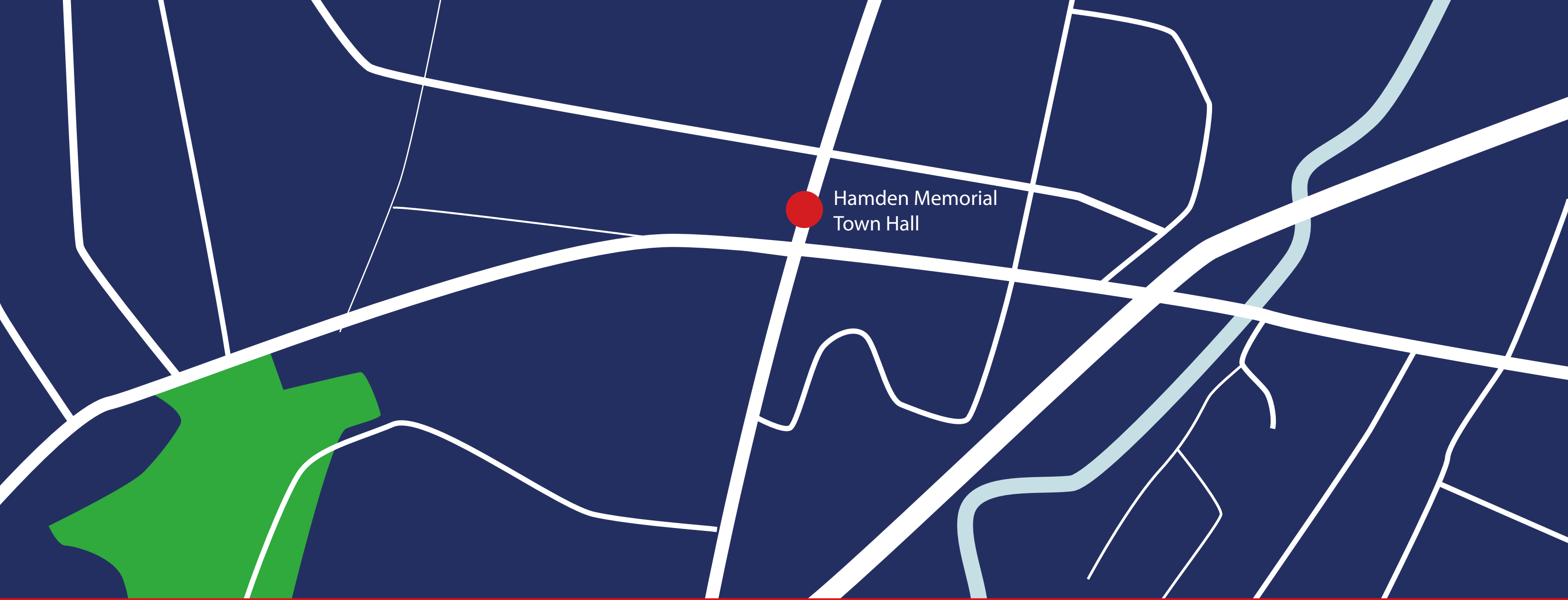
Regulatory reform is a way to make the state a more attractive business location without reducing state revenues. Some regulation can be very valuable if carefully crafted, with attention to its relative cost and benefit, and with mechanisms by which overly broad or inefficient regulations can be reviewed, revised or repealed. Badly crafted regulation, however, imposes a deadweight loss on society, costing businesses to comply with it without offering enough corresponding benefits to the public.

Yankee Institute has developed a package of reforms designed to address these concerns.

- ***Reviewing and reforming previously-enacted regulations.*** Connecticut should establish a regulatory-review office for revising or eliminating regulations that are outdated, duplicative, unnecessary or otherwise inappropriate. The office should have the power to act on its own initiative and a duty to act promptly on well-informed public petitions. It should be able to require agencies to defend their regulations, and to revise or repeal regulations it finds wanting.

- ***Adopting only well-considered, tightly crafted and net-beneficial new regulations.*** The state should require that agencies undertake cost-benefit analyses of new regulations of the sort the federal government has required for decades. Agencies should be expected to quantify the reasonably foreseeable benefits expected from the regulation, as well as the total implementation costs. It should be permitted to enact the regulation only if it determines – with sufficient evidence after public participation – that the benefits outweigh the costs.

