

Replacing the "Good" services that might be cut -- taxpayers can finally CHOOSE!

This describes how Connecticut can quickly (within three years)
turn deficit into surplus,
turn bad agencies into robust ones,
let taxpayers see a ZERO income tax,
help CT non-profits elevate themselves.
let voters have a direct say in where money goes,
empower state employees to work more assiduously
let workers who are innovative start businesses of their own.

Because myriad informed individuals make the decisions, there is no proposal more effective and fair than this. It puts government in its proper place and will thereby make Connecticut attractive for new businesses.

Private Smorgasbord - Your Opportunity for Personal Selection ("PSY-OPS")

Principle: let individuals decide where CT's non-necessary dollars are spent.

Corollary: individuals are less compromised than politicians

Corollary: individuals should have the control to monitor and amend our charitable dollars.

Corollary: smaller and more local control yields better results

The Private Smorgasbord is the wide array of CT charitable activities the state of Connecticut partly or fully funds for two years. These are the activities which will benefit from state steering private funds their way.

A "CT charitable activity" is a service for which the donor does not receive a direct benefit.

The funding is based on the wishes of taxpayers, though it can be additionally funded by non-taxpayers. Taxpayers will use 70% of their past year's tax liability (or 60% of this year's liability, whichever is higher) to select the charitable activities on which their tax dollars will be spent. Taxpayers keep the other 30% (or 40% for the suddenly better-off family). Yes, this is a Year One Tax Cut.

Taxpayers MAY wish to fund charitable activities beyond the 70%. That means they use part of their tax refund to fund charities more. As many have indicated, their charitable funding will exceed 70% once they feel assured their money is not being spent unwisely, frivolously, or on odious causes. Some have pledged that with government out of the way, their charitable spending will exceed 100%.

At the stingiest, with everyone keeping their 30% and donating no more, this is a General Fund reduction of \$3.2 billion, or about 15% of Revenue. In Year One, all departments across the board should plan to do with 15% less. Many departments will work to raise money to keep funding level. Some will use this opportunity to INCREASE funding. Competition for donors'

funds is a good thing, especially when the funds might be unlimited. Governor Stewart is already working on revenue sources besides the income tax so as to cut 34% the next year and 36% the year after, and thus be rid of the income tax. But even with zero added revenue, the "highly selfish" scenario puts our budget just 15% lower. Again, any agency can make do with 85% of its revenue. Most private firms have had to do that reduction and more in their past.

The "selfish scenario" is not evil. It may very well reflect families so pressed that every dollar of their 30% tax cut is needed. It may also reflect a still-generous mentality that the family can do better for the world with its 30% than a charitable organization. It may reflect a generous, but wait-and-see-how-this-works mentality.

Families that give a substantial sum in 2019 will see a further income tax cut in 2020. Mr. Stewart proposes that be 34% of the 2018 liability. The 2020 Smorgasbord thus uses the 36% remaining and taxpayers have 64% (30% from Year One and 34% from Year Two) returned for their use.

Repeat for 2021 onward. The tax liability for families that made substantial donations has gone to zero. The refund is 100%. The smorgasbord remains open and actively soliciting whatever funds families see fit to donate.

The activities offer themselves to the public through a state web site. Those currently funded by the state show their designation to all. Those with no state funding are still in the mix for people to choose.

Income Taxpayers literally apportion their funds. A family whose tax liability in 2018 was \$10,000 will keep \$3000 and can use \$7000 (more if desired) to apportion. A sample \$7000 could be

- \$1000 -- DDS "Rise" Fund (meaningful work for mentally impaired)
- \$ 500 -- DEEP Mosquito Control
- \$ 200 -- DEEP environmental protection of shoreline
- \$ 100 -- DEEP Underground Storage tank remediation
- \$ 400 -- DCF for Homeless youth in Stamford
- \$ 100 -- DCF for Homeless youth generally
- \$ 300 - DCF Dept of Psychiatric treatment for Children
- \$ 300 - DCF Day treatment Centers for Children
- \$ 300 - Dept of Criminal Justice - Medicaid Fraud Control
- \$ 100 - Dept of Criminal Justice - Witness Protection
- \$ 400 -- Dept of Correction - OMNI requests
- \$ 200 -- Dept of Correction - Board of Pardons and Paroles
- \$ 200 -- CT Commission of Equal Opportunity
- \$ 100 - Dept of Agriculture - WIC Program for Fresh Produce
- \$ 300 - CT Regents - Technical College Scholarship Fund.
- \$ 100 -- General Services Administration - OMNI Requests

