

2019 Legislative Session Summary

(Updated 6/28/2019)

The 2019 CT General Assembly legislative session which began on Wednesday, January 9th and adjourned at midnight on Wednesday, June 5th had many great wins for AFT Connecticut. This was due to the election victories last November from the Governor's race, to almost having a super majority in both the Senate and House. Below is a summary of the regular session outcomes that most significantly impact AFT Connecticut members:

Labor Issues

- [**HB 5004**](#) **Increasing the Minimum Fair Wage** (Public Act 19-4): Raises the minimum wage to \$15 per hour by 2023 and indexes it to inflation beginning in 2024. **Signed by the Governor May 28, 2019**
- [**SB 1**](#) **Paid Family and Medical Leave** (Public Act 19-25): Creates the Family and Medical Leave Insurance (FMLI) program to provide wage replacement benefits to employees taking up to 12 weeks of leave over a 12-month period for illness or injury, illness or injury of a family member or birth or adoption of a child. **Signed by the Governor June 25, 2019**
- [**SB 440**](#) **Employee Freedom of Speech and Conscience** (Captive Audience): Would have prohibited employers from forcing employees to attend mandatory meetings about the employer's views on religious and political topics, including union organizing. **Died in the Senate**
- [**HB 6935**](#) **Post-Janus**: Would have given public sector workers and their unions new protections in the wake of last summer's U.S. Supreme Court's *Janus v. AFSCME* decision. **Died in the Senate**
- [**SB 882**](#) **Municipal Pensions**: (Public Act 19-124) Raises employee CMERS contributions 0.5% each year for six years. Passed
- **State Employee Agreements**. The SEBAC 2017 Agreement reset individual unit collective bargaining agreements. Newly negotiated agreements and arbitration awards, including several accretions, were granted legislative approval:
 - [**HR 12/SR 11**](#) Collective Bargaining Agreement: Approves the negotiated collective bargaining agreement between the Judicial Branch and the Judicial Professional Employees Union (AFT Connecticut).
 - [**HR 21/SR 23**](#) Arbitration Award: Approves the arbitration award establishing the first contract between The State of Connecticut and the Assistants Attorney General Bargaining Unit (AFT Connecticut).
 - [**HR 23/SR 26**](#) Collective Bargaining Agreement: Approves the negotiated collective bargaining agreement between the State of Connecticut and the Administrative and Residual Bargaining Unit (AFT Connecticut, Local 4200).
 - [**HR 29/SR 31**](#) Collective Bargaining Agreement: Approves the negotiated collective bargaining agreement between the Judicial Branch and the Judicial Professional Employees Union (AFT Connecticut), covering the counsel, legal services job classification.
 - [**HR 30/SR 28**](#) Collective Bargaining Agreement: Approves the negotiated collective bargaining agreement between the Judicial Branch and the Judicial Professional Employees Union (AFT Connecticut).

- [HR 32/SR 33](#) Collective Bargaining Agreement: Approves the negotiated collective bargaining agreement between the State of Connecticut and the Administrative and Residual Bargaining Unit (AFT Connecticut, Local 4200).

Healthcare Issues

- [HB 7267](#) **Public Option**: Would have required health providers to submit annual reports on the prices they impose, the costs they incur and the payments they receive. Would have established yearly benchmarks to contain the growing costs of care, allowed state officials to seek permission from the federal government to import prescription drugs from Canada and allowed the state to pursue a reinsurance waiver to mitigate risk from sizable claims. **Died in the Senate**
- [SB 978](#) **Retiree Healthcare for CTEC Teachers**: (Public Act 19-73) Exempts state employees from paying a mandatory contribution of 1.25% of their salary towards Teachers' Retirement System (TRS) retiree health insurance if they have completed the vesting service necessary to receive the health benefits provided to retired state employees and do not participate in any TRS group health insurance plans for retired teachers. **Passed**
- [HB 5213](#): **An Act Expanding Required Health Insurance Coverage for Hearing Aids** (Public Act 19-133) eliminates an age restriction for mandated health insurance coverage for hearing aids and allows hearing aid coverage to be limited to one hearing aid per ear, instead of \$1,000, within a 24-month period. **Passed**

Privatization Issues

- [HB 7087](#) **State Contracting Standards Board**: Requires the Board to issue and deliver compliance audits to each state contracting agency and allows the agency to within 60 days. Requires at least two Board members to be certified in procurement and modifies the quorum requirement to consist of a majority of the appointed members, but no less than five. **Passed**
- [SB 878](#) **Public Private Partnerships**: Would have expanded the authority of the executive branch and quasi-public agencies to enter into contracts with private entities to design, develop, finance, construct, operate, or maintain one or more revenue generating public infrastructure projects (i.e., public-private partnerships). **Died in GAE Committee**