- ***Cataloging applicable regulations in user-friendly ways and foregoing onerous punishment of unintentional first violations or violations without knowledge of the regulatory requirement.*** Agencies should also have to account for their regulations. They should be required to catalog the regulations they currently enforce, along with the purpose and applicability of those regulations. In the same process, they should be obliged to draw up "safe-harbor" checklists for the types of entities they regulate. If businesses adhere to the regulations on the relevant, current safe-harbor checklist(s), they should face no penalties if they are found in non-compliance with valid regulations that have not been included on the checklists relevant to them, so long as they come into compliance within a reasonable time, and there were no immanent threats to public health or safety.




## 2 Municipal Reform

Many of Connecticut's largest cities find themselves in deep financial holes, with Hartford itself having required a bailout in 2018.[18] Other municipalities face less existential – but still serious –challenges. State-controlled MERS obligations skyrocket each year even as state-promised funding has been reduced and become increasingly unreliable. In 2018, Gov. Malloy even attempted to pass one-third of TRS expenses on to the municipalities, even though the state controls the size and scope of teacher pensions and other retirement benefits.

Our cities and towns need help. Yankee has responded with a municipal reform package that seeks to help Connecticut's communities, not by burdening them further with additional state costs or mandates (funded or unfunded), but by giving the municipalities more choices. The package offers more ways to control their own costs, create their own savings, revise (within careful and reasonable constraints) their own tax bases, trim their own budgets, and serve their own constituents more efficiently.

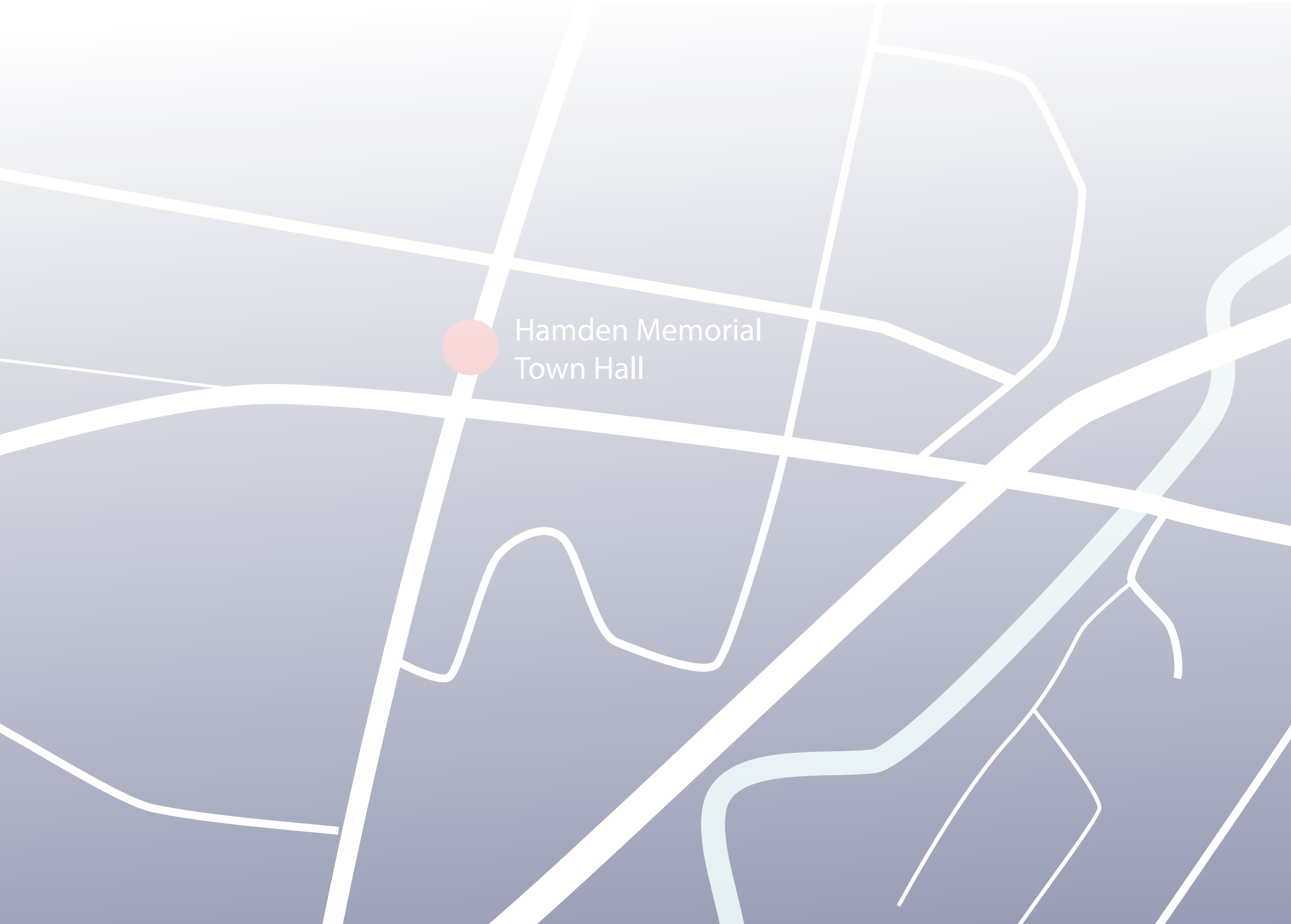
First, the state should reform its municipal-assistance process. Hartford is already resisting even the minor pension reforms it had offered in exchange for its bailout, even as other Connecticut cities consider following in Hartford's feckless footsteps. Connecticut should establish a system to ensure that any future bailouts would trigger loss of municipal autonomy and sweeping, mandatory financial reforms.

