



2017 Legislative Session Summary

The 2017 regular legislative session adjourned sine die at midnight on June 7th. Though the regular session is now over, legislators did not adopt a state budget. Negotiations between Governor Malloy and legislative leaders continue and the General Assembly is expected to call itself back into special session to pass a budget when they reach agreement. Below is a summary of the 2017 regular legislative session outcomes:

WINS

By far, our biggest and most important win was protecting collective bargaining and binding arbitration by defeating scores of bills and amendments that sought to limit, repeal or weaken both, including:

- Imposing further state employee concessions by enacting statutory changes eliminating collective bargaining for state employees;
- Requiring chamber votes on state employee collective bargaining agreements and arbitration awards;
- Eliminating overtime from state employee pension calculations;
- Moving state employees from a defined benefit to a defined contribution pension plan;
- Establishing an irrebuttable presumption that a municipal budget reserve of fifteen percent or less is not available for payment for any item subject to arbitration;
- Eliminating municipal or board of education employees' right to bargain over municipal regionalization efforts;
- Establishing a statewide Municipal Accountability Review Board that could set aside collective bargaining agreements and act as the arbitrator in financially distressed municipalities.

• **Legislation that will positively impact union members and working families passed:**

- **HR 8/SR 7** - Approved agreement negotiated between SEBAC and Governor Malloy that modifies actuarial cost methods and assumptions used to calculate the state's actuarial determined employer contribution.
- **HB 5590** - Establishes a number of workforce development and job training initiatives at the Department of Labor.
- **HB 6668** - Establishes protections for pregnant women in the workplace.
- **HB 7047** - Requires municipal and volunteer fire departments to maintain their pump and aerial fire apparatus components in compliance with the National Fire Protection Association Standard 1911.
- **HB 7161** - Requires companies that administer certain 403(b) retirement plans offered by a political subdivision of the state to disclose in writing the (1) fee ratio and return, net of fees, for each investment under the plan and (2) fees paid to any person who provides investment advice to plan participants.
- **HB 7212** - Requires public service employers, including boards of education, with more than 10 full-time employees to provide informational materials and forms pertaining to federal student loan forgiveness programs to newly hired employees.
- **HB 7271** - Moves the Connecticut Technical High School System from the State Department of Education and establishes it as independent executive branch agency over a 3-year phase-in period.
- **HB 7296** - Permits municipalities with accrued unfunded liabilities in the Municipal Employee Retirement System (MERS) to authorize bonds to pay all or part of the unfunded liability.
- **HB 7316** - Establishes comprehensive transparency and review of the Department of Economic Development's business assistance and incentive program.
- **SB 353** - Establishes a working group of union and non-union industry trade group members to review hiring ratios for apprentices, journeymen and contractors.

- **SB 635** – Extends the deadline for public-private partnership projects from January 1, 2016 to January 1, 2020.
- **SB 957** - Authorizes the Mohegan and Mashantucket Pequot tribes to jointly establish and operate a casino in East Windsor.
 - **HB 6948** is a companion casino bill that expands the number of off-track betting facilities and establishes an Advisory Council on Large Entertainment Venues to coordinate large entertainment events.
- **Legislation that would have adversely impacted union members and working families was defeated:**
 - **HB 6461** – Would have enacted a one-sided approach to unemployment insurance reform in favor of employers at the expense of low-wage, seasonal and temporary workers.
 - **SB 746** – Would have required the Municipal Employee Retirement System to exclude overtime in benefit calculations for new hires.
 - **SB 778** – Would have created a special process to allow the Millstone Nuclear Plan to bid on RFPs historically reserved for new wind and solar projects, thereby potentially eliminating construction jobs.
 - **SB 861/LCO 8582** – Would have prohibited the state from soliciting any future natural gas pipeline development projects, thereby eliminating construction jobs.

