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**Subject:** Stefanowski's Record & Policies Are Too Extreme For Connecticut.

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The DGA is all in for re-electing Governor Ned Lamont. He has brought pride back to the state through sound, steady leadership, cutting taxes, balancing the budget, and being a compassionate, rational voice for Connecticut in Hartford.

Bob Stefanowski has spent the last three years primarily out of the public eye. This absence has led Connecticut voters to forget Bob Stefanowski. But no matter how much he tries to refresh his image, the truth is Stefanowski is simply too extreme for Connecticut.

Most importantly - Bob's right-wing economic policies threatened half the state budget – creating a massive budget deficit – while potentially devastating our schools, raising healthcare costs and potentially cutting care from thousands of Connecticut residents, and forcing property taxes higher for just about everyone.

Secondly - while Stefanowski prides himself on his business record – it's just as extreme. While running a payday loan company, he personally made millions for himself through a business designed to prey on working people, trapping servicemembers and low-income Americans in a vicious cycle of debt and poverty. His companies, charged interest rates of 450% on loans, helped outsource American jobs to Asia, and had ties to tax shelters for billionaires.

Last, Stefanowski is a proud MAGA Republican, who said Trump deserves an "A" grade as president, refused for a year to admit Trump lost the election, and remained silent during the Jan. 6<sup>th</sup> insurrection that resulted in five dead police officers. He opposed sensible gun control measures, got an A from the NRA, and refuses to commit to protecting a woman's right to choose.

Governor Lamont has taken strong action to help families dealing with rising prices, including signing historic tax cuts to lower costs for families, but Stefanowski has opposed these efforts and even attacked the cuts. He thinks a minimum wage is not necessary and opposes giving hard working people a raise. He was against implementing paid family medical leave and his budget plans would have cut Medicaid, the largest source of funding for nursing home care in Connecticut.

All of this – his radical positions, his MAGA political beliefs, and a business career spent profiting at the expense of working people – add up to a candidate who is simply out of touch and too extreme for Connecticut.

The same ultra-right-wing policies led to statewide losses for Republicans in Connecticut in 2016, 2018, and 2020. The 2022 campaign is a rematch from 2018, where Ned Lamont's effective, pragmatic approach is proving far more appealing to voters than Stefawnoski's extreme positions.

## STEFANOWSKI PUSHED A PLAN TO DEFUND MUCH OF CONNECTICUT'S BUDGET, DEVASTATING CONNECTICUT'S HEALTHCARE, EDUCATION, AND MUNICIPALITIES

*Stefanowski's 2018 gubernatorial campaign was centered around his plan to eliminate several taxes, including most notably, the income tax, which experts warned would devastate Connecticut's public services, raise property taxes on Connecticut families, and cut taxes for the wealthy; and which [one commentator wrote](#) came from "cloud cuckoo land."*

### **Stefanowski's Income Tax Elimination Threatened to Defund the Majority of Connecticut's Budget, Including Large Portions of Healthcare and Education Programs:**

In 2018, Stefanowski's proposed income tax repeal would threaten to devastate Connecticut's ability to provide basic government services, given that it [brought in](#) almost \$10 billion in annual funds – [more than half](#) of all state revenue. Given that Stefanowski argued that the elimination of the tax would actually raise revenues, and given that he [refused](#) to consider other revenue increases, the only alternative, as observers [pointed out](#), was massive cuts to government spending. Even as observers [wrote](#) that Stefanowski needed to "take a crash course in ... public policy" and that [there were](#) no other candidates "who knew as little about Connecticut as Stefanowski," he knew [one thing](#): to "rip costs out of this government" and even [eliminate whole agencies](#). Potential cuts included:

- One of the Connecticut state government's [largest annual expenditures](#) is Medicaid spending, which is funded through the state's General Fund, which in turn [funded by](#) income tax revenue. Medicaid is the [funding source](#) for approximately 74% of nursing home care in Connecticut. According to the [CT Mirror](#) writing on Stefanowski's plan, "No other tax generates enough revenue to cover even Connecticut's debt costs, which includes pension and retirement health care programs and service on bonded debt." The Hartford Courant [reported](#) that it was a "possibility" eliminating the state income tax would drive up health care costs. Given that the Connecticut Medicaid program [finances](#) 20% of all healthcare expenditures in the state, as well as being the [largest source](#) of funding for long term support care, a cut in revenues threatened to drastically cut state funding for hospitals and other necessary medical care.
- Similarly, a finance expert [predicted](#) the Stefanowski plan would "eviscerate education," given the extent to which education relies on state funding in Connecticut, and that "as it has in several states [that adopted such tax cuts, schools] went to four-day school weeks and slashed all kinds of programs,

stop[ing] buying new textbooks, etc.” Given that [as of 2019](#), state funding made up \$4.5 billion of the total \$12 billion spent on Connecticut public schools, a 50% cut in funding would touch every school in the state. The Connecticut Education Association [wrote](#) “Stefanowski’s Economic Plan Would Cut Education Funding, Hurt Students”.

- Eliminating the income tax would drive up property tax rates as a UConn Economist Fred Carstensen [said](#) there would be no way even to begin phasing out the income tax without decimating aid to all municipalities, driving up property tax rates and exacerbating urban poverty.

**Even Republicans Opposed Stefanowski’s Tax Proposal:** Stefanowski’s tax plan was so dangerous that even fellow Republicans announced their opposition to it. One 2018 Republican state Senate candidate [said](#) that Stefanowski’s proposal to eliminate the income tax was a “horrible idea,” while the *Hartford Courant* [reported](#) on the doubts even some Stefanowski backers had about his promises, under the headline, “Stefanowski Supporters Skeptical: Some Doubt Plan to Eliminate Income Tax.” They were joined by former Republican state legislator Kevin Rennie, who [wrote that](#) “Stefanowski’s plan to eliminate an array of taxes” was a “fraud,” while one of his 2018 primary opponents [said that](#) Stefanowski should be “ashamed” of his income tax repeal proposal because “Bob knows the numbers don’t work ... the idea that we are going to eliminate the income tax is a fancy.”

**Stefanowski’s Plan to Eliminate the Income Tax was Designed by the Architect of a Similar Plan in Kansas – Which Devastated the State:** Stefanowski premised his 2018 campaign around a promise to [eliminate](#) Connecticut’s income tax within eight years, a plan that [he said](#) was written by Arthur Laffer, an economist. Laffer was already [notorious](#) for designing a similar plan to cut income taxes in Kansas in the mid-2010s, which had resulted in plummeting state revenues and slowing economic growth, necessitating drastic cuts to education and infrastructure spending in the state. As a result, NPR [reported](#), “many experts regard[ed] the Kansas tax cuts as a failure,” and indeed a UConn finance professor [commented](#) that “no serious economist takes Laffer seriously.” Laffer’s plan for Connecticut was the same as it was for Kansas: massive tax cuts that necessitated massive cuts in government spending, and if adopted it would lead to Connecticut “crashing and burning” as one [Forbes headline](#) proclaimed had happened to Kansas.

**Stefanowski Proposed to Eliminate Business and Estate Taxes – a Massive Giveaway to the Rich:** Beyond the income tax, Stefanowski [proposed](#) to eliminate Connecticut’s corporate and business entity taxes, as well as the state’s estate tax,

which he called “morally incorrect.” These taxes disproportionately affected the rich and therefore, their repeal stood to disproportionately benefit the very richest people in the state. Taken with the elimination of Connecticut’s income tax – which was graduated and therefore progressive – the *Hartford Courant* [reported](#), “it’s reasonable to declare that Stefanowski’s [tax] plan ‘gives tax breaks to the rich.’”

## **STEFANOWSKI’S BUSINESSES HURT CONNECTICUT WORKERS AND TAXPAYERS**

*Stefanowski’s business catastrophes harmed thousands of Connecticut residents directly, and millions more taxpayers as well. It was for this reason that the Westport News wrote that “both companies where Stefanowski was an executive failed in the state.”*