Workplace Safety and Staffing

- [HB 7215](#): **An Act Concerning School Climates** (Public Act 19-166) establishes a 33-member social and emotional learning and school climate advisory collaborative (AFTCT is a member) and tasks it with, among other things, developing a biennial state-wide school climate survey, model positive school climate policy, and student suicide risk assessment; modifies the definition of bullying by, among other things, eliminating the requirement that the action occur between students. **Passed**
- [HB 7291](#): **An Act Concerning School Security** (Public Act 19-52) requires the Department of Emergency Services and Public Protection (DESPP) to (1) update state school security and safety plan standards, (2) simplify certain school security reporting requirements and school security infrastructure grant applications, and (3) develop criteria to identify qualified school security consultants and limit the existing registry to such individuals only. It also adds related duties for the State Department of Education (SDE) and the School Safety Infrastructure Council. **Signed by the Governor June 26, 2019.**
- [HB 7110](#): **An Act Concerning Resources to Assist School Districts in Improving School Climate** would

require boards of education to revise their safe school climate plans to include provisions relating to disruptive or injurious incidents that occur in classrooms, to develop and implement a state-wide school climate survey, and to require the Department of Education to provide assistance to school districts relating to school climate. **Died in House**

Education Issues

- **[SB 356](#) Apprenticeship Committee** (Public Act 19-68): Modifies the committee to coordinate education for public school students on manufacturing careers by broadening the committee's scope to include additional fields, including insurance, health care, financial technology, biotechnology, STEM (science, technology, engineering, and math), construction trades, hospitality industries, and other appropriate industries. **Signed by the Governor on June 26, 2019.**
- **[SB 956](#) An Act Concerning Guidelines for a Comprehensive School Counselor Program** requires the **(Public Act 19-63)** State Board of Education to develop guidelines for a school counseling program that requires all students have access to academic, social-emotional, post-secondary, and career readiness programming by a certified school counselor with adequate training. **Passed**
- **[SB 957: Computer Science Curriculum](#)** (Public Act 19-128) requires all school districts to offer instruction on computer science (i.e. in addition to computer programming) and Requires teacher preparation programs to include, in addition to information technology skills, instruction on grade-level and subject area-appropriate computer science skills. This new certification requirement is effective July 1, 2020, which could affect students currently enrolled in an alternative route to certification by changing the requirements of their planned program of study. The bill also requires the Office of Higher Education to provide an alternate route to certification for computer science teachers and for SDE to develop a certification endorsement in computer science *Senate Amendment "A"(1) removes provisions from the underlying bill that allow SBE to issue adjunct computer science instructor permits and (2)amends provisions in the underlying bill about teacher preparation program curriculum relating to computer science.
- **[SB 1022](#) Minority Teacher Recruitment (Public Act 19-74):** The State Department of Education must enter into reciprocity agreements for teacher certification with other states. Mortgage assistance for certified teachers expands to those who graduated high school in Connecticut in an educational reform district, or graduated college from an HBCU, or graduated college from a Hispanic-serving institution.²³ There are requirements that specify the districts in which the mortgaged property must be located. Broadens the conditions under which retired teachers can be reemployed to include those who graduated high school in Connecticut in an educational reform district, or graduated college from an HBCU, or graduated college from a Hispanic-serving institution. **Passed**
- **[SB 1029](#) Public Utility Workforce Development (Public Act 19-150):** Current law requires technical education and career school directors to meet with business community members to develop a plan to assess workforce needs and modify the school's curriculum to address the needs. This bill expands that requirement to include meetings with representatives from electric, gas, water, and wastewater utilities and from state colleges and universities offering public utility management courses to access the community's and utilities' workforce needs and modify the curriculum accordingly. **Passed**
- **[SB 1069](#) An Act Concerning Various revisions and Additions to the Education Statutes (Public Act 19-91):** Tightens the criteria for expulsion to require that a student's conduct must both (1) violate board policy and (2) be either seriously disruptive of the educational process or endanger persons or property. Certain state fees are waived for students in teacher preparation programs who must undergo criminal background checks in order to participate in student teaching. **Passed**
- **[HB 7082](#) Black and Latino Studies** (Public Act 19-12): Adds African American and Puerto Rican and

