

## **2008 Research and Policy Conference: Connecticut 2020**

### **Pre- and Post-Conference Survey Comparisons**

#### **Key Findings**

The survey analysis describes in general how the respondents viewed the policy options before and after the CERC research and policy conference, and whether opinions changed as a result of the information described by the presenters and facilitated discussions during the conference proceedings.

The most critical issue, according to the participants, is having a skilled workforce. Ninety-six percent of the respondents in both the pre- and post-conference surveys thought that this issue was either extremely or very critical. The competitive education system was second in the pre-survey and third in the post-survey, switching its ranking with dynamic business climate, which claimed the second ranking in the post-survey.

This question started with some information: a pie chart detailing how state and local expenditures were distributed in 2006. The respondents were then asked if more, less or the same amount should be spent on the selected categories of education; public welfare; police, corrections and fire; transportation; and housing and communities. After the conference, more respondents indicated that more should be spent on all of the selected issues except for housing, which stayed the same.

Respondents after the conference chose to generate additional revenues from sales, license and gift taxes; less from income and corporate taxes. The revenue option that garnered the most interest in increasing before the conference, and even more so after the conference, was the tobacco tax. Amusement taxes saw the largest increase between the pre- and post-conference surveys with an increase of 16 percentage points. The only option that saw a decrease between the two surveys was employing none of the options.

The last sets of questions related to the five issues identified as drivers of sustainable growth in CERC's 2006 Benchmark report. Respondents were asked to rate how strongly they agreed or disagreed with the following statements. Before the conference,

these five statements (in order of importance) had the strongest agreement, well over 90 percent:

- Promoting entrepreneurial development should be a key priority in Connecticut (business investment category).
- Business investments are required for urban areas to be vibrant (business investment).
- Streamlining permitting would convey business friendliness to companies (business investment).
- The state should develop a better freight rail system across the Hudson River (transportation).
- Many facets of the urban culture need to be addressed including education achievement of residents, business investments and adequate supplies of affordable housing (education).

After the conference, these statements were the most important, with the first statement about business investments receiving 100 percent agreement:

- Business investments are required for urban areas to be vibrant (business investment).
- Many facets of the urban culture need to be addressed including education achievement of residents, business investments and adequate supplies of affordable housing (education).
- Streamlining permitting would convey business friendliness to companies (business investment).
- Early childhood education programs should be further developed and focused on urban areas where needs are greatest (education).
- Promoting entrepreneurial development should be a key priority in Connecticut (business investment).

The statement that received the least amount of agreement in both surveys was that “Property tax revenues are sufficient sources of funding for municipalities.”

The majority of the issues identified by CERC as critical for sustainable growth are seen as priorities in which the state should lead the charge. Municipalities should have a

hand in promoting urban centers and worker housing. Businesses have a role in promoting the investment climate.

After the post-conference survey, respondents were asked to identify the key finding from the conference in which he or she would like the state legislators to know. A number of the answers dealt with the need to act.

## Introduction

Approximately one week prior to CERC's annual research and policy conference, an invitation to complete an online survey was emailed to all registrants. The survey asked the registrants' opinions on a range of policy topics related to improving Connecticut's economic competitiveness. The pre-conference survey received 52 responses, for a response rate of one-third.

The same survey was emailed to the attendees after the conference. Again, the survey asked the attendees to rate their opinions on a range of policy topics. The post-conference survey received 53 responses, for a response rate of one-third.

This survey analysis describes in general how the respondents viewed the policy options before and after the CERC research and policy conference, and whether opinions changed as a result of the information described by the presenters and facilitated discussions during the conference proceedings.

## Survey Responses

### *In which sector do you work?*

The pre-conference survey consisted of more public sector respondents than the post-survey. The respondents from post-conference survey were well-distributed among the public, private and academic sectors.