**Under Stefanowski, UBS Took Millions of Dollars From Connecticut Taxpayers While Cutting Thousands of Jobs in the State:** On the campaign trail, Stefanowski [pointed to](#) his work “reduc[ing] costs” at UBS and [overseeing](#) “a lot of downsizing” that saw “everybody [having] to absorb their piece” as [indicative](#) of the policies he would pursue as governor. In many cases, these cost reductions came at the expense of Connecticut workers. In 2011, shortly before Stefanowski joined UBS, the firm [signed a deal](#) with the Connecticut government to receive a loan worth up to \$20 million, which under certain conditions could revert to a grant. At the time, it had a workforce of 3,500 employees in its Stamford office, but after Stefanowski came in, the bank [very quickly shifted](#) many of its positions previously based in Connecticut to New York instead and by 2014 it was down to 2,000 employees. According to [recent data](#), UBS now only averages 1,150 workers in Connecticut, but even though it had reduced its workforce in the state by two-thirds, it was on track to retain most of the \$20 million – [paid by](#) Connecticut taxpayers Stefanowski’s leadership of UBS in Connecticut was emblematic of his overall failure at the bank: during his tenure, [UBS’s profits fell](#) by over 50%, and as a result it [announced](#) a 15% cut to its workforce, resulting in the layoff of 10,000 employees.

*Stefanowski has [said](#) of his business career that “I’ve been doing it for 30 years, and I’m going to do it for the state of Connecticut.” If Stefanowski is true to his word, Connecticut residents have much to fear, given the ruthless and exploitative practices that have made him rich.*

**Stefanowski Led a Controversial Payday Loan Company that Fought to Trap Borrowers in Exploitive High-Interest Loans:** For three years, Stefanowski was CEO of Dollar Financial, a payday loan company that [profited off of](#) “high-interest short-term

payday loans that are widely viewed as predatory.” During his tenure, Dollar Financial’s profits [grew](#) by \$100 million, but this occurred at the [expense](#) of vulnerable borrowers—though none in Connecticut since the company was so exploitative, it was [functionally banned](#) in the state. During Stefanowski’s tenure, the U.S. Consumer Financial Protection Bureau [received](#) more than 40 complaints about Dollar Financial including nine from members of the armed services – a group that the company had targeted with fraudulent auto loans before Stefanowski came on. During the early part of Stefanowski’s tenure, the company engaged in what were [later found](#) to be “improper loan practices” in the U.K. for lending people money they couldn’t afford to pay back at interest rates of up to 2,000% that resulted in the firm paying \$24 million in refunds to 147,000 customers. In the 2018 primary, Stefanowski [was attacked](#) by a primary opponent in an ad that claimed “Bob’s company was fined millions of dollars for lending people money they couldn’t pay back, at interest rates over 2,000 percent”. The fact check [came to the conclusion](#) the “ad makes no materially false statements (although claiming that Dollar Financial was ‘fined’ is too loose a use of that word).” While in America, the Dollar Financial [offered](#) loans at rates of more than 450% interest. When state lawmakers attempted to crack down on its exploitation by capping interest rates, Dollar Financial [spent tens of thousands of dollars](#) to kill the measures, ensuring that it would continue to profit, and Stefanowski would continue to rake in millions of dollars, even as borrowers were trapped in [growing cycles of debt](#). According to Stefanowski’s tax returns he [released](#) in 2018, over the 2016-17 period while he was CEO of Dollar Financial, he and his wife, who is a realtor, paid a total of \$1 million in state income taxes and \$5.7 million in federal income taxes on \$16.6 million in income. In 2018, the Hartford Courant ran a [factcheck](#) of a Lamont ad that accused Stefanowski of running a payday loan firm that “preyed on servicemembers and middle class families”, writing that it was “not our of bounds” to claim to claim Stefanowski’s company “preyed” on servicemembers and middle class families. The Courant further wrote, “it’s fair opinion for the Lamont campaign to accuse Dollar Financial — or any other payday-lending firm — of ‘preying’ on its customers.”

**Stefanowski’s Private Equity Firm Helped American Companies Outsource to Asia:** Stefanowski was honest about the attraction of 3i to American companies, [saying](#) that “a company in the U.S. that’s a heavy manufacturing company and they want to think about outsourcing something to Asia, [at 3i] I can pick up the phone and call the woman who runs our Beijing office or our Hong Kong office.” This was not an exaggeration: another 3i executive [said](#) that the firm’s “team on the ground in China and teams on the ground in India .. do nothing really but help our existing portfolios internationalize” while the *Hartford Courant* found in an [investigation](#) that 3i “invested in companies that helped other companies outsource their work” “overseas.”

