

Spending Cap Talking Points

- Despite the two largest tax increases in state history, Connecticut's budget remains in an endless cycle of crises, with deficit after deficit.
- Voters in 1992 approved a constitutional spending cap after enactment of the Connecticut Income tax as a mechanism that would control state spending.
- Only debt service should be exempted from the cap, since the fewer the exemptions, the more likely Connecticut will finally achieve true fiscal sustainability and discipline.
- The spending cap is not blind to needs or emergency budgetary situations, as the constitutional amendment provides for a safety valve. By a gubernatorial declaration and a three-fifths legislative vote, the cap can be exceeded, providing sufficient flexibility to respond to unforeseen needs.
- The time is now to enact a legally enforceable and binding spending cap. It is time the legislature ends the process of continually raising taxes to meet its insatiable spending habits.
- An enforceable spending cap will encourage and lead legislators to prioritize spending.
- Disciplined state spending boosts public sector confidence, which encourages businesses to invest and expand.