



June 2, 2015

The Connecticut legislature appears to be on the verge of passing a state budget that will have a severe impact on Connecticut's economy. The proposed budget has already led to unprecedented public protests by Aetna, General Electric, and Travelers, three of Connecticut's largest and most successful legacy companies.

Steering Committee

Christopher Bruhl
Susan Coleman
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Peter Gioia
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The Connecticut Institute for the 21st Century (CT 21) has identified an alternative path to address the state's budget obligations in a responsible way. Many of these policy alternatives can have an immediate effect in the current budget cycle. They also provide long-term benefit and stability.

Our studies demonstrate the opportunities available to us to make government more effective, to improve the quality of services provided to our residents, and to lower costs.

CT 21 has shared this information with all members of the legislature, with the administration, and with the governor. A one page summary of our recommendation is included with this letter. The full reports are available at <http://www.ct21.org/index.php/reports/14-framework-for-connecticut-s-fiscal-future>.

It is a unique moment in the economic history of Connecticut when three of our largest employers speak publicly of their concern about the state's economic future. We encourage you to join with CT 21 now to share our information and encourage discussion of alternatives to the unsustainable cycle of diminishing services and increasing taxes.

Please visit our website www.ct21.org or e-mail Shelly Saczynski at shelly.saczynski@uinet.com for more information about CT 21.

Thank you.



Recommendations

- **Long Term Care**
 - Transition 5200 individuals out of institutional care and into home care based services by 2020.
 - Estimated savings - \$218 million per year
 - Create a single point of entry for all long term care needs by 2016
 - Create incentives to support institutional transition to home based care
- **Correction, Parole, and Probation Systems**
 - Reduce the incarcerated population by 50% by 2020
 - Estimated savings - \$240 million per year
 - Eliminate overtime in prison system immediately and freeze hiring allowing attrition to accrue savings
 - Close half of prison facilities by 2020
 - Establish programs and measurement systems to improve recidivism rates by 50% by 2020
- **Post-Employment Benefits**
 - Eliminate fraud and abuse of the system immediately
 - Limit the amount of compensation increase in a single year that can be counted toward pension benefit average
 - Eliminate overtime from pension benefit averaging
 - Eliminate re-employment into grandfathered retirement tiers
 - Eliminate service credits in non-CT government employment
- **Local Government**
 - Create regional centers of excellence leveraging the COG and RESC structures to provide services to all cities and towns
 - Estimated savings - \$200 million
 - Create regional shared services strategy by January 2016
- **Non-Profit Delivery of Services**
 - Re-design Social Services systems to make them customer centric by 2018
 - Change philosophy to having the State be the manager and procurer and nonprofits be the deliverer of social services
 - Reorganize nonprofits to be consistent with State needs and to improve efficiency and effectiveness of service delivery
- **Technology**
 - Full adoption of cloud technologies and adoption of off the shelf applications immediately
 - Eliminate State Data Center by 2020
 - Reduce State IT workforce by 50% by 2020
 - Change philosophy to having the State be the manager and procurer of technology services, delivered by third parties
- **State Agencies**
 - The Office of Policy and Management needs to be the driver of strategic initiatives across the agency system
 - Transparency and accountability for strategic change needs to be established immediately