

LaBonne's MARKETS

May 11, 2015

CT State Budget and proposed Tax increases

Finance, Revenue and Bonding Committee

Public Participation

My name is Robert LaBonne Jr. and I am here to discuss my deep concerns with the proposed tax increases and exceeding the States spending cap. I employ over 330 people in my 4 supermarket locations in northwest CT. In my business, when times are tough or costs go up, we have to find ways to cut back. We can't always raise prices, because competition won't allow us to. We can't force people to buy more groceries, because they have too many stores to choose from. We have to find ways to more with less. Yet our government thinks they can keep spending more and adding financial costs to businesses which are the driving force of any economy. That seems counterproductive to me. CT has competitors as well and other states are luring our businesses and our talented work force with a variety of perks, like lower taxes, and lower operating costs.

We had long terms plans to grow our business in CT, but with the recent increases in insurance, taxes, electricity, mandatory Paid Sick Leave, minimum wage increases (of which I was ok with, except, it should have only applied to people over 18, 16 and 17 year olds, do not need to make over \$10.00 per hour). The goal of doubling our business in CT has now been derailed because it is very difficult to remain profitable.

Eliminating the loss carry forwards hurts businesses to recover from off years, new competition in their marketplace and it also discourages investment. It will make owners be less likely to take risks on new locations or expansion without this benefit in the future.

Where's the future for our next generation? I employ over 225 high school and college students and I hear directly from them and their parents as they work through their high school and college years about their deep concern and frustration about the lack of opportunity to get jobs in CT and the cost of higher education. Lastly they are very worried about repaying their student loans and how will they try to buy a house and raise a family in CT. Texas, the Carolina's and other states are taking our talented youth faster than ever before and sadly, they will most likely not be coming back. Personally I see the damage of tearing families apart by living far away and it tears at the fabric that built this country and that I have enjoyed growing up in CT. Teenagers are not the same without the love and support of grandparents teaching them life lessons and not just visiting during the holidays. Living within a ½ hour ride of my aunts, uncles and grandparents is something and I would guess many of you in this room truly value growing up in CT and I would expect it has helped you become who you are today. This new trend of splitting families apart because of poor opportunities in CT is not good for CT and not good for America's children and grand children. I just had the pleasure of spending Mothers Day yesterday with 3 generations of my immediate family. That is not the norm in CT now and it's getting worse.

You have the power to help this generation and the next generations of CT residents who want to stay where their families grew up; you also have the power to chase them away at a record pace. Continue raises taxes and the costs of doing business and living in CT and this demise of this great state will escalate at a pace that we may never recover from.

Thank you for your time and your service to the people of CT.

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