- \$400 - LF Fund - ONMI
- \$300 - St. Vincent de Paul Mission Shelter - Bristol
- \$300 - Re-Build Fund -- For homeowners facing crumbling foundations
- \$200 - The Alliance (non-profit amalgamator in Central CT)
- \$100 - The Alliance for Non-Profit Growth and Opportunity ("TANGO")

\$200 - Wellmore Behavioral Health - "Prison to Freedom success group"
\$180 - Bill & Melinda Gates Foundation CT Fund
\$180 - David Chase Foundation - Injured Combatants Fund
\$180 - American School for the Deaf - Voice-to-text reader fund
\$180 - Zachs Family Foundation - New Fund for returning NHL Hockey
\$180 - State Rep. Derek Slap - Suburban --> Urban Support Fund.

TOTAL \$7000

\$700 - Governor's discretion "Seeing 2020 Fund". Tithe taking the donor to 110%.
\$700 - CT Warriors - Combat Veterans' Mental Health Fund. Taking the donor to 120%
\$350 - AGENT: Veterans' Analyst Recommendation. Taking the donor to 125%

TOTAL \$8750. Donor still has a net increase of \$1250.

The top sixteen are to state agencies in existence now. The bottom fourteen, including a 25% ADDITION to the demanded \$7000, are private organizations.

The final line ("Veterans' Analysis Recommendation") represents a split of funds according to one recommending group that keeps Veterans' interests in mind. This agent become sort of a "mutual fund" for CT charities, with its own directive.

Some people may use exclusively Agent Recommendations. They don't want to research the many possible organizations that might deserve funding. As with mutual funds, there's a general direction, and the Agent each year specifies how it will be specifically directed.

Unspecified contributions go to the General Fund. This is the default.

For the first year and second year, the state puts its "Thumb on the Scale" to channel donated funds to existing state-funded groups. This recognizes that continuity has value, but it pressures all groups receiving money to show value. A panel of four to nine "Smoothers" make assessments following the public's commitment period. They assess divisions that might have been radically under-funded by the public and then present the case for funding "underfunded" aspects to the General Assembly.

Off limits:

Public Schools. (Public funding is assured in Article Eight of the CT Constitution)
State Police. (Highway patrol and rescue is a necessary state government function.)
Division of Criminal Justice
Mental Health facilities housing violent offenders (the state's protection function demands the state take full responsibility for safety).

Off Limits only in Year ONE (more continuity needed):

Comptroller's office and Debt Funding
Corrections (Prisons and diversion programs)
UConn school Campuses
UConn Health Center
Insurance Dept
Judicial Depts affecting Criminal divisions and homeless youth
CT's military divisions
Environmental Protection (but not the "Energy" portion of DEEP)

Husky insurance for children

Any divisions using Medicare, Medicaid, or ACA money (we need more time to extract).

Unless modified by the General Assembly, these are the ONLY activities that are off-limits. Literally, in all but these sacrosanct areas, the people will decide funding more directly.

The smorgasbord is to attract everyone to in-state charities. It should also attract national charities to do great things for CONNECTICUT. (See the Bill and Melinda Gates Foundation example above). Big national charities that want to get bigger have an incentive to submit offerings that benefit Connecticut directly.

From 2021 onward, previously state-funded activities are merged with private charitable activities so all donors (former taxpayers and non-taxpayers) see a wide array of choices. Non-essential services are thus directly funded by citizens, in the amounts the citizens determine. The state smooths out dramatic gyrations, but otherwise the state's role is simply a facilitator.

In 2019, a state division has the right to submit a proposal stating why its work should be not be subject to the same private assessments. This might be by audio, video, or print, with an expected assessment time of up to 30 minutes per reader. The pieces submitted should be fashioned so that the public can view them just as easily. If rejected by the state, these presentations may still go into the private smorgasbord.

The smorgasbord is the home of any departments that are cut and want to still sustain their work. State employees can turn their divisions into small businesses, with the state of CT a likely first client. The state will be a loan guarantor to employees making this jump who need to borrow, and the state will initially cover 75% of office space if the new department is to be housed in the same space. The transitioning employee who wants to run a business has four other start-up advantages:

- access to good employees
- experience with helpful technology
- relationships with existing clients
- relationships with other state divisions

This transitioning, whether slow or fast, moves charity where it belongs: away from the state and with individuals and mid-size organizations. Good state workers are the biggest beneficiaries.