LOSSES

- **Legislation that would have positively impacted union members and working families died:**
 - **HB 5591/HB 5210** – Would have mandated gender-based pay equity.
 - **HB 6162** – Would have established a debt-free program for in-state students attending public colleges and universities.
 - **HB 6208** – Would have increased the minimum wage to \$15/hour by 2022.
 - **HB 6554/HB 6973/HB 7313** – Would have closed the carried interest loophole for hedge fund managers requiring them to pay income tax rates, not capital gains tax rates, on their earnings.
 - **HB 6901** - Requiring large, low-wage employers to pay a fee for exploiting the state's safety net services when they pay workers less than \$15/hour.
 - **HB 6914** - Would have established a minimum work week for workers who perform janitorial or building maintenance services.
 - **SB 1/HB 6212** – Would have created a paid family leave program
 - **SB 747** - Would have prohibited employers from utilizing “on call scheduling.”
 - **SB 17/HB 7000** – Would have allowed undocumented college students to have equal access to institutional aid.
 - **SB 27** – Would have required workers’ compensation coverage for PTSD related care for fire fighters and police officers.
 - **SB 989** – Would have strengthened the state’s contracting laws by imposing additional requirements on proposed privatization contracts and ensuring appropriate staffing levels at the State Contracting Standards Board.
 - **SB 1054** – Would have raised income tax rates on individuals earning \$500K or more.
- **Legislation negatively impacting union members and working families passed:**
 - **HB 6266** – Caps the healthcare costs mixed martial arts promoters are required to provide fighters injured in the ring at \$20,000 per match.
 - **HB 7174** - Permits phlebotomists to flush IV’s with saline, a licensed function that should be performed by registered nurses.

OF INTEREST

- **Legislation that passed and could impact union members and working families:**
 - **HJ 100** – Approved a proposed constitutional amendment to appear on the 2018 election ballot that would segregate transportation funding into a “lockbox” so that it be used exclusively for transportation projects.
 - **HB 7007** – Allows private non-profit human service providers to retain funds left over from the contracted amount for services if they reinvest those funds in service delivery.
 - **HB 7138** – Creates a Transportation Council at OPM that could slow infrastructure project approval and job creation.
 - **HB 7308** – Expands a grant program administered by OPM that reimburses municipalities for purchasing body cameras for use by sworn members of municipal police departments.
 - **SB 948** – Limits the applicability of certain state contracting requirements for the University of Connecticut and the Board of Regents for Higher Education.

UNFINISHED BUSINESS FOR SPECIAL SESSION

The special session will focus primarily around efforts to adopt a FY 2018-2019 biennial budget. Projected deficits are \$2.3 billion FY 2017-2018 and \$2.8 billion in FY 2018-2019. Given the close partisan splits in the General Assembly, Democratic and Republican caucus leaders are all at the negotiations table with the administration. The fiscal year ends June 30th. If a new budget is not adopted before the end of the fiscal year, the Governor has authority to administer the state using last year’s budget. He may also make line item rescissions.

Governor Malloy continues to resist any proposal that would allow for new or expanded revenue options. House and Senate Democratic leadership have expressed the need for a balanced approach of cuts, state employee concessions and limited revenue. But House and Senate Republicans have drawn several lines in the sand, promising to vote against any budget that authorizes tolls, legalizes marijuana or preserves binding arbitration and collective bargaining rights. Governor Malloy and the Democratic caucuses have all said they do not support changes to collective bargaining or binding arbitration.

SEBAC has negotiated a tentative framework with Governor Malloy that provides \$700.9 million in savings in the first year and \$868.6 million in the second year for a cumulative savings of \$1.569 billion over the biennium. An actuarial analysis of the plan had determined it would save the state \$5 billion over the first five years and up to \$24 billion over the next twenty years. Yet, Republican legislators say the level of givebacks is “insufficient.” Rank and file union members are expected to hold ratification votes on the tentative framework in mid-July.

Among the issues expected to be considered in a final budget:

- How to provide up to \$40 million in state dollars to the City of Hartford in order to avoid bankruptcy.
- The Governor’s proposal to establish a statewide Municipal Accountability Review Board that could set aside collective bargaining agreements and act as the arbitrator in financially distressed municipalities.
- The level at which the state funds PreK-12 education and the possible adoption of a new education cost sharing (ECS) formula.
- How the teachers’ pension plan will be funded and if the state will shift costs to municipalities.
- Funding of critical public services, including higher education, public safety, human services, healthcare and other safety net measures.
- How services may be insourced to save taxpayer dollars.
- Authorizing the use of electronic tolls.
- Legalizing the recreational use of marijuana.