Second, the state should allow towns to reduce the barriers, burdens and regulatory roadblocks that now prevent them from lowering their own costs and attracting new businesses and residents. As at the state level, most of these costs are personnel-related. The easiest and most efficient way for Connecticut's municipalities to reduce these costs is for them to make voluntary, cooperative agreements to share services with their neighbors.

This does *not* require the establishment of county government – an expense state taxpayers don't need and can't afford. It does require the state to allow municipalities to open their charters to make limited, pre-agreed changes. These could revise antiquated staffing provisions and labor rules to allow towns to realize savings from voluntary cooperation. The state should further amend the MERS process by eliminating binding arbitration for municipal workers – a luxury unknown in the private sector – and withdrawing most staffing and benefit decisions from collective bargaining.

The state should reform costly or unproductive regulations while allowing municipalities to make a business case for amending or waiving regulatory requirements for current and potential businesses and residents. Here's one to start: the minimum-budget requirement – which needlessly complicates school district efforts to save money if enrollments drop.

Finally, Connecticut should offer municipalities a constitutionally endorsed and policed bargain: a limited sales-tax authority in exchange for property-tax cuts and caps. Such a voluntary exchange, in communities that accepted it, would respond to long-standing complaints from cities with high levels of untaxed property. It would also both reduce the state's most onerous mill rates and prevent towns from perpetuating patterns of profligacy and over-taxation.



# 3 A Local-Option Minimum Wage, with a Statewide Cap

As already noted, progressives in the legislature are advocating a minimum-wage increase, and Gov. Lamont has signaled his support; accordingly, odds are that something along these lines is very likely coming.

Minimum-wage hikes create a host of unintended consequences, including negative effects on those the increase is purportedly designed to help. As *The New York Times* once knew but has long since forgotten,[19] the real minimum wage is always zero.

Certainly, a minimum-wage increase is a positive good for some people: those who (a) are making less than the new minimum wage; (b) remain employed after the minimum-wage hike; (c) see no cut-back in the hours they are asked to work; and (d) don't find themselves burdened with extra work responsibilities as a result of cutbacks made to their co-workers' schedules as a result of the wage rise. Less fortunate or less-skilled minimum-wage workers, however, will find themselves unemployed; others will have their hours cut back or end up working harder with less support in order to make up for the additional pay.

The negative effects of minimum-wage hikes don't stop with unfortunate low-wage workers. When workers lose their jobs, they not only stop paying taxes, they start *taking* tax revenues in the form of support services until they can find new jobs. But the jobs of the sort they were doing before have just become much scarcer as a result of the minimum-wage hike that was supposed to help them.

The unintended consequences keep rippling out. At the margin, a minimum-wage increase forces some struggling businesses to close. This hurts not just the workers who are let go, but the business owner, who will presumably have to go into the labor market and compete with other workers. The lost business also means lost tax revenues, which hurts government at all levels and decreases the funds available to support those who rely on government largesse.