Latino studies to the required programs of study for public schools. **Signed by the Governor June 21, 2019.**

- [**HB 7113**](#) **An Act Concerning Education Issues** (Public Act 19-139): Repeals an expedited teacher tenure provision for teachers or administrators who were previously tenured in one district and subsequently transfer into a priority school district and establishes a working group to study issues related to implementing the pre-service teacher performance assessment known as “edTPA,” which was adopted by the State Board of Education. **Passed**
- [**HB 7224**](#) **Paraeducator Pay Equity**: Would have required the education commissioner to periodically evaluate classifications of noncertified board of education employees (e.g., paraprofessionals, office support staff, custodians, and others) to determine if the classifications are appropriately compensated based upon appropriate and objective job-related criteria. **Died in the House**
- [**HB 7250**](#) **An Act Concerning the Inclusion of Additional Time Devoted to Undirected Play to the Regular School Day** (Public Act 19-173): allows local or regional boards of education to offer an additional amount of time for undirected play in public elementary schools beyond current law’s required minimum of 20 minutes of daily physical exercise. It also requires boards of education to adopt a policy, by October 1, 2019, to address any school employee who prevents an elementary school student from participating in the period of undirected play as a form of discipline during the regular school day. Additionally, the bill establishes a nine-member task force to study the issues relating to, and the feasibility of, including time devoted to undirected play the regular school day in public elementary schools. **Passed**
- [**HB 7353**](#) **An Act Concerning the Provision of Special Education** (Public Act 19-184): prohibits boards of education from disciplining, suspending, terminating, or otherwise punishing their employees for making special education recommendations in planning and placement team (PPT) meetings. An emergency communication plan is needed for students who are deaf or hard of hearing. House Amendment “A” removes the provisions in the underlying bill that would have removed the provision in existing law requiring the state’s technical high school to refer students back to their sending district if PPT decides they require services that preclude them from being educated in a vocational program. **Passed**

Budget and Taxes

[**HB 7424**](#) **An Act Concerning the State Budget for the Biennium Ending June Thirtieth, 2021, and Making Appropriations Therefor, and Implementing Provision of the Budget (Public Act 19-117).** Signed by Governor on June 26, 2019.

STATE EMPLOYEES/STATE GOVERNMENT

Authorizes OPM to achieve executive branch savings of \$29 million in FY 2020 and \$26.2 million in FY 2021

- Authorizes OPM to achieve judicial branch savings of \$5 million in each year.
- Authorizes OPM to achieve statewide hiring savings of \$7 million in each year.
- Authorizes OPM to reduce budgetary allotments from any fund except the Special Transportation Fund to reduce pension and healthcare expenditures by \$163.2 million in FY 2020 and \$256.2 million in FY 2021.
- Authorizes OPM to reduce budgetary allotments from the Special Transportation fund to reduce pension and healthcare expenditures by \$18.3 million in FY 2020 and \$19.7 million in FY 2021.
- Assumes \$185 million in expected state employee health care savings over the next two years.
- Requires the Comptroller to pay 50% of fringe costs for resident state troopers.
- Funds fringe benefits for UConn Health Center employees at \$33.2 million in FY 2020.

- Funds fringe benefits for community college system employees at \$8.2 million in FY 2020 and \$20.35 million in FY 2021.
- Funds the Contracting Standards Board at current levels and assumes procurement savings of \$5 million in FY 2020 and \$15 million in FY 2021.
- Requires each agency to annual submit a procurement plan to OPM, including any intentions to contract for goods or services over the succeeding three years and if those procurements shall be based on competitive negotiation or bidding. Authorizes agencies to request a waiver to the OPM Secretary for procurement/outsourcing review by the State Contracting Standards Board. Requires the OPM Secretary to report annually the list of waivers granted.
- Permits any elected or appointed state official to decline compensation or benefits.
- Merges the Equity and Opportunity (CEO) and Women, Children and Seniors (CWCS) commissions into a single entity, the Commission on Women, Children, Seniors, Equity and Opportunity

MUNICIPAL EMPLOYEES/MUNICIPAL GOVERNMENT

- Establishes a regionalization subaccount within the regional planning incentive account, funded at least in part by the development of online versions of existing lottery games, to implement strategies identified by a task force to improve collaboration among state and municipal government and regional bodies on a voluntary basis. The task force members include OPM, Finance, Revenue & Bonding Committee Chairs and ranking members, Planning & Development Committee Chairs and ranking members and members of the Connecticut Advisory Commission on Intergovernmental Relations. It does not include any Labor representation.
- Requires the OPM secretary to analyze the best way to measure a municipality's fiscal capacity and report those findings to the General Assembly.

