

FISCAL RESPONSIBILITY, ECONOMIC GROWTH, TOMORROW'S WORKFORCE



A change in administration and the election of a new legislature always present Connecticut with a fresh opportunity to chart a new course.

The state must take advantage of this occasion to begin anew to leverage our many strengths and redouble our efforts to overcome our challenges—most importantly the fiscal problems that continue to hold the state budget hostage and make fulfilling the core responsibilities of government increasingly difficult.

We need a strong commitment from all policymakers in 2019 to

reimagine state government, and we encourage our new governor to be bold in his approach to reorganizing his administration to reposition all state agencies for a fiscally responsible future.

What does it mean to reimagine state government?

For starters, it means significantly reducing the cost of operating state agencies and delivering services.

Part of that should be looking for smart ways to tap private providers for service delivery—

particularly when it comes to social services and information technology.

It should also include getting more aggressive about adopting Lean principles in state agencies to eliminate waste and inefficiency, improve service delivery, and reduce costs.

And it must involve bringing state employee compensation more in line with best practices from the private sector and neighboring states through common sense collective bargaining reforms.

Our 2019 Policy Priorities identify areas that, taken together, are a workable blueprint for achieving all those goals and much more. We encourage state leaders to use it to help guide their work in the coming months.

CBIA and its members stand ready to partner with them in reimagining a state government that will help lead Connecticut toward realizing its unlimited economic potential.

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STATE SPENDING

- Adopt a two-year budget that closes any deficits without inhibiting economic growth
- Use more nonprofit health and service providers that supply quality services at lower cost
- Cut waste and implement Lean processes in the largest state agencies

- Adopt the latest cost-saving collective bargaining reforms from the Commission on Fiscal Stability and Economic Growth



TAX

- Enact specific reforms that will make Connecticut more competitive for jobs, including lowering the business

personal property tax, liberalizing rules allowing the use of net operating losses, eliminating the business entity tax, lowering the top income tax rate, and repealing gift and estate taxes

- Maintain tax incentives for activities such as R&D that trigger economic growth
- Reject expansion of the sales tax base or rates on business-to-business services



EDUCATION & WORKFORCE DEVELOPMENT

- > Recruit and retain STEM education teachers and ensure quality STEM pathways for students
- > Narrow the skills gap by increasing middle-skill education and training programs through investment in sector partnerships, career pathways, and use of data to prioritize in-demand sectors
- > Support the creation of industry-led one-stop shops to streamline resource information and service delivery through technical assistance and data provision
- > Strengthen manufacturing-related career technical education in traditional high schools
- > Revise state accountability standards for public high school performance evaluations to give credit for students graduating into STEM career-related employment or certified workforce credential programs
- > Further expand opportunities for experienced manufacturing professionals to quickly become teachers at technical high schools, conventional high schools, and community colleges



ECONOMIC DEVELOPMENT

- > Develop a strategic, long-term statewide economic development plan, and appoint a Secretary of Commerce to oversee its implementation
- > Adopt best practices and agency structures used for economic development in other states



MANUFACTURING

- > Create a Secretary for Manufacturing Policy and Programs position in the Governor's Office

- > Continue to fund the state's Manufacturing Voucher, Incumbent Worker Training, and Apprenticeship programs
- > Extend the manufacturing apprenticeship tax credit to pass-through entities



REGULATORY REFORM

- > Support the creation of a regulatory improvement team under the Office of Policy and Management to ensure regulations are clear, focused to meet current need, and applied consistently



LABOR

- > Adopt federal standards for family medical leave and wage and hour laws so businesses can invest more in growth and spend less on compliance
- > Restore unemployment trust fund solvency by making long overdue benefit reforms that include raising the minimum earnings to qualify for benefits, prohibiting claimants from receiving benefits until they have exhausted severance pay, and temporarily freezing the maximum weekly benefit rate
- > Avoid enacting any new labor mandates that increase the cost of operating a business or creating jobs, make Connecticut less affordable for workers, or interfere with workplace communications



WORKERS' COMPENSATION

- > Limit the permanent partial disability award to what is related to the work injury
- > Reduce costs by requiring generic prescriptions when possible
- > Reject proposals that impose new penalties or undermine workers' compensation as an exclusive remedy



ENERGY

- > Implement newly enacted requirements for ratepayer impact statements
- > Reject any proposal to use electric ratepayer dollars to balance the state budget



ENVIRONMENT

- > Reject legislative adoption of a state water plan that would declare, without definition or context, that state waters are held in "public trust"



HEALTHCARE/ BIOSCIENCE

- > Conduct a cost-benefit analysis of any new healthcare mandates and adopt only those that cut overall system costs
- > Reduce the cost of health insurance by eliminating assessments passed on to individuals and small businesses that are used to subsidize the state exchange
- > Help develop a strategic plan for the state's bioscience sector that includes tax incentives to promote life sciences research and development, recruiting venture capital firms, and adopting policies that help root cutting edge life sciences technologies in Connecticut and facilitate the translation of basic and translational research into marketable treatments and cures



TRANSPORTATION

- > Dedicate and protect a sustainable, affordable transportation funding stream
- > Enlist the private sector to expedite planning and completion of priority projects