

Text of Rell's budget address for fiscal years 2010-11

By Governor M. Jodi Rell

Published: Wednesday, February 4, 2009 1:21 PM EST

Mr. President, Mr. Speaker, Mr. Williams, Members of the Legislature and Guests:

I stand before you today to unveil my recommended state budget for the next two years – two years that promise to be challenging in so many ways.

But I know, without doubt or hesitation, that Connecticut is up to the challenge. I believe deeply in the strength and courage of the people of Connecticut. And as your Governor, I will lead as we find our way, safely and surely, through these turbulent times.

The harsh winds of economic turmoil have spread across the nation and now buffet nearly every aspect of our lives.

Daily we are reminded of the tolls of our troubles with updates on unemployment rates, newly announced bankruptcies and foreclosures and solemnly declared business failures.

Turbulent times indeed.

But financial statistics do not measure the incredible resolve of our people. They do not reflect the unyielding will of our families to directly confront the headwinds of hardship. They do not reveal the true character of those who live and work in Connecticut and those who are blessed, as we are, to lead it.

We are Connecticut. We will overcome our economic distress and we will emerge the better for it.

Make no mistake, our journey will be a long and painful one. But it will be a shared journey.

We will share the joys and the disappointments. The tears and the sacrifices. The burdens and the blessings.

It is our way. It is who we are as the people of Connecticut.

For nearly 300 years we have sustained during the ebb and flow of the historic tides of trial and challenge. We have stared down many an enemy – war, both from within and without; injustice; intolerance; hatred; and corruption.

We have survived countless recessions and economic slowdowns and one national Depression.

And we will survive this time as well. For we are Connecticut. We will stand arm in arm, sharing our burdens and turning our challenges into opportunities, positioning ourselves so that we may soar when those harsh winds of economic turmoil finally fade.

Our journey begins today with the release of my recommended budget.

It is a budget that took me weeks and months to put together. Weeks and months in which our

national and state economies were worsening. And they still are. No one knows when we will hit bottom.

But we're not waiting.

My budget provides a blueprint which will guide us and which will preserve the prosperity of Connecticut for our children and grandchildren.

There is pain and sacrifice in this budget, but it is shared pain and sacrifice. We are in this struggle together, and we will need to work together, to lead together, in deed as well as in word.

Yes, there is pain, there is sacrifice and there is some long overdue trimming.

Simply put: The bloat of bureaucracy is no longer affordable. Over the years, over the decades, state government often lost sight of what its core mission was and who it was serving.

It has become, in too many ways, what those in government want – for those in government. Layer upon layer of bureaucracy has been built so deeply and set so tightly that original goals have been crushed under the weight of permanency.

It is time to get back to basics. It is time to return to our core mission – to educate our children, protect our people, help those truly in need.

The economic challenges we are facing give us a rare opportunity to realign state government. To stop the exponential annual growth that is no longer affordable.

We must not forsake this opportunity. We must do what every family across our state has been doing – cutting back and doing more with less – and less.

The cuts I am proposing were not easy to make – any of them. They are not inconsequential.

But they represent a return to an affordable government. They give us a budget that goes backward in total spending – backwards so that we may go forward in strength once the economic recovery comes to pass.

My budget for the next fiscal year is actually lower than our budget this fiscal year. I am proud of that – and I am also proud of the fact that my budget contains NO tax increases for the next two fiscal years. None.

People cannot afford their taxes now. We should not add to their burdens.

There are some fee increases, the use of various unspent fund balances and the securitization of clean energy funds. But no tax increases.

I spoke a moment ago of doing more with less. And I do mean less.

My budget contains a number of initiatives to shrink government and I would like to take a few moments to explain them to you myself so you will know the truth of what is in my budget and why.

The soothsayers will undoubtedly provide their own interpretations and tell you, in their own, all-knowing ways, what I really meant. The naysayers will tell you it can't be done, it shouldn't be done.

Well, to the soothsayers and naysayers I say: Step aside. We need leaders. Help me as I lead Connecticut to a smaller, more affordable, more responsive government.

It starts with fewer state agencies. My budget eliminates 10 of them. All serve worthy purposes on paper, but all have functions largely duplicated by regular state agencies.

In times of plenty they are helpful. In times such as these they are unaffordable. Families are making do with less – so can we.

My budget also eliminates 10 other agencies through logical consolidations. Stand-alone entities are simply not needed. Families are making do with less – so can we.

More than 300 boards and commissions have been established by executive order or legislative or judicial fiat. Three hundred shadow government agencies, with associated staffing, mileage reimbursement and other expenses.

