



State Employees Bargaining Agent Coalition

- ▶▶ AFT Connecticut
- ▶▶ American Association of University Professors - Connecticut State University
- ▶▶ American Association of University Professors - UCONN
- ▶▶ American Federation of State, County, & Municipal Employees - Council 4
- ▶▶ Congress of Connecticut Community Colleges/ SEIU Local 1973
- ▶▶ Connecticut Association of Prosecutors
- ▶▶ Connecticut Employees Union Independent/ SEIU Local 511
- ▶▶ Connecticut Federations of School Administrators Local 61
- ▶▶ Connecticut Police and Fire Union/IAFF-IUPA
- ▶▶ Connecticut State Police Union
- ▶▶ CSEA SEIU Local 2001
- ▶▶ International Brotherhood of Police Officers/SEIU Local 731
- ▶▶ New England Healthcare Employees Union, District 1199/SEIU

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SEBAC Comments on Challenges Facing Middle Class

March 2, 2011

As the budget process continues towards a hoped for final budget by June, SEBAC pledges to stay focused on our fight to rebuild Connecticut's middle class. For nearly two decades, Connecticut was led down the wrong path by governors that helped the big corporations and the very rich get richer, while working and middle class families were left behind. When the Great Recession hit, this left our state economy in a shambles, and our state budget in crisis.

To fix this problem, Governor Malloy has proposed his own budget which he says asks for shared sacrifice from everyone. Unfortunately, the budget asks middle class working families to contribute to balancing the budget far more as a percentage of their income than the millionaires and Wall Street financiers who populate our state in significant numbers.

Connecticut's middle-class families already carry an unfair burden. They pay about 10% of their income in state and local taxes, compared to less than 5% for multi-millionaires. But almost all of the budget's proposed revenue increases fall more harshly on middle class families than they do on the multi-millionaires.

The budget proposes to eliminate the property tax credit, a long standing tax reduction which benefits only working and middle class families; it proposes sales tax increases almost all of which affect working and middle class more than they do the superrich; and it includes new income taxes that also leave the very rich almost untouched.

The proposed budget even suggests it's fair for middle class families who happen to work for the state not just to pay more in taxes like other middle class families, but to lose \$1 billion dollars a year in their wages and benefits. That's over \$20,000 a year each. A family would have to earn nearly 10 million dollars a year to pay the same \$20,000 in tax increases that the budget seeks to take away from middle class public service workers.

We feel the governor is absolutely right to seek additional revenue to protect the vital public services that benefit all and our state's. But we need an approach that's balanced and asks for the greatest investment in our future from those who can most afford to pay and who have already benefited the most: the very rich -- like the CEOs of Aetna and United Technologies, who cashed in big time last year -- and big corporations like Bank of America, which paid no income tax. It won't be easy. But it's the right thing to do.

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