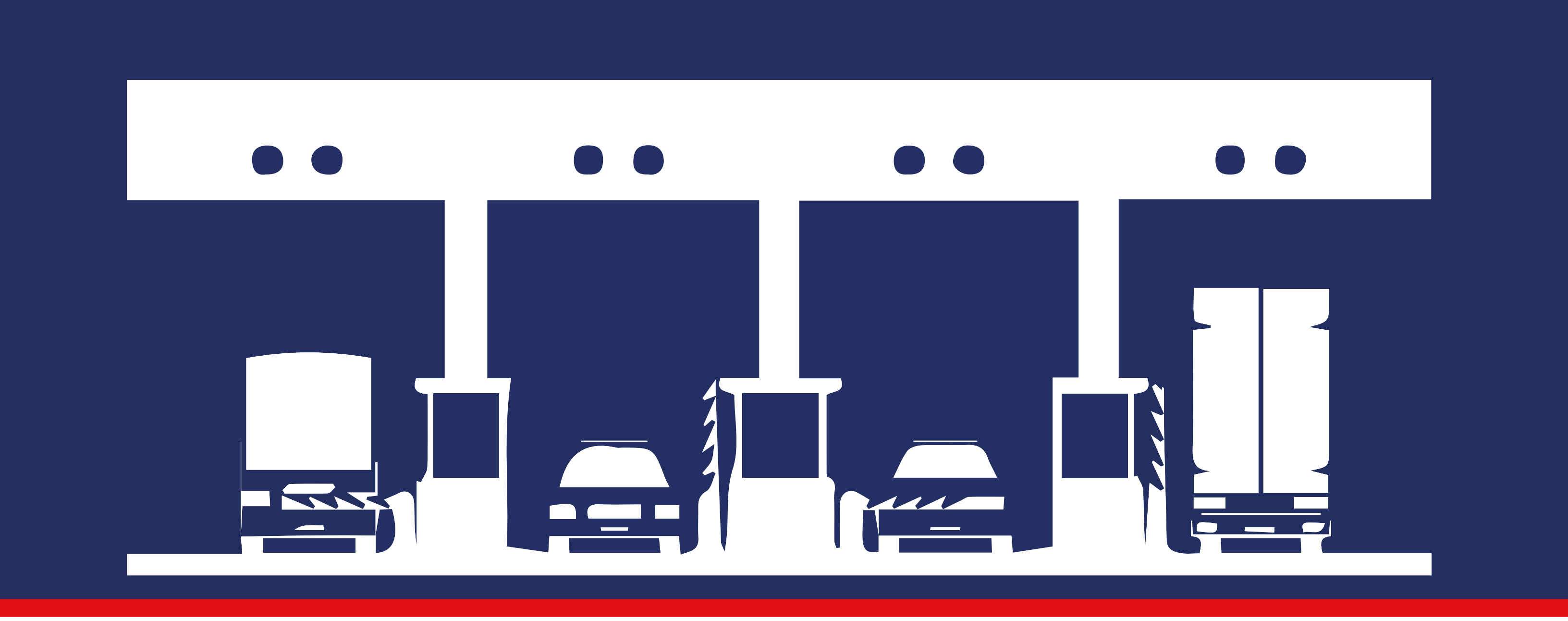
Business closings also hurt whole neighborhoods on two fronts: first, by reducing the number of services offered locally and conveniently to the people of that neighborhood, and second – unless the business is quickly replaced in the same location by some other enterprise – by leaving a vacant storefront.  Vacancy begets vacancy and can quickly threaten a neighborhood's integrity.

If Connecticut is nonetheless to have a minimum-wage increase, then we must all work together to make sure that the boost is designed to minimize negative effects. Some vital but relatively easy steps the new government can take include: (a) a long phase-in of any increase, to give businesses time to adjust successfully; (b) financial offsets, such as business tax and fee cuts to soften the blow (*see* section (5), below); and (c) repeal or reform of onerous, unproductive business regulations per our proposal above.  Finally, but perhaps most importantly, the minimum-wage increase should not be imposed as a statewide mandate, but rather in the form of a *local option* to increase the minimum wage in each municipality up to a certain, specified cap.

The local option is vital.  The cost of living in Tolland is lower than it is in Fairfield.  The businesses in Greenwich can, on average, afford to pay a higher minimum wage than can those in Washington Depot.  City wages are generally higher than rural wages.  And the people who have the best grasp on how much a municipality's businesses can afford are the people in that municipality.

It is a mistake to force a one-size-fits-all minimum-wage hike on every municipality in the state. Better to grant each municipality the *local option* to raise the minimum wage in its jurisdiction up to a slowly increasing cap.  This will permit local residents with the best local knowledge to contour increases to the real, specific circumstances of their communities.

This will help preserve the incidental benefits of a minimum-wage increase while mitigating its worst effects. And most importantly, it will prevent a blanket statewide increase from crushing poorer and rural communities, suffocating their economies under labor rates designed for wealthier areas and for cities.



# 4 Reining in Connecticut's Transportation Costs

Many in the previous administration and in the new legislature have advocated the installation of as many as 82 different toll gantries throughout Connecticut.[20] This is not the way to address Connecticut's transportation challenges.

