



FISCAL STABILITY & ECONOMIC GROWTH

The Commission on Fiscal Stability and Economic Growth, which lawmakers created last year, is working to develop and recommend policies to achieve state government fiscal stability and promote economic growth and competitiveness within the state. Economic growth, which is the increase in goods and services an economy produces, is essential for rising tax revenues and creating a supportive environment for fiscal sustainability, and a high quality of life.

The commission's vision is to restore Connecticut's competitiveness and dig into key issues that they believe are constraining growth and offer solutions. The commission has been gathering testimony from a vast number of employers, business leaders and organizations at public hearings at the Capitol over the past three months to help shape strategy in increasing the state's competitiveness.

One of the big issues is the state's fiscal uncertainty and how to deal with it. State employee wages and benefits are just one of several areas the commission and lawmakers need to address to turn things around. Connecticut is one of the few states in the U.S. that negotiates for health and pension benefits as part of the collective bargaining process. Other states have lawmakers set pensions and benefits through legislative action. Other issues to tackle are Connecticut's taxes, which are higher than U.S. averages and the state's decline in revenue growth.

Commission member Jim Loree, president and CEO of Stanley Black & Decker, explains that, "Connecticut's growth has slowed as our competitiveness has diminished. A long-term vision is required to propel our state back to greatness." The commission is focusing on many key issues, including state revenues, tax policy, transportation funding, workforce development, population loss, municipal activities, and state employee benefits.

The commission, chaired by 14 business leaders, has a March 1 deadline to make recommendations to the legislature that will enable improved competitiveness and higher growth in Connecticut. The commission will recommend short-term, medium-term and long-term actions. The focus is on structural reform, rather than recommendation on what budget line items to cut.

The Greater New Haven Chamber urges lawmakers to continue to work with the business community and use the commission's recommendations as part of their plan to make tough but necessary choices to jump-start Connecticut's fiscal health and restore confidence. To keep updated on the Commission on Fiscal Stability and Economic Growth's activities, visit www.cga.ct.gov.