

Pact for Prosperity

We, the undersigned Republican candidates for office declare that we support this executive summary of the Pact for the Prosperity of the people of Connecticut and the United States.

The Pact for Prosperity recognizes that American citizens are suffering from economic hardship. Much of this hardship has been caused by “printing money” and thus diluting the value of each dollar while wages have remained flat and taxes have remained high. Some of this hardship has been caused by a lack of opportunity in underserved communities, who have suffered from historically low rates of literacy that prevents the advancement of impoverished children and contributes to crime and dependency.

The Pact for Prosperity seeks to begin the hard work of solving the core issues that cause poverty, income inequality, crime, and human suffering instead of papering over them with band-aid solutions. This pact will propose an initial group of legislative initiatives that will address both opportunity and cost in order to promote prosperity for every day Americans.

Part One: Increase Opportunity

1- Learn to read, guaranteed.

This piece of legislation will tie federal funding for K-12 to the use of evidence-based reading pedagogy. The use of phonics and the use of longhand writing have been shown to improve memory and language skills.

This legislation will also tie cash bonuses (or tax cuts) for parents whose children can read at grade level by the third grade, directly involving families and parents into the push for reading.

The funding of influencers such as musicians and sports figures will be requested to promote phonemic awareness and family reading.

2- Make the grade, learn a trade.

Students who remain in school to high school graduation and demonstrate excellent attendance and passing grades will have access to federal grants for learning the trades, such as welding, electric, plumbing, and the like. Students will be paired with apprenticeships with participating businesses, who will receive tax benefits for onboarding apprenticed students.

Secondary schools will have access to federal grants to train students for work-ready skills and financial literacy.

3- Re-entry without recidivism

Federal grants and/or tax cuts will be made to companies who will commit to train incarcerated individuals in a marketable skill. Individuals suitable for the program

will have the opportunity to earn while they learn, and have access to their earned income after release from prison.

Pre-release training grants will teach financial literacy and life skills to inmates.

Several organizations are already doing this work with excellent results, and this programming should be universally available to inmates prior to release.

Part Two: Decrease Costs

1- Make each house a home

This federal legislation is similar to previously introduced legislation. It needs bipartisan support. Cheap money and an uneven playing field has kept private citizens from home ownership. This bill would ban private equity funds and similar large corporate entities from the purchase of single family homes.

The second part of this legislation would eliminate property tax for the first five years of home ownership for first-time homebuyers. This would enable young families to build up their own investment in high tax markets such as Connecticut.

2- Self-employment equity act

FICA requires 15.3% off the top for self-employed individuals, who are then taxed at pre-FICA rates. This has the effect of over-taxing self-employed individuals, who do not receive benefits such as 401K matching, PTO, health, life, or dental insurance. People who work hard to support a family by creating their own business should not be penalized.

This bill would re-adjust FICA for self-employed individuals, capping it at the rate of 7.65%, as long as the original 15.3% FICA rate is reached by matching expenditures on 401Ks or health insurance for the self-employed individual. This would create some degree of equity for the self-employed.

3- Earned income fairness act

Earned income is taxed at a higher rate than financial income. This has the effect of creating a tax on the hours of life lived by typical, wage-earning Americans.

Meanwhile, manipulation of financial instruments is not taxed at a comparable rate to earned income of human labor. This is not fair to those who must sacrifice more hours of their lives to pay for the government when compared to those who may engage in trades and finance.

I propose a “tax per trade” to harvest money from market fluctuations, and a reduction in earned income taxes immediately. The average trading volume every day is between 2 billion and 6 billion shares. At one penny per trade, the tax could be as much as 20-60 million dollars per day. This would cut down on “black box” trades

that cut money out of the system without providing any value in return. A simple, fair flat tax for earned income could then be implemented at a reasonable and lower rate, giving tax relief to wage earners. The details of this bill are subject to change, with the ultimate goal of tax-free earned income for those earning \$150,000 annually or less.

4- Radical transparency and accountability

Every dime that is spent by the federal (and state) governments belongs to the people. Not only do the people have little to no say over how their own money is spent, they have little to no access to detailed balance sheets that document each expenditure. The people need to have radical transparency with a system that will keep track of every penny, without requiring multiple FOIA requests and without vague categories of expenditure. This radical transparency will create fiscal accountability and will make corrupt spending practices much more difficult to hide. Government officials are our employees, and “we the people” have every right to know exactly what our employees are doing with our money.

This bill would require annual audits and annual reports of all federal agencies, with detailed spending categories to be entered online with public access to all. Like a checkbook, or a household budget, or even a credit card statement, all expenses should be easily discoverable by any interested party.

We, the undersigned Republicans of the State of Connecticut, do agree in principle to the creation of a Pact for Prosperity, to be implemented as appropriate in the state and federal legislatures. The purpose of this legislation is to increase opportunity for citizens of Connecticut and reduce expenses so that financial struggles of the present and the future can begin to be addressed. The details of this Pact will be presented in a full version of this set of bills. We welcome citizen input and commentary as we seek to represent you, the constituent first.

Signed, NAME

Office

District

Date