	Pre-Survey		Post-Survey	
	#	%	#	%
Public	24	48%	15	29%
Private, non-profit	10	20%	13	25%
Private, for-profit	8	16%	11	22%
Academia	5	10%	7	14%
Other	3	6%	5	10%

### *Please rank the following issues in order of how critical you think each is to improving Connecticut's economic future.*

The most critical issue, according to the participants, is having a skilled workforce. Ninety-six percent of the respondents in both the pre- and post-conference surveys thought that this issue was either extremely or very critical. The competitive education system was second in the pre-survey and third in the post-survey, switching its ranking

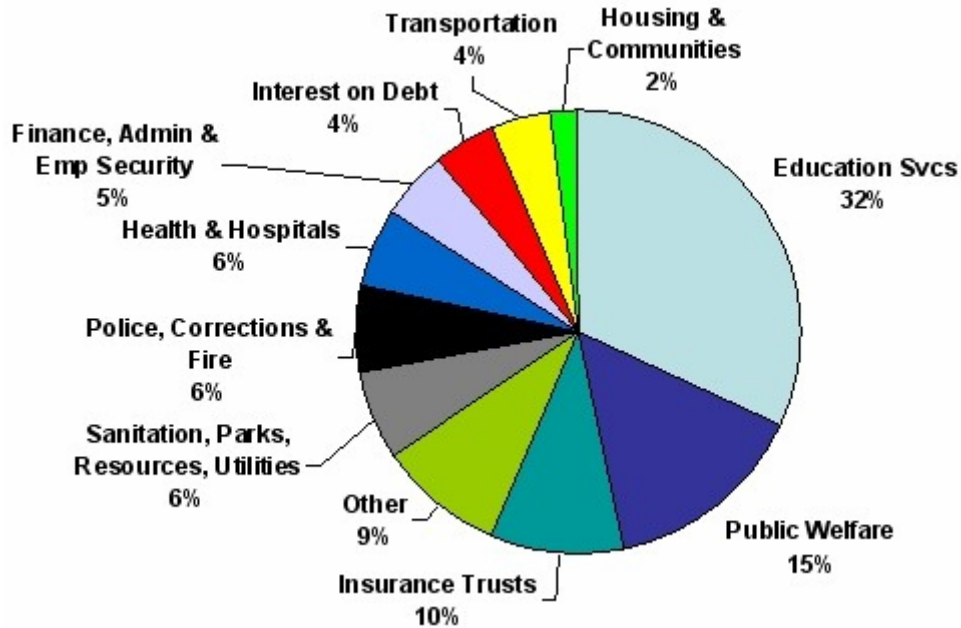
with dynamic business climate, which claimed the second ranking in the post-survey. The issue that had a more favorable opinion after the conference was affordable healthcare, which moved from 68 percent feeling it was extremely or very critical to 83 percent.

	Pre-Conference Results				Post-Conference Results			
	Extremely Critical	Very Critical	Somewhat Critical	Not Critical	Extremely Critical	Very Critical	Somewhat Critical	Not Critical
Competitive education system	34 68%	13 26%	3 6%	0 0%	35 67%	13 25%	4 8%	0 0%
Skilled workforce	36 72%	12 24%	2 4%	0 0%	41 80%	8 16%	2 4%	0 0%
Prosperous urban centers	17 34%	21 42%	10 20%	2 4%	17 33%	23 44%	12 23%	0 0%
Adequate supply of worker housing	12 24%	25 50%	10 20%	3 6%	17 33%	20 39%	14 27%	0 0%
Improved transportation infrastructure	18 36%	21 42%	10 20%	1 2%	30 59%	13 25%	8 16%	0 0%
Dynamic business climate	23 46%	21 42%	6 12%	0 0%	29 57%	19 37%	3 6%	0 0%
Affordable healthcare	14 28%	20 40%	15 30%	1 2%	17 33%	26 50%	8 15%	1 2%
Minimized state debt	4 8%	19 39%	21 43%	5 10%	8 16%	21 41%	19 37%	3 6%
Fully funded state pension benefits	1 2%	18 36%	24 48%	7 14%	4 8%	17 33%	23 45%	7 14%
Competitive energy policies and costs	20 40%	23 46%	6 12%	1 2%	21 41%	24 47%	6 12%	0 0%