First, the concept is a startlingly regressive one to be embraced as a "top-five priority" by the legislature's Progressive Caucus. Tolls will be a minor inconvenience for Connecticut residents of means, who won't miss the marginal income that they lose from tolls. For the working poor, however, tolls constitute a meaningful economic threat – an actual tax on driving to work. With tolls, either they submit to yet another money grab by state government, or unaffordable tolls will force them to take back roads to work, extending the length of their travel, decreasing their time with family and increasing the overall pollution they create in extending their commute.

Many Connecticut residents have been lulled regarding tolls by the misunderstanding that they can be charged only at the border and so fall almost entirely on non-residents.[21] This is wrong: it would violate the dormant Commerce Clause of the U.S. Constitution to toll only the borders without explicit federal permission, which has not and likely will not be granted. Stopping states from burdening interstate commerce was one of the primary motivations for calling the Constitutional Convention in the first place.

To his credit, Gov. Lamont during the 2018 campaign opposed tolling passenger autos in Connecticut. He did signal support for following Rhode Island down the path of charging tolls only to long-haul, big-rig trucks.[22] The constitutionality of trucks-only tolling is even now being challenged in federal court on these same dormant Commerce Clause grounds.[23] If the governor means in good faith only to charge such trucks, and to abandon tolling for Connecticut if the fees must apply to everyone or no one, then he should say so – and the tolling question should await judicial resolution in the Rhode Island case. If he remains coy, it raises suspicions that his real desire is to toll everyone, so long as he can toll.

While Rhode Island's truck-only toll question proceeds, and before any elected representative in Connecticut – let alone a progressive – should seriously consider any tolling, the state should address and fix Connecticut's real transportation problem: the enormous, unjustifiable cost of performing any transportation projects. Connecticut is one of the most expensive states in the country in which to build or repair a mile of highway,[24] in large part because it has *the highest* administrative costs per mile of any state.[25] Until the state brings those and other transportation construction costs down into a reasonable range consistent with comparable states, it should not be rewarded with additional revenue of any kind, much less the expensive-to-administer and fundamentally regressive revenue generated by general highway tolling.

Here are some suggestions for lowering the state's excessive construction and repair costs. These should be addressed before any additional funding is sought from the state's overburdened citizens.

## • Review prevailing-wage rules

Prevailing-wage rules, enforced by the state, require municipalities to pay high minimum rates for skilled labor when they maintain infrastructure or build improvements, rather than paying what the market will bear. These rules are remnants of the Depression era, with all the obsolescence their age implies. With Connecticut's state and municipal budgets squeezed on all sides, even as its infrastructure ages out of its safe and useful life, prevailing-wage windfalls for special interests are particularly foolish.

Yankee Institute therefore proposes a prevailing-wage holiday for two years: all projects commenced within the two-year holiday would be free from prevailing-wage obligations, regardless of when the projects are completed, or even when the final agreements for the projects are signed. This will allow municipalities a window in which to plan and budget for projects to revitalize their communities at market rates.

While the prevailing-wage holiday is in force, its impact should be studied. The state should make the holiday permanent if it results in high-quality outcomes at lower costs. An interim step would be to raise the threshold at which prevailing-wage rules apply to new construction or repair and renovation, setting the threshold at perhaps $5 million and then indexing the threshold to inflation.

## • Reform set-aside rules

As the name suggests, set-aside rules require governments to set aside certain portions of construction contracts for women- or minority-owned businesses based in the state of Connecticut. We are united in applauding efforts to secure equal opportunity for every American, but set-aside rules as currently written largely fail to achieve that goal. They can significantly delay and radically increase the costs of construction and transportation projects.

Difficulties and inefficiencies abound. First, the rules currently require that every eligible project include a set-aside portion, rather than allowing Connecticut governments to set aside a specific portion of their *total* construction or transportation spending. The latter would be much more efficient, allowing the purpose of set-asides to be achieved fully without having to break up smaller projects into numerous parts, inefficiently – and often more expensively – staffed by a variety of contractors.

