A Report on Activity at the State Capitol

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Key Bills Move On; One Dies An Untimely Death:

As the end of the legislative session comes ever closer (May 9), lawmakers have been busy in committee and on the House and Senate floor moving key legislation forward and shaking up the status quo. Unfortunately, a bill that would have provided two years of free community college has died an untimely death. Read on:

Equal Pay: The Connecticut House of Representatives <u>voted 142-4</u> to establish protections that ensure women receive equal pay for equal work. <u>HB 5386 AN ACT CONCERNING VARIOUS PAY EQUITY AND FAIRNESS MATTERS</u> prohibits employers from asking prospective employees about wage and salary history before a job offer is made and accepted. The bill also prevents employers from reducing seniority for periods of family and medial leave or pregnancy. The bill now moves to the Senate.

Equal Access: The Senate voted <u>30-5</u> to allow undocumented college students access to institutional financial aid. <u>SB 4 AN ACT ASSISTING STUDENTS WITHOUT LEGAL IMMIGRATION STATUS WITH THE COST OF COLLEGE</u> now heads to the House.

Paid Family Leave: SB1 and <u>HB 5387</u>, bills that create a self-funded paid family and medical leave system were voted on in the Finance, Revenue & Bonding Committee. <u>SB 1 died by a single vote</u>, while HB 5387 passed by a single vote. <u>HB5387 AN ACT CONCERNING PAID FAMILY MEDICAL LEAVE</u> now moves to the House.

Fair Pay: A bill that could benefit many CSU students, <u>HB 5388 AN ACT CONCERNIGN A FAIR MINIMUM WAGE</u>, passed the Appropriations Committee with a vote of <u>27-24</u>. According to data from the Economic Policy Institute, 57 percent of minimum wage workers are employed full time, 56 percent are women, and 89 percent of them are age 20 or older with the average age being 36 years old. Despite this, no Republicans voted in favor of the bill. HB 5388 now goes to the House.

Free College: HB 5371 AN ACT ESTABLISHING THE FREE 2 START SCHOLARSHIP PROGRAM was the exception to the slew of bills moving forward that seemed to buck the status quo. The Free2Start bill died in the Appropriations Committee after Sen. Gayle Slossberg, a Democrat, failed to vote on time. The bill, which early on this session also included two years of free tuition and fees at the CSUs, would have created tuition-free and fee-free community college for Connecticut residents making \$60,000 or less. Tennessee has had a similar plan in place for three years. If Sen. Slossberg's vote had been cast before the 8:30 p.m. deadline, Free2Start would have passed the committee along a strict, party-line vote and moved onto the House and Senate. Rep. Gregg Haddad, a sponsor of the bill, told Appropriations Committee members that this bill represented an "investment that's absolutely necessary to prepare Connecticut for its future." Watch the recorded April 17, 2018, Appropriations Committee Meeting here. Debate on the Free2Start bill begins at 3:03:38.

Dreamers Hold Press Conference:

Standing in support of undocumented students, CSU-AAUP member, ECSU professor and Faculty Advisory Committee chair Dr. William Lugo spoke at a press conference April 17 held by Connecticut Students For A Dream. The group was pushing for a vote on the Senate floor for SB4, a bill that would allow access to institutional financial aid regardless of immigration status. Visit the CSU-AAUP Facebook page of hear Dr. Lugo give his statement. The day after the press conference, the Senate did indeed vote 30-5 in favor of SB4 AN ACT ASSISTING STUDENTS WITHOUT LEGAL IMMIGRATION STATUS. The bill now moves to the House where it waits to be called for a vote.

Budget Update From CSU-AAUP Lobbyist Betty Gallo:

The Bottom Line

Legislators must agree on a budget by May 9, which is the last day of the session. The Democratic budget increases spending by \$216 million; \$146.2 million more than the Governor's budget. The Republican budget reduces spending by \$27.3 million. The budget numbers for the CSU line item are \$138,303,424 under the Democrat budget and \$135,456,747 under the Republican budget. This is an increase to the line item from last year, but still does not close the system's deficit. Budget negotiations are expected to begin this week.

Rainy Day Fund And Deficits

Income tax returns have been significantly higher than projected. According to Office of Policy and Management Secretary Ben Barnes, Connecitcut is looking at a \$1.1 billion surplus. Barnes wrote in a letter to Comptroller Kevin Lembo that tax receipts are running \$915 million ahead of projections. That amount must be deposited in the Rainy Day Fund under the provisions of the Volatility Cap. Add that surplus to the \$212 million in The Rainy Day Fund; this puts Connecticut into a surplus of over \$1 billion.

The deficit for the current fiscal year which ends on July 1 is \$363 million. It just increased by \$170 million because of a delay in federal Medicaid reimbursements for hospitals. The legislature is likely to use the Rainy Day Fund to cover the deficit for this FY18.

Both budgets spend some of the \$1billion in increased income tax returns. The Democrats' budget uses it to pay for the increases in the budget. Republicans use \$333 million to support the state employee pension fund; the same amount would go towards the teacher's pension fund and the same would go to the Rainy Day Fund.

Changes To SEBAC

The Republican budget is partially funded by eliminating the cost of living allowance and overtime payments from state employee pension calculations when the SEBAC agreement ends in 2027. They reduce the contribution to the pension fund by \$60 million in FY 19 and every year thereafter based on the assumption that in 2027 a new SEBAC agreement will eliminate the cost of living allowance and overtime payments from state employee pensions. SEBAC leaders, the governor, and Democrats agree this is illegal because it changes the terms of state employee pensions without that change being negotiated and that it could very significantly increase the pension debt if those assumed changes are not made by 2027. The Republican budget dives still deeper into illegality by eliminating the contractually guaranteed independence of the Retirement Commission.

Retirement Commission.

Municipal Aid

The both budgets restore millions of dollars in municipal aid cut by the governor. Town grants were cut by the governor by \$18 million with an additional \$5.6 million from wealthy communities. The Democratic budget only would eliminate \$1.1 million in town aid but would also eliminate funding for wealthy towns. The Republican budget did not restore the governor's \$18 million cut to town aid but did restore the

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