**Should state and local expenditures in Connecticut for the selected categories be reallocated? If so, how?**

This question started with some information: a pie chart detailing how state and local expenditures were distributed in 2006. The respondents were then asked if more, less or the same amount should be spent on the selected categories. After the conference, more respondents indicated that more should be spent on all of the selected issues except for housing, which stayed the same.

**Distribution of State and Local Expenditures in Connecticut - \$31.5B in 2006**  
(Source: U.S. Census)

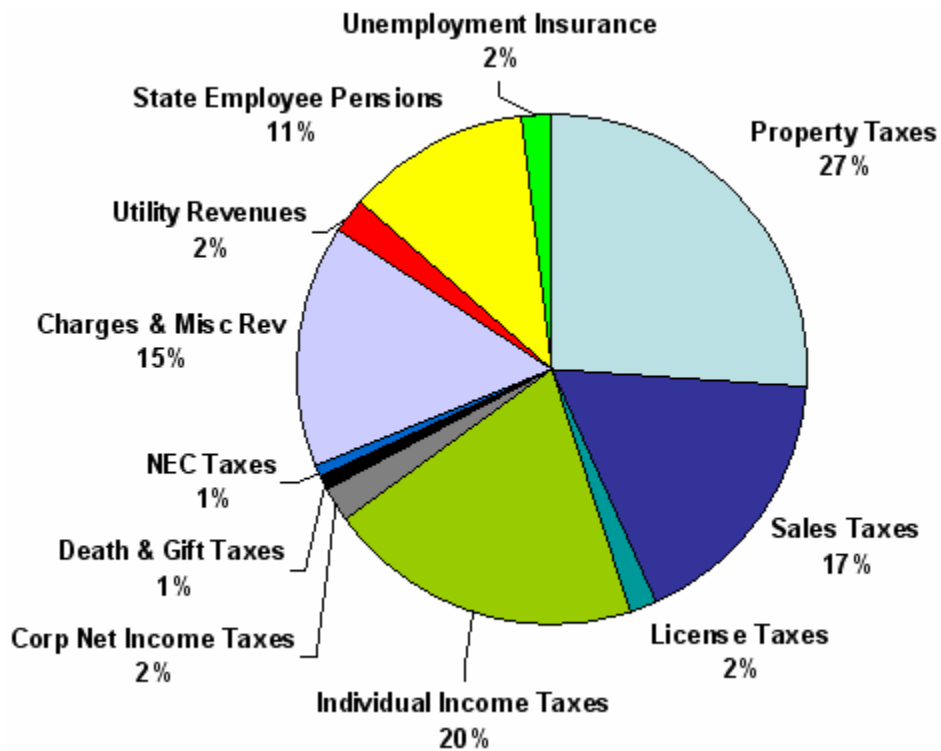


	Pre-Survey			Post-Survey		
	Spend More	Spend Less	No Change	Spend More	Spend Less	No Change
Education Services	17 35%	8 16%	24 49%	22 45%	2 4%	25 51%
Public Welfare	4 8%	22 44%	24 48%	10 21%	17 35%	21 44%
Police, Corrections and Fire	1 2%	14 29%	33 69%	6 13%	14 30%	27 57%
Transportation	37 76%	4 8%	8 16%	41 82%	4 8%	5 10%
Housing and Communities	27 55%	7 14%	15 31%	27 55%	8 16%	14 29%

**Should own-source revenues be changed for those selected? If so, how?**

Next, respondents were shown a pie chart that described from where own-source revenues originated in 2006. Respondents after the conference chose to generate additional revenues from sales, license and gift taxes; less from income and corporate taxes.