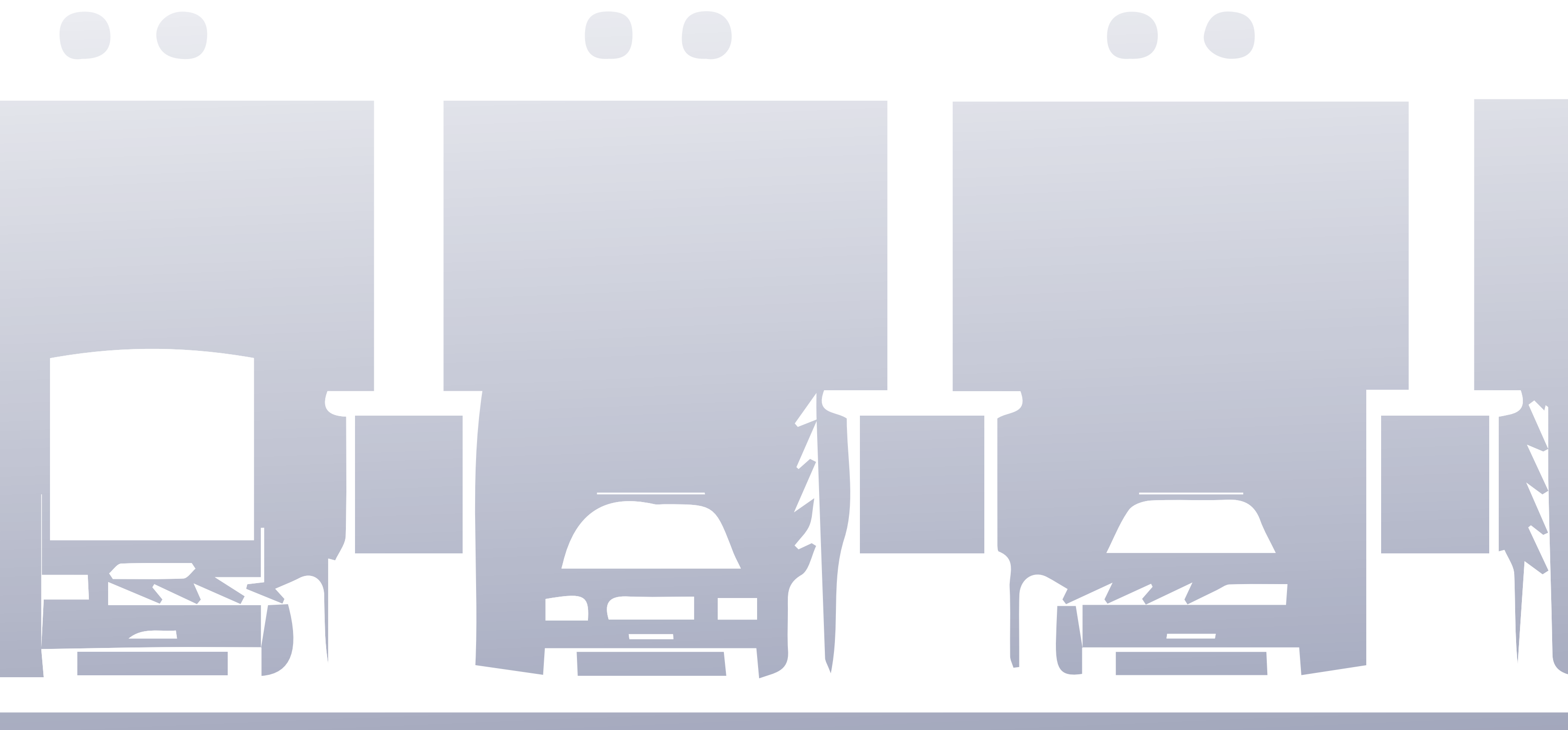
Second, the rules do not allow for waiver of the set-aside obligations when there are no or only one or two qualified bidders for the set-aside portion. Not allowing a waiver where there are *no* bidders is absurd; it just delays projects indefinitely to no good effect. Prohibiting waiver when there are only one or two bidders – and hence either no competition or demonstrably inefficient duopolistic bidding – simply encourages market capture and the creation of first-market-occupant barriers to entry. A century-and-a-half of anti-trust law has sought to *break down* such market barriers. It makes no sense to recreate them.

Additionally, of course, as in all cases of monopoly, the monopolist labor seller earns windfall profits at the expense of the government (in truth, the taxpayers), greatly inflating costs of construction for no constructive purpose.

## • Encourage public-private partnerships and design-build-operate contracts

As Yankee Institute and any number of Connecticut news outlets have demonstrated repeatedly, the private sector in Connecticut produces goods and provides services much more efficiently than its public-sector peers. Where transportation work can be done by private firms, it should be. This can include not only construction or transportation projects, but maintenance and service of Connecticut's transportation facilities. There has been significant speculation that there will be a wave of retirements in coming years in response to changes in government-worker pension and other retirement benefits. If so, the response should be to replace those workers with less expensive, more efficient, private-sector providers.

