A week after Governor Lamont released his FY2020-2021 budget proposal, the legislature has returned and begun the process of developing the legislative budget. As a result, the Appropriations Committee has spent this week and plans to spend next week holding agency budget presentations and public hearings to gather information to identify budgeting priorities. These hearings have been running alongside a multitude of other committee’s public hearings on issues ranging from legal gaming to proposed liquor legislation.

Additionally, Connecticut held special elections on Tuesday, February 26, 2019 to fill the seats of 5 Democratic legislators who joined Governor Lamont’s administration. There remains one special election that will be scheduled to fill the House set vacated by Derek Slap who won his bid for the 5th Senate District. Along with Slap, Gennaro Bizzaro beat State Rep. Rick Lopes for the 6th Senate District seat vacated by Senator Terry Gerratana. South Windsor Mayor Saud Anwar captured the 3rd Senate district over Republican Sarah Muska to replace former Senator Tim Larson who left the legislature to become Executive Director of the Office of Higher Education.

In the House, Republican Joe Zullo beat Democrat Josh Balter to capture the seat held by former Rep. James Albis in East Haven. Albis left to work as Senior Adviser to the Commissioner of the Department of Energy and Environmental Protection. Lastly, Anthony Nolan took former Rep. Chris Soto’s seat in New London in a four-way contest for the 39th House District. Tuesday’s special elections resulted in a 90-60 Democratic majority in the House and a 22 to 14 Democratic majority in the Senate.
This past week has revealed new developments of particular interest to you:

**Lamont to Small School Districts: Time to Consolidate**

Governor Ned Lamont’s new budget proposal will incentivize small school districts to consolidate and share resources with nearby school districts. The details are still hazy. There is not yet an indication of what size a “small” district is. Lamont also did not address the potential penalties for small districts that fail to consolidate resources. The budget document says that, “Under this budget, a small local district’s decision to retain rather than share a superintendent may result in a reduction of a district’s [Education Cost Sharing] grant, after July 1, 2020.” Lamont said in his speech that “larger schools and districts which pool resources, sharing superintendents and back-office functions, will receive priority for new bonding. Let’s incentivize smart choices and strategic decisions.” Like similar proposed bills earlier this legislative session, Lamont’s ideas in this regard are sure to be met with great controversy and debate.

*Hartford Courant: Lamont to small school districts: time to consolidate*

**Lamont Says Tolling All Vehicles is the Best Solution**

Governor Lamont has made it clear that of the two highway tolling options he has proposed—one option would toll all passing vehicles, while the other option would be a “trucks-only” toll—he prefers the “all-vehicle” option. Lamont insists that the estimated $800 million in revenue from the all-vehicle toll is necessary for keeping Connecticut’s transportation infrastructure up to snuff. His proposed plan would include 53 gantries spread across Interstate 84, 91, 95, and Route 15. This plan also proposes a reduced rate of at least 30% for CT EZPass owners. Lamont is still considering whether to go forward with the $10 million toll study that was approved last year by the Bond Commission under the Malloy administration.

Many are criticizing Lamont for going back on key campaign promises. On the campaign trail, Lamont was critical of both the all-vehicles option and the $10 million toll study. Now, both seem like a possibility. Sen Republican Leader Len Fasano contended that if the Governor was truly concerned with transportation infrastructure then he shouldn’t “force the state to put repairs on hold until tolls are up and running.” To put Connecticut’s transportation problems into perspective, Department of Transportation Commissioner Joseph Giulietti pointed out that the I-84 viaduct from the 1960s—which was designed to last 50 years and carry 55,000 vehicles per day—currently carries three times what it was designed to daily. Lamont insists he wants these options “on the table” for legislators to discuss.

*CT News Junkie: Lamont says tolling all vehicles is the best solution*
**With Crumbling Foundations, Western Mass. Homeowners Confront Pyrrhotite in Concrete**

Many are feeling the financial pressure of finding concrete containing the mineral pyrrhotite in their basement. The telltale bubbling and spider-webbing is a warning sign of a crumbling foundation. For some, the costs are manageable. For others, where the pyrrhotite is in the foundation or basement walls, the repairs could cost hundreds of thousands of dollars. The now defunct J.J. Mottes Concrete used pyrrhotite in concrete delivered to homes in Connecticut for more than 30 years. There are no records about which homes used their concrete, and the warning signs could take another 10 or 15 years to appear.