**Distribution of Own-Source State and Local Revenues for CT, 2006**  
(Source: Tax Policy Center)



	Pre-Survey			Post-Survey		
	Generate More	Generate Less	No Change	Generate More	Generate Less	No Change
Property Taxes	1 2%	30 61%	18 37%	2 4%	31 60%	19 37%
Sales Taxes	18 37%	6 12%	25 51%	23 44%	6 12%	23 44%
License Taxes	26 53%	3 6%	20 41%	41 79%	5 10%	6 12%
Individual Income Taxes	24 50%	10 21%	14 29%	18 35%	9 17%	25 48%
Corp Net Income Taxes	21 46%	11 24%	14 30%	20 39%	9 18%	22 43%
Death & Gift Taxes	14 29%	11 22%	24 49%	19 37%	8 16%	24 47%

***Should Connecticut consider increasing its own-source revenues from any of the following (check all that apply)?***

The revenue option that garnered the most interest in increasing before the conference, and even more so after the conference, was the tobacco tax. Amusement taxes saw the largest increase between the pre- and post-conference surveys with an increase of 16 percentage points. The only option that saw a decrease between the two surveys was employing none of the options.

	Pre	Post
Alcoholic Beverage Taxes	62%	63%
Amusement Taxes	32%	48%
Motor Fuels Taxes	26%	37%
Tobacco Taxes	62%	73%
Total Intergovernmental Revenues	11%	21%
Charges-Toll Highways	60%	65%
Charges-Parks & Recreation	21%	29%
None of These Options	9%	4%

Respondents were given the opportunity to list other own-source revenue options. Six respondents noted making the income tax more progressive, and five suggested charging items of pleasure or recreation, not necessity goods. Three respondents wrote implementing carbon taxes, and another three mentioned instituting a consumption tax.

***The last sets of questions relate to the five issues identified as drivers of sustainable growth in CERC's 2006 Benchmark report.***

***Issue 1: Globally competitive educational system and skilled workforce - Please indicate the degree to which you agree with the following.***

Respondents were asked to rate how strongly they agreed or disagreed with the following statements. All of the statements received positive responses; the lowest rating was the statement that more money should be invested in urban schools, where 72 percent of the pre- and post-conference respondents agreed strongly or somewhat. Ninety percent in both surveys agreed that educators should be held accountable for student achievement. The last two statements, dealing with social and cultural issues and early childhood education programs, found even stronger agreement after the conference.

	Pre-Conference Results				Post-Conference Results			
	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree
More money should be invested in urban schools.	15 30%	21 42%	11 22%	3 6%	19 38%	17 34%	12 24%	2 4%
Educators should be held accountable for student achievement.	31 62%	14 28%	2 4%	3 6%	33 65%	13 25%	3 6%	2 4%
Without addressing social and cultural issues, increased spending on education will have little impact.	24 48%	18 36%	4 8%	4 8%	30 60%	14 28%	5 10%	1 2%
Early childhood education programs should be further developed and focused on urban areas where needs are greatest.	31 62%	13 26%	4 8%	2 4%	32 63%	16 31%	3 6%	0 0%

***Issue 2: Vibrant, prosperous urban centers - Please indicate the degree to which you agree with the following.***

The statement that “property tax revenues are sufficient sources of funding for municipalities” did not sit well for many respondents. Only 13 percent before and 26 after the conference agreed with that statement. The other statements received at least an 86 percent favorable rating in both surveys. In the post-conference survey, all of the respondents agreed that business investments are required for urban areas to be vibrant.

