



## **CRCOG Weekly Legislative Report**

**2018 Legislative Session**

**February 15, 2018**

### **Weekly Legislative Feature Issues:**

In the first full week of the 2018 regular legislative session, the Connecticut General Assembly hit the ground running. As this is an even-numbered year, the legislative session will run from Wednesday, February 7, 2018 through May 9, 2018, which is commonly known as the short session. Almost immediately after convening the session, Connecticut's legislators got back to work on biennial budget adjustments and other legislative business.

In a unique development, Governor Malloy released his biennial budget adjustment proposal on Monday, February 5, 2018, which was a break from the tradition of giving his budget address to a joint session of the Connecticut General Assembly on the opening day of the legislative session in even-numbered years. Instead, Governor Malloy gave his State of the State address to the joint session focusing on the theme of Connecticut Fairness, which included more than ten specific policy initiatives that he will support this session. These policy initiatives, include:

- **Redoubling Connecticut's clean energy and environmental protection efforts.** The Governor's plan calls for the creation of a new comprehensive resiliency plan to give towns and cities the resources necessary to adapt to the realities of a changing climate and for the adoption of a renewable energy standard in which 75 percent of Connecticut's energy comes from clean sources by 2030.
- **Raise Connecticut's minimum wage.** In 2014, Connecticut became the first state in the country to raise the minimum wage to \$10.10 per hour. The Governor is committed to working with legislators to once again raise the minimum wage this year.
- **Funding Transportation Infrastructure Projects.** The governor proposed stabilizing the special transportation fund using the following measures(1) A seven-cent increase in the gas tax, gradually implemented over a four-year period. (2) Implementation of statewide electronic tolling beginning in fiscal year 2023. (3) Acceleration of the transfer of car sales tax by two years, and (4) Establishment of a \$3.00 per tire fee on tire purchases.

In the last few days, there have been a number of committee meetings in which legislators have voted to raise concepts that will be drafted as bills. Once these bills are drafted, the committees will decide whether to reserve them for a public hearing. We will be sure to keep you apprised as public hearings are scheduled.

**This past week has revealed new developments of particular interest to you:**

### **Partisan Rifts Threatens Efforts to Close CT Budget Deficits**

There is a partisan rift based around taxes and state employee benefits that threaten to derail legislative efforts to balance the state biennial budget. Democratic and Republican leaders have acknowledged that there is a sharp divide between them regarding a solution to wipe out more than \$400 million in red ink off Connecticut's books.

According to Comptroller Kevin Lembo and Governor Malloy, the current fiscal year set to close on June 30<sup>th</sup> is on pace for a \$245 million deficit. The upcoming fiscal year already has a projected shortfall of \$165 million.

In an election year, legislators from both parties have been reluctant to consider tax hikes. Yet many of Governor Malloy's proposals for closing the deficits in the current biennium involve revenue increases. This has drawn criticism from both parties in the Legislature.

[CT Mirror- Partisan Rift Threatens Efforts to Close CT Budget Deficits- 2-8-2018.](#)

### **Barnes Says Malloy Took "Light Touch" to Legislature's Two- Year Budget**

Ben Barnes, the Secretary of Office of Policy and Management, said that Malloy's budget would reduce deficits by half through a variety of measures including raising tax hikes and spending cuts including reducing municipal aid. He said that not all the transportation revenue was used to pay other state bills. Additionally, he noted Malloy's plan to solve the issues impacting the Teacher's Retirement System is to lower the assumed rate of return from 8 percent to 6.9 percent and the adoption of a new amortization schedule to avoid the cliff, but State Treasurer Denise Nappier said it would not work.

Moreover, Governor Malloy offered a number of ideas for closing the 2018 budget deficit in December and dozens more as part of the document he released Monday, including:

- Increasing the 6.35 percent sales tax rate
- Allowing grocery stores to sell wine
- Increasing excise taxes on liquor and beer
- Reducing hospital Medicaid rate
- Re-closing Care 4 Kids
- Reducing services for behavioral health care
- Eliminating the renters rebate program
- Requiring towns to contribute to the Teachers' Retirement System
- Further reducing municipal aid, and;
- Legalizing and taxing the recreational use of marijuana.

It is worth noting The General Assembly doesn't have to adjust the budget before they adjourn on May 9<sup>th</sup>, because they adopted a two-year budget last October. The last time they decided not to adjust the second year of a biennium budget was back in 2008.

[CTNewsJunkie- Barnes Says Malloy Took "Light Touch" to Legislature's Two- Year Budget 2-15-2018.](#)

**Speaker: Legislature Should Turn Transportation Over to a New Authority**

While speaking at the Connecticut Council of Small Towns’ annual legislative forum, Speaker Aresimowicz remarked that after failing for years to properly invest in highways, rail and bridges, the legislature should relinquish oversight to a transportation authority immune from the pressure of election-year politics. This organization would be similar to the Public Utilities Regulatory Authority, which has been empowered to handle energy-related matters within Connecticut. Speaker Aresimowicz also renewed his proposal to eliminate local taxes on motor vehicles.