Connecticut estimates that 30,000 homes could be at risk. It is a problem that home-buyers are acutely aware of, and some home values are dropping accordingly. In one case, a home set to sell for $410,000 ended up selling for just $225,000. There is federal aid available for this issue. Residents have until the end of 2020 to make repairs to their home and until April 2021 to claim those repairs on an amended 2017 federal tax return. Most insurances likely will not cover the costs of repair, but there are local programs for testing core samples of concrete to determine one’s risk.

**Mass Live: With crumbling foundations, Western Mass. homeowners confront pyrrhotite in concrete**

**DOT Wary Lamont’s Transportation Plan is Too Lean**

The question some are asking about Governor Lamont’s proposed transportation budget: which planned projects will not be able to begin over the next four years? The Department of Transportation planned to launch several projects in the early 2020s, but funds for that may not be available if this budget trend continues. This is because Lamont wants to use sales tax receipts—an estimated $850 million—previously pledged for the special transportation fund to fill other parts of the budget. Projects most at risk include “Fix-it-First” roadway and bridge programs launched by former Governor Malloy. Planned upgrades to I-91, I-95, I-84, and Route 15 could also be at risk.

This funding concern is amplified by the “debt-diet” Lamont has been pushing. Lamont’s budget would keep transportation borrowing flat, but it would not allow the DOT to borrow the extra $250 million it was counting on. The Lamont administration confirmed that transportation projects already underway are safe, but projects for the next four years are under evaluation. The department’s goal is to keep capital spending above $2 billion for years to come, but Lamont pointed out that spending goals are unrealistic if the budget isn’t balanced. Representatives from the Connecticut Construction Industry Association and the Connecticut State Building Trades Council both commented that the state can not afford to pull back funding at this time.

**CT Mirror: DOT wary Lamont’s transportation plan is too lean**
State Rep. Floats Eliminating Aid for Anti-Toll cities

Rep. Jason Rojas, a Democrat from East Hartford, proposed a bold plan to cut local aid to communities that pass an anti-toll resolution. He writes in a tweet: “Here’s an idea. Every town that passes an anti-toll resolution gets their Town Aid Road, LOCIP and any other state aid for infrastructure eliminated. Cool?” LOCIP refers to the “local capital improvement program.” Rojas, a co-chair of the Finance, Revenue and Bonding Committee, defended the tweet later. He clarified that his tweet is more of a question than a definite plan. But that is not how some read it. Some members from the Stamford Board of Representatives saw the tweet as a threat. The towns of Enfield and Trumbull are also looking into anti-toll resolutions.

Governor Lamont’s all-vehicle tolling plan would raise $800 million per year and would include a 30% discount to Connecticut residents. Rojas elaborated that the Finance Committee will look into general obligation bonds as an alternative to toll revenue, but Lamont remains opposed to grand borrowing in this vein. In Lamont’s eyes, tolls will help collect funds from out-of-state citizens, while borrowing keeps the financial burden solely on the shoulders on Connecticut residents. In the meantime, tolling remains a controversial issue this legislative season.

Gov. Ned Lamont Tells Fairfield County First Selectmen He Favors “Carrot, Not Stick” Approach to School Regionalization

Governor Lamont recently clarified that the highly-contentious school regionalization initiative this legislative season would not be “forced” on towns. Lamont wants to incentivize districts that consolidate resources through regionalization, but he knows that he cannot force groups like Fairfield County, who are hesitant to the idea, to implement regionalization. Officials from Darien, Wilton, Weston, Easton, New Canaan, Fairfield, and Trumbull all participated in this closed-door discussion with Lamont, where he emphasized that he prefers a “carrot, not stick” approach to regionalization.

Sen. Will Haskell, a Democrat from Westport, is one of three Democratic legislators in his area to oppose the bill after hearing vocal concern from constituents. After sitting down with Lamont, though, Haskell felt more reassured. Reaffirming Lamont’s remarks to county officials, Haskell explained that Lamont is “not trying to close down schools” and that he “has no intention of changing what’s really working down here.” Lamont wants to create a state commission to develop a plan that prioritizes resources for larger districts that pool resources, using bonding a possible incentive. Lamont is also feeling pressure about a proposal that would mandate municipalities pay for a portion of teacher’s pension costs—a proposal aimed at closing a projected $3.7 billion budget deficit.

Hartford Courant: Gov. Ned Lamont tells Fairfield County first selectmen he favors “carrot, not stick” approach to school regionalization