My budget eliminates 70 of these and merges others. We're reducing the bloat of bureaucracy and making do with less.

My budget cuts our fleet of state cars by 20 percent. State cars are not an entitlement. If an employee doesn't really need one, he or she won't have one. Families are making do with less – so can we.

And we can do with fewer laws on the books. We not only need a leaner government but a less intrusive one as well. We have 14,000 pages of state laws in existence. Surely we can do with fewer. I am proposing that we take 130 unnecessary laws off the books. We should take others off as well. We can certainly make do with less.

I am also proposing that we cancel state bond authorizations of hundreds of projects, mostly earmark projects, totaling almost \$400 million. Long-term debt will crush our children. Earmarking is out of control and it's bankrupting us. We can't afford not to make do with less.

And for one year we are putting a hold on construction at UConn and our state colleges and universities to save debt costs. Over the last decade we have transformed the physical face of higher education in Connecticut – and we will continue to do so.

I am proposing that we repeal or modify a host of state and municipal mandates. Comprehensive mandate relief is long overdue and will have a lasting impact in reshaping and reducing the cost of government.

First, no costly new mandate should be allowed without a two-thirds vote of the Legislature. Second, we should suspend for two years the so-called "raise-the-age" law and the new in-school suspension law.

Now is not the time to impose new burdens on cities and towns that are also struggling to balance budgets.

And perhaps most significantly, at least in the short-term, I am calling for the suspension of binding arbitration requirements for two years while we confront our economic troubles.

At the end of the two-year suspension, I propose that we limit mandatory subjects of binding arbitration to salaries and benefits only – not scheduling, the size of parking spaces, picnics and parties on state time and the dozens of other subjects currently included.

Tough decisions. Right decisions.

Mandate reform will offer much-needed help to our cities and towns. And I am pleased to announce that so will my budget, in that it flat funds – yes, flat funds – state aid to municipalities for the next 2 years.

No cuts to education aid. No cuts to any state grant program. None.

I had to cut even deeper in our state budget to accomplish this, but cut I did. Because we cannot, in good conscience, balance the state budget on the backs of property taxpayers. They cannot afford higher local taxes any more than they can afford higher state taxes.

And we want to help cities and towns through regionalism, a much discussed concept that must finally be put into action.

Municipalities can and should cut costs by sharing – sharing equipment, facilities, schools, personnel and more.

My budget provides \$40 million in new grants for infrastructure and equipment for municipalities that want to join together to provide services like recycling, tax collection and payroll.

And a new \$10 million grant will be available to purchase shared equipment – snow plows, dump trucks, garbage trucks.

And two programs – LOCIP and TAR – will be adjusted, at current funding levels, to provide 10 percent bonuses to those towns which join together on regionally beneficial programs.

It's time regionalism was more than just something we talk about – it's time for it to be a reality.

It's also time for reform of our probate court system. Our system is antiquated and broken. I am proposing an overhaul that will reduce the number of courts, improve services and increase the hours of operation. It will also save money.

It's long since time that bereaved families not add to their anguish by fighting an outdated and sometimes irresponsible probate system.

It's also time that we made state government more accountable. I know the public is frustrated when they see waste and abuse in government and I don't blame them.

They're tired with our reacting to problems after they arise. Why, they ask, can't we stop reacting and start doing it right in the first place? They're right to ask, and while mistakes will always happen, we need to do better – far better.

That's why I am creating an Office of Accountability and asking each state agency to appoint an Accountability Officer.

These accountability officials will be responsible for detecting – up front – fraud and waste by personnel and in the use of state property. They will ensure that resources, including cars, phones and computers, are used for legitimate purposes.

We cannot afford to lose one dollar to waste, inefficiency or abuse, particularly at a time when tax dollars are shrinking and painful cuts are being made.

So many families are struggling right now – and many more are likely to – given the almost daily announcement of more layoffs.

With each job loss the question of “what if” becomes “what now?”

What do we do now to keep the roof over our heads and food on the table?

The heart of what we do, not just as a government, but as friends and neighbors, is the basic part and the best part of our humanity.

That's why my budget will include an additional \$1.7 million in new monies to expand elderly nutrition programs, including home delivery and congregate meals, as well as for stocking food pantries and shelters around the state.

I am also expanding eligibility for federal food assistance so as to help an additional 19,000 people.

We can help people put food on the table but we also need to help get them back to work – temporarily and permanently.