	Pre-Conference Results				Post-Conference Results			
	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree
Prosperous regions depend on prosperous cities.	27 54%	16 32%	5 10%	2 4%	27 52%	19 37%	5 10%	1 2%
Regional tax sharing for new developments would be a benefit for both suburban and urban areas.	29 58%	16 32%	3 6%	2 4%	24 47%	22 43%	3 6%	2 4%
Property tax revenues are sufficient sources of funding for municipalities.	1 2%	5 10%	18 38%	24 50%	2 4%	11 22%	19 38%	18 36%
Many facets of the urban culture need to be addressed including ed. achievement of residents, business investments and adequate supplies of affordable housing.	22 45%	23 47%	4 8%	0 0%	31 60%	19 37%	2 4%	0 0%
Business investments are required for urban areas to be vibrant.	30 60%	17 34%	2 4%	1 2%	31 62%	19 38%	0 0%	0 0%

**Issue 3: Adequate and affordable worker housing - Please indicate the degree to which you agree with the following.:**

The idea that the state should incent localities to allow for affordable housing options grew from 82 percent strongly or somewhat agreeing to 90 percent after the conference. The state providing investment to support homeownership in the urban centers drew a 68 percent agreeable response, which climbed to 80 percent after the conference.

The idea that the state should support municipalities that revise zoning restrictions to encourage homeownership decreased from 80 percent before the conference to 79 percent after the conference.

	Pre-Conference Results				Post-Conference Results			
	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree
The state should incent localities to allow for worker housing options.	15 30%	26 52%	8 16%	1 2%	22 42%	25 48%	2 4%	3 6%
The state should support towns that revise their zoning restrictions to encourage homeownership.	14 28%	26 52%	7 14%	3 6%	18 35%	23 44%	5 10%	6 12%
The state should provide investment support to people wanting to buy their own house in the urban centers.	15 30%	19 38%	12 24%	4 8%	15 29%	26 51%	7 14%	3 6%

**Issue 4: Transportation infrastructure - Please indicate the degree to which you agree with the following.**

Toll roads and congestion pricing were solutions to more than two-thirds of the respondents before the conference and about three-fourths of the respondents after. The idea that business vitality is stifled by inadequate transportation systems in the state resonated with 82 percent of pre-conference and 87 of post-conference respondents. The other two statements – the state should invest whatever it takes, and there should be a better freight system across the Hudson River – lost a bit of agreement between the two surveys but were still seen as important.

	Pre-Conference Results				Post-Conference Results			
	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree
Business vitality in Connecticut is stifled by inadequate transportation systems.	23 46%	18 36%	7 14%	2 4%	31 60%	14 27%	7 13%	0 0%
The state should invest whatever it takes to improve public transportation systems.	15 31%	22 46%	5 10%	6 12%	17 34%	21 42%	9 18%	3 6%
Toll roads and congestion pricing are solutions to the congestion problems in the state.	9 18%	23 46%	14 28%	4 8%	17 34%	20 40%	7 14%	6 12%
The state should develop a better freight rail system across the Hudson River.	15 33%	28 61%	3 7%	0 0%	28 55%	18 35%	3 6%	2 4%

**Issue 5: Business investment climate - Please indicate the degree to which you agree with the following.**

All of the statements in the business investment section received positive responses that grew even stronger after the conference. The exception was promoting entrepreneurial development, which received a 96 positive response before and 92 percent positive after. The highest post-conference percentage was 96 percent dealing with streamlining permitting. The costs of doing business are seen as inhibiting growth for 84 percent, and standard zoning definitions were a good idea to 78 percent of post-conference respondents.

	Pre-Conference Results				Post-Conference Results			
	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree
Costs of doing business in Connecticut inhibit economic growth.	16 33%	20 42%	11 23%	1 2%	24 48%	18 36%	8 16%	0 0%
Streamlining permitting would convey business friendliness to companies.	21 44%	24 50%	2 4%	1 2%	32 63%	17 33%	1 2%	1 2%
Standard zoning definitions will facilitate business growth.	14 29%	21 44%	9 19%	4 8%	20 40%	19 38%	9 18%	2 4%
Promoting entrepreneurial development should be a key priority in Connecticut.	29 59%	18 37%	2 4%	0 0%	35 67%	13 25%	4 8%	0 0%

**Are the preceding issues primarily for the state government, municipalities, or businesses to handle?**

The majority of the issues identified by CERC as critical for sustainable growth are seen as priorities in which the state should lead the charge. Municipalities should have a hand in promoting urban centers and worker housing. Businesses have a role in promoting the investment climate.