Republican lawmakers at the forum did not agree with either proposal. Senator Kevin Witkos said that the transportation fund is in tough fiscal straits, because the Malloy administration accelerated transportation projects in recent years without a plan to cover the cost.

Currently, the state will have to scrap some rail services, increase fares, and suspend 40 percent of planned capital projects including major highway rebuilds like the Hartford viaduct without additional funding according to the Office of the Governor.

[CT Mirror- Speaker: Legislature Should Turn Transportation Over to a New Authority 2-14-2018.](#)

**Tracked Bills:**

Bill Number	Priority	BA	Title & Synopsis	History
<a href="#">HB 5004</a>	3		<p>An Act Increasing The Sales And Use Taxes Exemption For Items Sold For School Fundraising And School-related Activities.</p> <p>To increase, from twenty dollars to fifty dollars, the exemption from sales and use taxes of items sold by certain charitable organizations and schools for fundraising and school-related activities.</p>	<p>Committees: FIN</p> <p>Status: Referred to Joint Committee on Finance, Revenue and Bonding (2/7)</p>
<a href="#">HB 5007</a>	3		<p>An Act Exempting Pension Income From The Personal Income Tax.</p> <p>To exempt pension income from the personal income tax, effective from passage and in lieu of the phase-out.</p>	<p>Committees: FIN</p> <p>Status: Referred to Joint Committee on Finance, Revenue and Bonding (2/7)</p>
<a href="#">HB 5045</a>	3		<p>An Act Establishing Accountability For Fair And Affordable Housing Through Zoning Regulations.</p> <p>To implement the Governor's budget recommendations.</p>	<p>Committees: PD</p> <p>Status: Referred to Joint Committee on Planning and Development (2/8)</p>

<a href="#">HB 5046</a>	3	An Act Concerning The Sustainability Of Transportation Projects.  To implement the Governor's budget recommendations.	Committees: TRA  Status: Referred to Joint Committee on Transportation (2/8)
<a href="#">HB 5051</a>	3	An Act Concerning The Deposit Of Motor Vehicle Sales And Use Taxes Into The Special Transportation Fund.  To accelerate the rate of deposit of motor vehicle sales and use taxes into the Special Transportation Fund and eliminate the phase-in.	Committees: FIN  Status: Referred to Joint Committee on Finance, Revenue and Bonding (2/9)
<a href="#">HB 5069</a>	3	An Act Reimbursing Certain Municipalities For The Loss Of Motor Vehicle Tax Revenue.  To reimburse three municipalities that conducted revaluations after 2015 for lost motor vehicle tax revenue.	Committees: APP  Status: Referred to Joint Committee on Appropriations (2/14)
<a href="#">HB 5072</a>	3	An Act Reimbursing Certain Municipalities For The Loss Of Motor Vehicle Tax Revenue.  To reimburse three municipalities that conducted revaluations after 2015 for lost motor vehicle tax revenue.	Committees: APP  Status: Referred to Joint Committee on Appropriations (2/14)
<a href="#">HB 5073</a>	3	An Act Restoring Holdbacks To The State Budget.  To restore budget holdbacks made by the Governor during the current fiscal year.	Committees: APP  Status: Referred to Joint Committee on Appropriations (2/14)
<a href="#">HB 5079</a>	3	An Act Reducing The Subsidy For Ct Fastrack.  To reduce the subsidy for CT Fastrack.	Committees: APP  Status: Referred to Joint Committee on Appropriations (2/14)
<a href="#">HB 5081</a>	3	An Act Reimbursing Three Municipalities For The Loss Of Motor Vehicle Tax Revenue.  To reimburse three municipalities that conducted revaluations after 2015 for lost motor vehicle tax revenue.	Committees: APP  Status: Referred to Joint Committee on Appropriations (2/14)

<a href="#">HB 5083</a>	3	<p>An Act Concerning The Full Funding Of Special Education.</p> <p>To require the state to pay the full cost of special education.</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/14)</p>
<a href="#">HB 5123</a>	3	<p>An Act Restoring Education Cost-sharing Grant Funding To Towns.</p> <p>To restore education cost-sharing grant funding to those towns whose grants were reduced by the executive branch.</p>	<p>Committees: APP</p> <p>Status: Referred to Joint Committee on Appropriations (2/15)</p>
<a href="#">HB 5126</a>	3	<p>An Act Providing Assistance To Students And Families From Puerto Rico By Increasing Ecs And Family Resource Center Grants.</p> <p>To increase funding to boards of education and family resource centers that provide assistance to students and families from Puerto Rico.</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/15)</p>
<a href="#">SB 6</a>	3	<p>An Act Implementing The Governor's Budget Recommendations For General Government.</p> <p>To implement the Governor's budget recommendations.</p>	<p>Committees: APP</p> <p>Status: Referred to Joint Committee on Appropriations (2/8)</p>
<a href="#">SB 8</a>	3	<p>An Act Implementing The Governor's Budget Recommendations Concerning Education.</p> <p>To implement the Governor's budget recommendations.</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/8)</p>
<a href="#">SB 22</a>	3	<p>An Act Appropriating Funds For The Remedial Action And Redevelopment Municipal Grant Program.</p> <p>To provide funding for brownfield remediation projects.</p>	<p>Committees: APP</p> <p>Status: Referred to Joint Committee on Appropriations (2/14)</p>

