

- Connecticut ranks #50 – the worst — in annual economic growth. According to the Department of Commerce’s Bureau of Economic Analysis, Connecticut’s economy contracted for the second year in a row. “Connecticut is the laggard,” reported Connecticut Department of Labor economist Daniel Kennedy.
- Between 1996 and 2006 – *before* the financial meltdown and recession — the number of Connecticut small businesses declined by 2.2 percent, while the average experience of all 50 states was a 10 percent increase. Its small businesses account for about half of the state’s private sector jobs.
- Government spending is out of control. Two years ago, Connecticut Governor Dannel P. Malloy signed a \$1.8 billion tax hike, the biggest in the state’s history, that supposedly would generate enough. But it wasn’t enough for the next budget, enacted this year. It was balanced mainly with gimmicks like shifting some \$6 billion of Medicaid spending off-budget.
- [State Budget Solutions](#), a think tank monitoring state finances, reported that among the 50 states Connecticut has run up the fourth largest pile of debts per capita — \$27,540. This includes unfunded liabilities for government employee pension funds. The total is almost double the per capita debts of financially-strapped California. Higher debts imply higher taxes in the future.
- [Barron’s](#) considered Connecticut to be in the worst financial shape – with debt and pension liabilities a higher percentage of GDP (17.1) than any other state.
- Connecticut has one of the worst business climates in the country. Factors affecting a state’s business climate include the individual income tax, corporate income tax, sales tax, property tax, unemployment insurance tax and security of private property. For example, as the [Tax Foundation reported](#), “Connecticut imposed a temporary 20 percent surtax on top of its flat 7.5 percent corporate income tax, in effect raising its rate to 9 percent. This 20 percent surcharge is an increase on a supposedly temporary 10 percent surcharge that has been in place since 2009.”
- The American Legislative Council, in its annual [Rich States, Poor States study](#), ranks states two ways – economic performance and economic outlook. The economic performance ranking is based on a state’s GDP trend, migration trend (in or out) and non-farm payroll enrollment trend. The economic outlook ranking is based on 15 factors including the top marginal personal income tax rate, the top marginal corporate income tax rate, property tax burden, estate tax burden, public employees per 100,000 population, state liability system survey and whether a state has a right-to-work law. Connecticut is ranked #46 for economic performance and #43 for economic outlook.
- The Connecticut Business & Industry Association reported that “70 percent of executives believe the value they receive for their tax dollars is extremely low considering the amount they pay in taxes.”
- [The Cato Institute](#) gives Connecticut Governor Dannel P. Malloy an F grade for his economic policies that throttle investors and entrepreneurs. Malloy “creates a more hostile climate for business, but then tries to compensate for the damage with tax incentives.”

- Connecticut's probate court system seems to have gained a reputation for loading unnecessary costs on estates and sometimes arbitrarily nullifying wills, a practice that's hard to distinguish from looting. Yale Law School professor John H. Langbein declared that "Connecticut probate is a national scandal."

Source: Forbes, August 2013