	Pre-Survey			Post-Survey		
	State govt.	Municipalities	Businesses	State govt.	Municipalities	Businesses
Globally competitive educational system and skilled workforce	39 80%	6 12%	4 8%	46 88%	6 12%	0 0%
Vibrant, prosperous urban centers	20 41%	22 45%	7 14%	29 57%	19 37%	3 6%
Adequate and affordable worker housing	19 39%	23 47%	7 14%	24 47%	24 47%	3 6%
Transportation infrastructure	48 98%	0 0%	1 2%	49 94%	3 6%	0 0%
Business investment climate	35 73%	2 4%	11 23%	38 76%	3 6%	9 18%

***What key finding or theme from the conference would you like the state's legislators to know?***

After the post-conference survey, respondents were asked to identify the key finding from the conference in which he or she would like the state legislators to know. A number of the answers dealt with the need to act. All of the answers are listed below.

- do business differently linked directly to long term results and hold all parties accountability- if it is not working stop doing it.
- Priority based budgeting-Osborn
- "1. The education system and teachers are burdened with social/cultural/family issues and are being blamed for the perceived State-wide failure of the current education system. The social/cultural/family dysfunctions must be addressed in the home and in the community so that teachers can actually teach reading, writing, math...school.
- 2. Costs associated with increasing environmental protection and climate change initiatives are increasing the cost of doing business and the cost of State and local government."
- "1-Create a non-partisan, multi year strategy with measurable goals
- 2-State adopt ""budgeting for outcomes is essential to make significant changes
- 3-Establish continuous improvement culture in state govt for all departments and services. Target 15% permanent reduction in state operating budget in one year and 3% improvement every year after that for 5 years. "
- Affordable, appropriate housing is vital to solving trans, educ, healthcare, envir and many other problems.
- Budget for desired outcomes; not current services.
- Build the budget by starting with results wanted and qualify programs based on their contribution to the desired results.
- business as usual will not be adequate. The "land of steady habits" needs to change those habits or not progress.
- Connecticut's budget system is obsolete.
- David Osborne should make his presentation to the GA and the Governor
- Engaged, creative, committed and energetic leadership is needed NOW. We know a lot about the challenges. There are great ideas out there - such as Strategic Budgeting (per David Osborne). What is lacking is leadership.
- If there is no accountability for private schools and less accountability for charter schools, why does everyone suggest vouchers? Schools suffer the same problem as businesses - over-regulation. More testing does not solve problems. Connecting local public schools with local business communities should be a top priority.
- Improving education system will help our state grow
- Investment in people (early childhood education for example) will lead to relief in other areas where money is (necessarily?) overspent, particularly corrections.
- It is time to get busy.
- "Leverage the assets that we already have. Take a good look at what we get outside the region, and especially outside the country, and plug these leaks as much as possible for basic needs (most importantly for energy, basic food supply, healthcare and housing. These needs should be satisfied as much as possible as close to the users as possible. This is far more efficient and keeps money, jobs and prosperity circulating within our own communities) This will require a serious leadership commitment and investment in 'Energy and Resource Conservation and Efficiency' - this was at the top of everyone's list at the conference. It applies to every dimension of infrastructure: the built environment; our energy infrastructure; transportation options and patterns; land use and development patterns; farmland stewardship, farmer succession and a local food economy; preservation of diverse historical and cultural character of our communities; watershed management; solid waste management; industrial ecologies). This will involve actions such as: retrofitting state, commercial and citizen owned buildings for energy efficiency;