<a href="#">SB 23</a>	3	<p>An Act Providing Additional Funding For The New Britain School District To Assist With Accommodating Students From Puerto Rico Who Were Displaced By Hurricane Maria.</p> <p>To provide funding to the New Britain school district for the 2017-2018 school year to cover the costs associated with the unexpected influx of two hundred four students from Puerto Rico who transferred to the school district because of Hurricane Maria.</p>	<p>Committees: APP</p> <p>Status: Referred to Joint Committee on Appropriations (2/14)</p>
<a href="#">SB 24</a>	3	<p>An Act Concerning The Reimagining, Reinvesting And Linking Of Technical Education And Career Schools.</p> <p>To overhaul Connecticut's workforce pipeline and to provide training to students that will prepare them with the work skills needed to meet the state's growing workforce needs.</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/14)</p>
<a href="#">SB 25</a>	3	<p>An Act Concerning The Reimagining, Reinvesting And Linking Of Technical Education And Career Schools.</p> <p>To overhaul Connecticut's workforce pipeline and to provide training to students that will prepare them with the work skills needed to meet the state's growing workforce needs.</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/14)</p>
<a href="#">SB 26</a>	3	<p>An Act Concerning The Reimagining, Reinvesting And Linking Of Technical Education And Career Schools.</p> <p>To overhaul Connecticut's workforce pipeline and to provide training to students that will prepare them with the work skills needed to meet the state's growing workforce needs.</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/14)</p>
<a href="#">SB 27</a>	3	<p>An Act Concerning The Reimagining, Reinvesting And Linking Of Technical Education And Career Schools.</p> <p>To overhaul Connecticut's workforce pipeline and to provide training to students that will</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/14)</p>

			prepare them with the work skills needed to meet the state's growing workforce needs.	
<a href="#">SB 28</a>	3		<p>An Act Concerning The Reimagining, Reinvesting And Linking Of Technical Education And Career Schools.</p> <p>To overhaul Connecticut's workforce pipeline and to provide training to students that will prepare them with the work skills needed to meet the state's growing workforce needs.</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/14)</p>
<a href="#">SB 29</a>	3		<p>An Act Concerning The Reimagining, Reinvesting And Linking Of Technical Education And Career Schools.</p> <p>To overhaul Connecticut's workforce pipeline and to provide training to students that will prepare them with the work skills needed to meet the state's growing workforce needs.</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/14)</p>
<a href="#">SB 30</a>	3		<p>An Act Concerning The Reimagining, Reinvesting And Linking Of Technical Education And Career Schools.</p> <p>To overhaul Connecticut's workforce pipeline and to provide training to students that will prepare them with the work skills needed to meet the state's growing workforce needs.</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/14)</p>
<a href="#">SB 31</a>	3		<p>An Act Concerning The Reimagining, Reinvesting And Linking Of Technical Education And Career Schools.</p> <p>To overhaul Connecticut's workforce pipeline and to provide training to students that will prepare them with the work skills needed to meet the state's growing workforce needs.</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/14)</p>

<a href="#">SB 32</a>	3	<p>An Act Concerning The Reimagining, Reinvesting And Linking Of Technical Education And Career Schools.</p> <p>To overhaul Connecticut's workforce pipeline and to provide training to students that will prepare them with the work skills needed to meet the state's growing workforce needs.</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/14)</p>
<a href="#">SB 33</a>	3	<p>An Act Concerning The Reimagining, Reinvesting And Linking Of Technical Education And Career Schools.</p> <p>To overhaul Connecticut's workforce pipeline and to provide training to students that will prepare them with the work skills needed to meet the state's growing workforce needs.</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/14)</p>
<a href="#">SB 34</a>	3	<p>An Act Concerning The Reimagining, Reinvesting And Linking Of Technical Education And Career Schools.</p> <p>To overhaul Connecticut's workforce pipeline and to provide training to students that will prepare them with the work skills needed to meet the state's growing workforce needs.</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/14)</p>
<a href="#">SB 35</a>	3	<p>An Act Concerning The Reimagining, Reinvesting And Linking Of Technical Education And Career Schools.</p> <p>To overhaul Connecticut's workforce pipeline and to provide training to students that will prepare them with the work skills needed to meet the state's growing workforce needs.</p>	<p>Committees: ED</p> <p>Status: Referred to Joint Committee on Education (2/14)</p>
<a href="#">SB 106</a>	3	<p>An Act Concerning The Sale Of "connecticut Grown" Products.</p> <p>To provide for the offering of proof that farm products that are sold to school districts as "Connecticut-grown" are actually grown in the state.</p>	<p>Committees: ENV</p> <p>Status: Referred to Joint Committee on Environment (2/15)</p>