One way to take advantage of the greater efficiencies offered by using private providers is to embrace the design-build-operate model. Under this model, companies bid to provide the design for a project and then to organize the building and operation of that project themselves for some significant period, often about 20 years. This model can sometimes result in significant savings to government payors and faster completion and better operation of the project. Design-build-operate is not a panacea, but it is one of many models that are available when governments are free to seek the lowest-cost and highest-value providers to meet their transportation and other construction and service needs, rather than being strapped to a single model that's already been shown to provide some of the worst and costliest results in the country.




## 5 Revenue-Neutral Pro-Growth Tax Reform

In a different year – and perhaps with a different legislature – it would make sense to discuss the ways that aggressive, strategic tax reform could restore confidence, attract investment and stimulate the economic growth that Connecticut so desperately needs.[26]

It is vital right now to reform the taxes that are doing the greatest harm to Connecticut's economic prospects for the smallest overall return. Tailored tax reductions could be balanced by offsetting tax changes that would do far less overall harm to the state economy.

The new budget should reduce or eliminate taxes and fees that generate little revenue while driving high-tax-paying families and businesses from Connecticut. The legislature might well start with the estate and gift taxes. Although they bring in comparatively little revenue, they have a significant effect in pushing taxpayers, especially wealthy older taxpayers, out of the state. And those taxpayers have many choices when deciding where to relocate: all but 13 states, including Connecticut, have repealed their estate taxes, and no one else still has a gift tax.

Similarly, the state should look to rolling back the 2015 corporate tax increases. Had the previous administration taken GE and other corporations at their word when they said further tax increases would force them to leave, their headquarters (and affluent employees) would still call Connecticut home. It's too late to keep them, but we have the opportunity to learn from their departure.

And the business-entities tax should be eliminated immediately. It takes the first $250 every other year from every start up and struggling small business trying to keep the lights on while meeting payroll. It sends the worst possible message about Connecticut's priorities to every entrepreneur in our state. It must go.

These tax reductions could be offset by a narrow and thoughtful broadening of the sales-tax base; by savings to be garnered from the reforms already set forth in this report; by significant reductions in "economic development" spending; and by the additional tax revenues that will result from curtailing the vicious cycle of tax flight.

*Yankee Institute for Public Policy strives to contribute constructive, concrete proposals to address the real and growing challenges confronting our state. The priorities we have set forth here are ones we think are consonant with the tenor of the times, and are designed to achieve practical results. We remain committed to working with everyone who shares our dedication to ensuring that Connecticut can prosper and all its people thrive. We invite the governor, legislators and concerned citizens to reach out to us at any time. We report regularly on our work and on the state of the state throughout the legislative session and beyond on our web site: YankeeInstitute.org. Meanwhile, watch for additions to Yankee Institute's 2019 Policy Paper Series in coming weeks and months.*

