



News Release

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Report: New Round of State Budget Proposals Hurt Children, Families, and the State Economy

Proposals' Response to Rising Deficits Fail to Address Structural Imbalances

NEW HAVEN – Connecticut's budget is the clearest statement of its policy priorities. As such, it should prioritize revenue and expense options that advance long-term inclusive economic prosperity, improve equity, and prepare our children for success. In a new policy report, Connecticut Voices for Children compares the state budget proposals from the Governor, Democratic legislators, House Republicans, and Senate Republicans and concludes that all four adopt an unbalanced approach that fails to address Connecticut's long-term structural challenges.

The four budget documents include deep cuts to the Children's Budget, the share of the state budget dedicated to programs and services that directly impact children. All four proposals would shrink the Children's Budget to record-low levels, continuing the cuts seen in recent years. The Children's Budget would decline from 32.8% in 2008 to below 29% in 2019 under the Governor, Democrats and House Republicans' proposals, or still a record-low 29.3% under the Senate Republicans' version.

"The four budget proposals rely on a crisis-driven, short-sighted approach that relies too heavily on cuts and harmful austerity," says Derek Thomas, Connecticut Voices for Children's Fiscal Policy Fellow.

"Many of the cuts under consideration not only fail to address the sources of our deficit, but also put the state's long-term growth in jeopardy."

All four proposals include deep cuts to crucial programs and services for children and low-income families. Health insurance, workforce development, social services, higher education, and early care and education undergo the worst of the cuts. This represents a significant shift of state priorities away from policies that promote equity and opportunity for children, while failing to address the long-term causes of the deficit.

None of the proposals address an outdated tax code that does not align with today's economy, and all four include tax increases for low-income families paired with tax *cuts* for high-wealth taxpayers. All four documents include significant reductions in municipal aid, shifting some of the cuts to cities and towns. This shift is made worse in three of the proposals (Governor, Democrats, and House Republicans) by

steep cuts to K-12 education funding. It is unclear how any of the proposals address the rising costs of non-functional spending, although they all assume significant labor concessions.

“Our state faces a structural deficit that requires a structural response,” says Ellen Shemitz, Executive Director at Connecticut Voices for Children. “Connecticut needs a balanced budget that builds opportunity over the long term, including both tax reforms that raise new revenue by fixing our outdated tax system and strategic spending in priority programs that will keep Connecticut an attractive place to find a job, start a business, and raise a family. These budget proposals repeat many of the mistakes of our recent past. It is time for a new approach.”

Please note: this report was completed before Senate Republicans put forward a new budget proposal. We will release an addendum covering this new proposal in the coming days.

About Connecticut Voices for Children: Connecticut Voices for Children is a research-based child advocacy organization working to ensure that all Connecticut children have an equitable opportunity to achieve their full potential. In furtherance of its mission, Connecticut Voices for Children produces high-quality research and analysis, promotes citizen education, advocates for policy change at the state and local level, and works to develop the next generation of leaders.