

**Getting Down To Raising Taxes**  
**Kevin Rennie**  
**NOW YOU KNOW**

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On a hill far away from reality, the governor and the legislature will soon begin negotiating a budget that reflects what the government will do for the next two years, not what public officials want to talk about. There's plenty of money coming into state coffers as a result of high taxes and a healthy economy. It shouldn't be hard to figure out how to spend tens of billions of dollars during the next two years.

The constant problem of Connecticut is that the people in charge and those who seek their favor will never believe there's enough money. Their Connecticut is a series of problems that don't get solved. There are always more expensive troubles on the horizon.

That canard has been propelling grasping interest groups to demand more money every year. In years when there are large increases in spending (most years, that is), recipients of state largesse are rarely heard to say in public, "We got what we needed. Thank you."

What makes this year different and perilous is that former fiscal conservative Gov. M. Jodi Rell wants to drive the gravy train. Between November and February, she went from being a control on spending to a catalyst for it when she proposed a historic increase in the income tax to fund more education spending.

Shortly after the November election, announcing a drop in the state's unemployment rate, Rell declared that we must "respect the constitutional cap on spending." Shortly after that, Rell was quoted in the Waterbury Republican American as pledging to a business group that "we have to be very frugal ... [some] will come out and say I am cheap, but the fact of the matter is I have been elected to be the voice of reason." On Dec. 21, she declared that even with a surplus of more than \$1 billion, "we need to focus on controlling our spending."

Restraining the legislature's instincts to spend on programs big and small has long been the governor's role. Rell had seemed to enjoy her reputation as the one who would protect the public purse. No more.

The governor says her tax-and-spending proposal "sells itself," but she doesn't suggest to whom. The people and interests left out of her budget don't believe hers is the way forward. All sorts of people with a big stake in the budget were surprised to learn when it was unveiled that Rell provided no increases for service providers, who usually get some boost to cope with inflation and contract obligations. They've been working to get their customary slice of this year's bigger pie.

Sometimes, lobbying for money comes from within the administration. Rell's own Council on Mental Retardation sent a letter to legislators complaining that some

companies that provide services received no increase in her budget, saying an increase "is a safety and quality-of-care issue."

Those interest groups, largely in health care and social services, bring more grit to the task than Rell. They must be taking solace in the governor's intellectual incoherence. She's now insisting that Connecticut citizens have had enough of local tax increases. There need to be some controls and a snootful of direct democracy with tools such as local budget referendums.

At the same time there's some fiscal schizophrenia in Rell's plans, she's ready to bust through the **constitutional spending cap** that she supported and the voters enacted, in the name of an "emergency" that she's unable to identify clearly, let alone explain. She wants to impose rules on municipalities that she refuses to honor as governor. Rell kept her tax plan a secret from the voters in November, but if she put it before them now in a referendum, it would lose.

Soon press conferences and publicity gambits have to be replaced by a budget and the complicated legislation that accompanies it. Reality begins to rule. The legislature's Democrats and the Republican governor will have to decide how much they will take from taxpayers and how to redistribute it.

Someone's going to be disappointed. Even the biggest spenders know workers can't bear the cost of Rell's education plan and the Democrats' amorphous health care hopes. Nevertheless, taxes and spending will increase in a time of surpluses. The only suspense will be over which Jodi Rell shows up to negotiate the public's punishment.

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