**During Stefanowski's Tenure, UBS Had Ties To Secretive Tax Shelters for Two Billionaires.** In 2013, a UBS subsidiary [specialized](#) in furnishing nominee directors for “opaque” offshore tax havens, appearing as a shareholder in the tax haven domiciled in the British Virgin Islands. According to the International Consortium of Investigative Journalists, the tax shelter [was](#) a “freak of law that would prove impenetrable to any tax authority minded to take a closer look at its cash flows and legality and to track down its true financial beneficiaries.” During Stefanowski's tenure, UBS [operated](#) a Family Officer Group that focused on serving the firms clients [who were](#) “existing and emerging billionaires” [through](#) its investment bank and wealth management divisions. Further, during Stefanowski's tenure at UBS, the firm helped operate tax shelters for two billionaires. According to the International Consortium of Journalists Offshore Leaks database, beginning in December 2012, a UBS subsidiary UBS Trustees [served as a shareholder](#) of the Aysal Administration Limited that was incorporated in Jersey, and whose [owner was](#) Turkish billionaire Unal Aysal. Beginning in August 2013, UBS Secretaries Limited was a [secretary](#) of Jurua Limited that was incorporated in Jersey. The beneficial owner of Jurua Limited [was](#) the billionaire Hamdi Akin.

## **STEFANOWSKI IS A MAGA REPUBLICAN WHO BACKS TRUMP, OPPOSES GUN CONTROL & REFUSES TO PROTECT A WOMAN'S RIGHT TO CHOOSE**

*Stefanowski is a big supporter of Donald Trump, complimenting Trump and backing his most controversial actions, and echoing his most dangerous arguments. He has stood with the NRA – getting an “Aq” grade in 2018, and has consistently refused to commit to protecting a woman's right to choose.*

**Stefanowski Frequently Embraced Trump and His Policies:** Throughout his 2018 gubernatorial run, Stefanowski tied himself closely to Trump, [giving him](#) an “A” grade for his performance in office, and saying [on video](#) that he appreciated that Trump “put America first.” Trump returned the favor, giving Stefanowski his “total endorsement” as “the person needed to do the job.” Stefanowski [embraced](#) the endorsement, saying he was “happy to have it,” and later when asked about Trump controversies, covered for Trump, [saying that](#) “we need more of his economic policy and I leave it at that.” Stefanowski even tied himself personally to Trump, [saying](#) that Trump was “a great illustration of what somebody who has common sense, who has run large organizations ... we could use some of those skill sets here in Connecticut.” Observers picked up on this connection, with one columnist [writing](#) that “Stefanowski is in many ways Trump without the reality TV charm” while an editorial board [wrote](#) that Stefanowski “strongly associated himself with President Trump.” Even Fox News got in on the action, [describing](#) Stefanowski's economic platform as “Trumpian.”

**Stefanowski Failed to Combat the Misinformation that Led to the January Sixth Insurrection and Then Refused to Blame Trump for Inciting the Riot:** In the aftermath of the 2020 election, Stefanowski [refused](#) to say in the days before January 6, 2021 that the election was legitimate and that Trump was acting inappropriately in promoting conspiracy theories. A *Connecticut Post* columnist [wrote](#) that Stefanowski “never put any daylight between himself and Trump” and this posture [continued](#) after the Capitol insurrection, with Stefanowski refusing to blame Trump for inciting the riot, though in a statement, he did concede that the “lack of action by the president ... need[ed] to be reviewed” alongside the preparedness of the Capitol Police.

**Like Trump, Stefanowski Took Steps to Call the Integrity of Connecticut’s Elections in to Question:** Like Trump, Stefanowski [began taking actions](#) to undermine Connecticut’s 2018 election even before it occurred, creating a plan to respond to “voting irregularities” by [placing](#) volunteer voter challengers at polling places in Connecticut cities. On Election Day itself, as election workers worked to process a large number of new voters minutes before polling places closed, Stefanowski began tweeting about the situation in a Trump-like fashion, [writing](#) that workers were “circumvent[ing] ... vital process[es] to our election integrity.” As Stefanowski filed a request to have the ballots of the new voters put aside and contested – a plan that was made defunct hours later when he lost the race – the Associated Press [reported](#) that “Stefanowski was ... casting doubt about” the election process.