# Endnotes

[1] *See, e.g.*, Keith M. Phaneuf & Mark Pazniokas, *A Rainy Day Fund Beckons, but Lamont Insists on Fiscal Reform,* CTPost (Nov. 19, 2018), *available at* https://ctmirror.org/2018/11/19/rainy-day-fund-beckons-lamont-insists-fiscal-reforms/.
[2] *See id.*
[3] *See* Scott Shepard, *Policy Corner: Save the Rainy Day Fund for Stormy Weather to Come,* YANKEEINSTITUTE.COM (Dec. 11, 2018), *available at* http://www.yankeeinstitute.org/2018/12/save-the-rainy-day-fund-for-stormy-weather-to-come/.
[4] Real concessions mean agreement by the unions to unilateral reductions in the size and scope of their promised pension and other post-retirement benefits, not the smoke-and-mirror "concessions" of the former Gov. Dannell Malloy years. Those claimed concessions were in large part only notional give-backs of not-yet-agreed-to benefits, to which the workers as yet had no claim, in exchange for an unconscionable lengthening of the SEBAC contract period. Bargained-for exchanges are not concessions, nor are ephemeral rescissions of unguaranteed future benefits.
[5] SERS is the State Employee Retirement System. TRS is the Teachers' Retirement System. MERS is the Municipal Employees Retirement System.
[6] Up until now, all reductions in benefits have been made only for new hires, not for work not yet performed by current employees.
[7] When the automatic cost-of-living increases, including a minimum-increase floor, *see, e.g.*, https://www.osc.ct.gov/empret/tier3spd/other.htm, were established in the 1980s, the universal economic consensus was that inflation rates would continue to run in the coming years as they had run, broadly, in the previous decades. If this had been the case (*i.e.*, if the average inflation rate since 1990 had been about 6 percent) then the COLAs would at most have kept benefits at the same real value, with occasional years in which the maximum COLA had been exceeded by that year's inflation, resulting in very gradually diminishing real pension benefits in the years of retirement. Since, instead, inflation has run far below historical expectations since about 2002, the COLA has provided an unexpected and unbargained-for windfall to retirees, many of whom had already been offered generous pensions. Givebacks of some of that unearned and unexpected windfall would go far to rendering the systems affordable to Connecticut's taxpayers.
[8] *See, e.g.*, Andrew Biggs, *Unequal Pay: Public vs. Private Sector Compensation in Connecticut 3 and passim*, YANKEE INSTITUTE PUBLIC POLICY PAPERS SERIES (Sept. 2015) ("On average, Connecticut state employees receive total pay and benefits from 25 to 46 percent higher than comparable private sector employees."), *available at* http://www.yankeeinstitute.org/policy-papers/unequal-pay/.
[9] *See id.*at 8-9.
[10] *See id.* at 14 (Table 2, "Retiree health coverage").
[11] *See id.* at 8-9.
[12] *See id.* at 3 and *passim*.
[13] *See, e.g.,* Emilie Munson, *Progressives Multiply in State Capitol*, CTPost (Nov. 29, 2018), *available at* https://www.ctpost.com/politics/article/Progressives-multiply-in-State-Capitol-13431732.php.
[14] *See* Suzanne Bates & Mark Guis, *No Way to Do Business,* YANKEE INSTITUTE POLICY PAPER SERIES (Jan. 2019).
[15] *See* id.
[16] *See, e.g.,* Marc E. Fitch, *Connecticut Ranks 3rd in Country for People Moving Out,* YankeeInstitute.org (Jan. 3, 2019), *available at* http://www.yankeeinstitute.org/2019/01/connecticut-ranks-3rd-in-country-for-people-moving-out/ (citing United Van Lines, 2018 *National Movers Study* (Jan. 2018), *available at* https://www.unitedvanlines.com/contact-united/news/movers-study-2018).
[17] *See, e.g.*, Joe Cooper, *CT Loses Population for the Fifth Straight Year,* HartfordBusiness.com (Jan. 2, 2019), *avail-*

*able at* www.hartfordbusiness.com/article/20190102/NEWS01/190109999/1002.
[18] *See, e.g.,* Neil Vigdor & Jenna Carlesso, *Months after Hartford Bailout, Rival Mayors Blast Extra Help for Capital City,* HARTFORD COURANT (Mar. 23, 2018), *available at* https://www.courant.com/politics/hc-pol-hartford-bailout-opposition-20180323-story.html; Jenna Carlesso, *Under New Deal, State Will Pay Off Hartford's Debt* HARTFORD COURANT (Mar. 22, 2018), *available at* https://www.courant.com/community/hartford/hc-news-hartford-debt-contract-20180322-story.html.
[19] *The Right Minimum Wage: $0.00* (unsigned editorial page column), NEW YORK TIMES (Jan. 14, 1987) ("there's a virtual consensus among economists that the minimum wage is an idea that's time has passed. Raising the minimum wage by a substantial amount would price working poor people out of the job market. A far better way to help them would be to subsidize their wages or - better yet - help them acquire the skills needed to earn more on their own."), *available at* https://www.nytimes.com/1987/01/14/opinion/the-right-minimum-wage-0.00.html.
[20] CDM Smith, *Connecticut Tolling Options Evaluation Study,* Connecticut Department of Transportation (Nov. 2018), *available at* https://www.scribd.com/document/393613621/CTDOT-Tolling-Report#from_embed.
[21] *See* Marc E. Fitch, *No, Connecticut Can't Install Border Tolls – Here's Why,* YANKEEINSTITUTE.COM (Feb. 1, 2018), *available at* http://www.yankeeinstitute.org/2018/02/no-connecticut-cant-install-border-tolls-heres-why/.
[22] *See, e.g.,* Ken Dixon, *Lamont Proposes Trucks-Only Tolls,* CTPost (June 16, 2018), *available at* https://www.ctpost.com/news/article/Lamont-proposes-trucks-only-tolls-12998772.php.
[23] *See id.*
[24] *See, e.g., Connecticut Ranks 46th Overall in Highway Performance and Cost-Effectiveness,* REASON FOUNDATION POLICY STUDY SERIES (Feb. 8, 2018), *available at* https://reason.org/policy-study/23rd-annual-highway-report/connecticut/.
[25] *See id.*
[26] *See* Nick Kasprak, *Do Tax Cuts Pay for Themselves,* TaxFoundation.org (May 10, 2013), *available at* https://taxfoundation.org/do-tax-cuts-pay-themselves/.

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