For the short term, I am setting aside \$7.5 million in the budget to bring back an old idea – one that dates back to the Depression, one in which my own father participated: the CCC, or Civilian Conservation Corps.

In our case it would be the Connecticut Conservation Corps and we would hire people in need of work, particularly those with dependents, and pay them a decent wage to help with projects such as cleaning beaches and clearing trails at state parks.

Good and honest work on projects we need undertaken in exchange for good and honest wages that some need to support their families.

The program has not yet been finalized but money has been set aside in the budget. I ask your help, as the Legislature, to craft a formal and final plan with me so that we can put it into place by July 1.

I also ask your help in another area. As I have said repeatedly, we need to position Connecticut to soar when our economy recovers. That means making Connecticut the best place to do business and making sure we have the nation's most well-trained work force.

In short, I want Connecticut at a competitive advantage over all other states, particularly neighboring states.

I believe that we cannot raise taxes on employers at this time. They are struggling, just like our families. Higher taxes could likely be the last financial straw that causes companies to close and employees to lose jobs. If we hold firm and neighboring states raise business taxes, as they are talking about doing, then we will be at a competitive advantage very quickly.

And the advantage will be all ours if we recognize the incredible engines of economic growth that are "green collar jobs." Engineers, plumbers, chemists, scientists, HVAC technicians and builders all will benefit in a clean and green future.

I want to introduce green principles into education, manufacturing, engineering and other aspects of business and industry. I want to focus on specialized green job training.

And there is another way in which we can "green up" our state and that is by expanding our bottle bill law to include non-carbonated beverages like water. My budget provides for it.

Green is great, but we need to do more. I am proposing a sweeping overhaul of the state's business agencies – bringing all of our efforts, from start-up financing to business recruitment, the arts, tourism and film programs, under unified leadership at DECD – the Department of Economic and Community Development.

DECD would also take over responsibility for two key state efforts – the Small Business Innovation Research program and the variety of state programs intended to encourage the development and clean-up of brownfields.

I am also proposing we combine our two financing agencies – the Connecticut Development Authority and Connecticut Innovations – into the new Connecticut Economic Innovations Authority.

These consolidations will eliminate duplication of services, ease confusion among business leaders about where to go to for help and untangle the variety of agencies, acronyms and applications that slow the process of job creation.

And I have another new initiative about which I am truly excited.

I am proposing to merge the vo-tech high school and community college systems, together with the state's Office of Workforce Competitiveness, to create the Middle College System – a system of coordinated academic programs that bridge the gap between high school and higher education, allowing students to earn 60 college credits within five years of starting high school.

Middle College students would have access to state-of-the-art facilities and gain college-level experience tuition free.

My proposal lights a clear path to success for more than 10,000 students now in Connecticut's vo-tech high school system and will sharply improve the graduation rates and career prospects for our community college students – all while ensuring that a skilled work force will be in place to help us achieve economic success.

We already have a skilled work force in our state employees. To them I say thank you – thank you for your service and for what you have already done to help us in these challenging times.

And thank you to those who have come to the table so that we may discuss, with comity, how we may reduce costs further.

Let me also state unequivocally to all our state employees: You are not the reason, not the cause, of our economic troubles. But you must be a part of the solution – and sooner rather than later.

Solutions. Doing more with less. Making government more affordable. No tax increases. No cuts to state aid. Mandate reform. Probate reform. Green collar jobs. Regionalization. Food and job assistance. A new Middle College system.

Good news at a time when we all need some good news.

Good news tempered by the pain and sacrifice of necessary spending cuts and deferred programs and projects.

This is a time of challenge like no other in our memories. It is a time for us to come together, not rend apart.

To those who would disparage or dismiss the cuts or reforms my budget contains: You have that right. But you also have the obligation to put your specific alternatives on the public table – and to do so soon.

We need to act swiftly in these turbulent times, for the families of Connecticut need our help, need our leadership.

I commend to you the words of Abigail Adams in a letter written to her son 230 years ago – words as relevant today as they were when she put pen to paper:

“It is not in the still calm of life ... that great characters are formed. The habits of a vigorous mind are formed in contending with difficulties. Great necessities call out great virtues. When a mind is raised ... then those qualities which would otherwise lay dormant, wake into life and form the character of the hero and the statesman.”

Help me contend with difficulties. Be virtuous. Raise your minds.

Our journey begins today but it will not end until the darkest of ocean clouds dissipate and the brightest of blue skies open to a future of endless possibilities for our citizens.

Thank you and God bless the great State of Connecticut.