**Like Trump, Stefanowski Minimized COVID and Attacked Mitigation Efforts, Saying “Life Carries Risk,” Even as He Used the Virus as an Excuse to Attack State Workers.** Though in May 2020, Stefanowski [said on video](#) that Gov. Lamont was doing a “pretty good job” responding to the COVID pandemic, he quickly changed his tune. Within months, Stefanowski was echoing Trump, [insisting](#) that “nothing can make us totally ‘safe.’ Life carries risk” and that “protecting the economy” was an essential priority [and that](#) “Governor Lamont’s core policy to combat the spread of COVID-19 ... [was] clearly not working.” As the virus spread, Stefanowski rhetoric became more extreme, as he [warned](#) that “they’re trying to control every single bit of our lives. They want to control whether our kids wear masks.” At the same time he [dismissed](#) the risk of COVID, Stefanowski also argued the virus necessitated the conservative policies he already supported, saying that “while a human tragedy, COVID-19 provides an opportunity to fundamentally change our Connecticut operates,” proposing that Lamont cancel a planned pay increase for state employees.

**Stefanowski opposed Lamont’s historic tax cuts.** In May 2022, Gov. Lamont [signed into law](#) the largest tax cut in Connecticut history. Bob spent the next weeks criticizing Lamont’s tax cutting budget – [calling it](#) “election year pandering” and said that Lamont’s



alleged tax relief [was](#) “insulting to Connecticut families” later [adding that](#) over \$660M in tax relief was “insulting to Connecticut families, seniors and small business owners.”

**Stefanowski Opposes Common Sense Gun Control Laws:** During his 2018 gubernatorial campaign, Stefanowski was [endorsed by](#) the Connecticut Citizens Defense League and [received](#) an “A” rating from the National Rifle Association. Both of those groups knew that though Stefanowski [repeatedly insisted](#) that he would “strike an appropriate balance” between prioritizing gun owners and gun safety, the truth was that he opposed even the most basic gun control measures. A video captured Stefanowski [saying in private](#) that “gun-free zones can be a bad thing” and that he would “veto any legislation that makes it tougher on gun owners.” Even worse, Stefanowski was [captured on video](#) saying that the gun control measure passed after the Sandy Hook shooting was “not a good bill” and when asked if he would sign a measure vetoing the measure, [would only say](#) there was “no chance” a repeal bill would pass the legislature. In 2020, he has [refused to release](#) the NRA questionnaire he filled out in 2018 that earned him his “A” rating.

**Stefanowski Refuses To Commit To Protecting Women’s Rights & Wants to Impose New Limits on a Woman’s Right to Choose:** In a 2018 debate, Stefanowski [failed to answer](#) whether Roe v. Wade was codified into law – a sign of his lack of commitment to the 50-year-old right to choose. Further confirmation of this came weeks later when Stefanowski [argued](#) that the fact that his 15-year-old daughter “could get an abortion without parental notification, to me, is unacceptable,” an endorsement of stringent parental notification laws. In addition - in the wake of the Supreme Court’s leaked draft decision overturning Roe v. Stefanowski [refused to commit](#) to vetoing legislation that would overturn Roe. Further, he has [stayed silent](#) on an abortion law his running mate helped pass that would provides a “safe harbor” to women from states with restrictive abortion laws who get abortions in Connecticut, as well as the clinicians who provide them.

**Stefanowski Opposes the Existence of the Minimum Wage:** Stefanowski has repeatedly made clear that he opposes the concept of a minimum wage. At one point, Stefanowski [labeled himself](#) as “against the minimum wage. I think it should be supply and demand. I’m a free-market guy” while in another occurrence, a [video was captured](#) of saying that the government should “let the private sector decide what the right level to pay people is ... we’ve got to get the government out of our life.”

**Stefanowski Opposes Paid Family Leave:** In a 2018 debate, Stefanowski attacked the concept of paid family leave, arguing it would devastate small businesses; instead, he [argued](#), a growing economy would help more people take care of themselves.

