

Capitol Monitor

A Report on Activity at the State Capitol

Vol. 7, Issue 89 | May 1, 2017

State Budget Battles Wage On:

The bad news is also old news:

[Revenue for this April is significantly below projections.](#) This adds about \$1 billion to the deficit over the biennium, which translates to an anticipated deficit in excess of \$2 billion for each fiscal year for the biennium, and a deficit of approximately \$500 million for the remainder of FY 2017, which ends on June 30. The deficit for FY 17 will wipe out the state's Rainy Day Fund.

Last week, the Appropriations Committee offered a [Budget Bill](#) that did not get voted on and the [Republicans offered a budget proposal](#). Neither of these budget proposals addresses the new \$1 billion hole created by the declining revenue estimates.

Any items that were either level funded or restored in the Governor's, Appropriations, or Republican proposals are in peril because of new revenue deficit information. Both Appropriations and Republican proposals have elements in them that would make them difficult or impossible to pass. "No New Taxes" was a unifying theme.

Recently, Senate President [Martin Looney has asked that budget negotiations be open to the public](#), which would enable media would to live broadcast the talks.

Looney told CT NewsJunkie: "Rather than enduring a month or perhaps several months of dueling news conferences debating whose contingent, work-in-progress budget is most legitimate, competitive spin and strategic or retaliatory leaks, let us take a new, more straightforward, unencumbered approach to our current budget challenge," Looney said. "We should pursue the most open, transparent, and candid budget negotiation process in Connecticut's history."

House Democrats are expected to present a budget proposal next week. The Senate Democrats have pledged a budget with no increases in business taxes, sales taxes or income taxes.

The Finance Committee Passed a revenue package (SB 787) that raised funds by eliminating the Sales Tax Transfer to the Municipal Revenue Sharing Account, and sweeps the balance of the Municipal Accounts and transfers it to the General Fund going forward. This adds approximately \$300 million to the General Fund instead of those funds being distributed to municipalities. The revenue package only "raises" revenue of \$155.7 million in FY 18 and \$89 million in FY 19. This doesn't address the declining revenue problem.

What's next? There are two likely scenarios:

1. A Democrat budget, supported by all Democrats. Don't hold your breath. Party unity is difficult. The Senate Democrats have said that they won't raise taxes - but some of the likely cuts are so painful that a final budget could contain new revenue to prevent further cuts. Under this scenario, every democrat is key to passage of a budget package, and they all have to be present and accounted for in order to pass the bill. It is very unlikely that any one individual or small group of Republicans would support a democrat budget.

2. There is a small chance that a Republican Budget (an austerity budget), supported by all Republicans and a few moderate Democrats, could be passed. While this is possible, it is less likely that the Republicans would want to accept the repercussions of the cuts that they would have to champion in order for a balanced bill to pass with no new revenue. Under this scenario, EVERY House Republican, plus an additional four House members, as well as every Senate Republican plus an additional one Senate Democrat would be needed to pass a budget.

Given this scenario, it's important to reach out to all legislators, but especially Democratic Senators [Hartley](#)— District 15 and [Slossberg](#)—District 14. These two senators often waver in their support of a fair budget for all. It is essential to encourage their votes for a fair budget that preserves quality public higher education for all citizens of Connecticut.

Here's what else you can do:

Lining up champions and advocates for higher education at the state legislature is essential. **Continue contacting your legislator as their constituent** and keep alive discussions about the importance of funding to public higher education as a key ingredient to the future of our state.

[Click here to contact your legislators](#) and tell them that public higher education is an investment in our state and our future leaders. Correct the myth that corporations are paying too much in taxes by making your legislators aware of this [recent study by the Institute on Taxation and Economic Policy](#) and also aware of [this study by CCUS's Center for Public Policy and Social Research](#). According to these two independent studies, corporations are getting a great deal in Connecticut and across the country. Share the links to these two studies via email and on your social media.

[You can also tell legislators that state employees have sacrificed already and saved the state more than \\$1 billion](#) since 2011.

Every item in the budget could be subject to significant cuts, especially if the legislature refused to raise any new taxes. Under almost every scenario for passing a budget, every individual legislator's vote will be important.

That's why we need to keep the pressure on at the Capitol and reach out to individual legislators even if you don't agree with their politics. Public higher education too important to the future of our communities, our state and our nation to be caught in the political crosshairs.

Unions Stand Together For Dreamers Bill:

CSU-AAUP President Elena Tapia and ECSU-AAUP member William Lugo stood together with other education unions from around Connecticut last week to support [the institutional aid bills in the legislature](#) that would allow undocumented students to access institutional aid.

The coalition of education unions are calling for legislators to pass HB 7000/SB 17 so that all students can have equal access to higher education, regardless of immigration status. Click here to see a [CT Mirror report on the press conference](#).

Undocumented students pay full in-state tuition, which includes an amount set aside for institutional financial aid. However, these students do not have access to these funds. Given the federal government's position on the undocumented, it's understandable that that money would not be available, but there's no reason for denying the students access to the remaining pool.



Above, ECSU-AAUP member and Sociology Department Chairperson William Lugo speaks to the media at the April 26 press conference held at the Legislative Office Building in Hartford.