- Solving these challenges needs to be a collaboration of state, federal, municipal, business and citizen engagement.
- We need to foster a civic culture of cooperation, collaboration and trust. Businesses need to contribute fairly to the societies that they use for their success - institute a Value Added Tax (VAT) to get appropriate contribution from the moneyed world. Consider other taxes like fees for financial trade transactions. Institute more fees that result in the user of a service paying the cost of providing the service.
- Utilize the experience and expertise of our aging population - Promote programs that provide flexible employment options for citizens as they age.
- Redefine prosperity and put true quality of life, quality of our natural environment and the quality of community values as primary considerations. Development that merely registers growth in throughput at the expense of quality of life and environment should not be undertaken.
- Think small think local. Many smaller efforts are better than few huge mega- projects. They provide diversity and resiliency and benefit to local citizens that large projects often do not.
- Build Social Capital by educating and engaging citizens. Equity among groups must be a strong consideration. It is not equitable to do projects that merely benefit the affluent. Consider micro-financing and removing barriers to a thriving small business environment for the poor. Private Corporations have by and large eliminated pension plans and subsidized medical insurance(a few are grandfathered under older plans). But the majority of workers, including those in their 50s and 60s, have no pensions/ sorely inadequate ones and at risk medical coverage. Taxing these people more in order to provide rich benefits to state workers is inequitable. "
- "most things stem from the health of our cities. We need to find ways to incent our families to maintain education as the way t a better life and stability. We need to teach our kids life skills, incent every urban child with funded personal accounts that can only be used for higher education, to start a business following receipt of a GED or if enter military or community service then \$ suspended until finished with service and then used for one of the prior uses or to purchase a home. If individual is incarcerated then \$ placed in account would be used for payment of their incarceration.
- Need a tax amnesty program to collect more unpaid taxes. Recycling of bottles should be abandoned at supermarkets etc and picked up curbside like newspapers and the nickel deposit eliminated. "
- Must invest in vibrant centers and transportation in order to retain and attract young & skilled workers
- Need for a permanent oversight board/panel to identify and implement government efficiency measures.
- "People are generally not opposed to paying taxes if they believe they are getting something for their money - CT Citizens feel over taxed because they don't believe the government is spending their money wisely.
- The way the government budgets, spends and measures their performance and the taxpayers return on investment is wrong."
- State government is the primary platform with the organizing authority and command of resources to affect our key agendas. It needs to act with more professionalism and focus.
- Streamlining processes and cutting waste out of existing departments and programs.
- structural change in CT's economy
- support for regionalization
- That MAJOR change is required across the board in order for our lifestyles to become sustainable.

- That there are ways to effectively communicate trade-offs.
- That we have NOT put enough into long range strategic planning and funding to support a suitable transportation system that benefits a wide range of stakeholders, including the new professional (who is forced to depend on a car or seek employment out of the state to save on transportation costs) to the experienced professional, who has to also rely on a car but loses valuable time and money in CT because of the congestion on the roads.
- the economic forecasters (and there are only a few) who have been relied upon for years in Connecticut should be replaced -- their track records are terrible
- The State government needs to act promptly and decisively to address revenue issues and to provide investments in the future regardless of short-term budgetary concerns.
- Transportation & infrastructure problems have been put on the back burner way too long. We don't expect them to be fixed in a day, but there has to be a start somewhere. It seems all we do is talk talk talk.
- We are in critical times and strong, incisive leadership is needed to bring business and government together in a cooperative and collaborative partnership to develop a Strategic Plan to turn things around. The plan must be a true operating plan which is updated every year and not one that sits on the shelf.
- We are in this together and must work together to find solutions without further hurting small business.
- WE must invest on education and workforce development in areas that address other critical needs of the State (e.g., infrastructure, health, energy, etc)
- We need a plan with goals, performance measures, and accountability expectations \*now.\* Please get serious and drop the partisan dillydallying.
- we need a plan. no more incremental budgeting. use the plan to start over with spending and revenue.