HEALTHCARE

- Includes 2 percent Medicaid rate increase beginning July 1st, a 1% increase in October 2020 and another 1% increase in January 2021 for Connecticut nursing homes.
- Assumes ratification of a tentative agreement with hospitals to resolve a lawsuit filed by the Connecticut Hospital Association on the provider tax. If the hospitals agree, the General Assembly will have to appropriate \$160 million of this fiscal year's projected surplus toward the settlement and adopt statutory changes to the current hospital tax arrangement.
- Expands Medicaid to 4,000 new residents.
- Establishes a task force to study high deductible healthcare plans and impacts of enrollees of such plans.
- Requires the Comptroller to offer a new health insurance plan to nonstate public employees and retirees but does not require a nonstate public employer to enroll in such plan.
- Requires municipalities to annually report various information and data points on the healthcare plan(s) they provide to employees to OPM and the Office of Fiscal Analysis.
- Requires the Comptroller to annually report on the totality of nonstate healthcare plans, their costs, premium payments and profit-loss ratios.
- Rejects Governor Lamont's proposal to establish an asset test on the Medicare Savings Program, a state plan that helps low- and middle-income seniors pay health care costs not covered by federal Medicare.

EDUCATION

- **K-12 Regionalization:** None of the proposals for regionalization of education services were adopted. Districts can reduce their budgets when costs are reduced via non-education services such as transportation, administration, or purchasing contracts. Collective bargaining contracts are not affected.
- **ECS and State Education Funding:** The state legislature approved an increase in ECS funds of \$116 million over the next two years.

GRANT	FY 19-20	FY 20-21
ECS	+ \$37.6m	+ \$37.8m
Magnets	- \$22.3 m	+\$1.8m
State Charters	+ \$3.7m	+4.1m
Vocational Agriculture	+ \$1.2m	+ \$172,00
Vocational Technical	+ \$5.0m	+ \$5.2m
Open Choice	- \$12.3m	+ \$847,000
Special Education	No Change	No Change

* Change Relative to Prior FY

- **Local Education Funding:** All districts with declining enrollments may partially reduce their local budget (i.e. Minimum Budget Requirement) for K-12 education. Furthermore, towns may carry forward into the next fiscal year up to two percent of their budget for K-12 education
- **Teachers’ Retirement Fund:** here is good news for retirees as the state will re-amortize (restructure) the unfunded liability of \$13 billion to reduce the state’s annual contribution to a more sustainable level. This eliminates substantial balloon payments that threatened the state’s ability to fully support the fund.
- **Teachers’ Retiree Health Insurance:** The state will contribute nearly \$56 million over the next two fiscal years to the health insurance fund for retired teachers. If the state maintains this level of annual funding, the health insurance fund will remain solvent for the foreseeable future.
- **Teachers’ Contributions to Pension:** Teacher contributions to their pension earn an annual rate of return paid to teachers who withdraw from the system before vesting. This legislation caps the maximum annual rate of return at 4%. This effects only teachers who choose not to receive a pension when they stop teaching in Connecticut. Pension benefits are not affected.
- **State Tax Exemption for Teachers’ Pension Income:** All retired teachers receiving pension income can exempt 25% of their pension income from state income taxation. Alternatively (Because of a law available to all retired tax payers.), 28% of pension income can be exempted from state income tax - beginning in tax year 2020. This exemption is available to those with an annual income below \$75,000 for single/separate filers and below \$100,000 for joint filers. This pension income exemption increases year-to-year until tax year 2025, when 100% of pension income will be exempt from state income taxes (i.e. for those whose income is below the threshold for eligibility).
- **Philanthropic donations for K-12 students:**20 A philanthropic entity will be created and funded (i.e. \$20 million in FY 2019-2020, rolling out to a total of \$100 million of state dollars and \$200 million of private donations, e.g. Dalio Foundation) targeted at keeping at-risk high-school youth engaged in school and connecting youth and young adults to well-paying career opportunities.
- **Minority Teacher Recruitment:** A new grant provides student-loan reimbursement to eligible minorities who are currently classroom teachers
- **Alternative healthcare coverage for municipal and board of education employees:** In addition to the

current Partnership 2.0 state health insurance plan, which has been adopted by some boards of education, the state will develop and offer a second plan to non-state public employees - including teachers. The plan will be different from the state-employee based Partnership 2.0 plan and the law prohibits the new plan from having a high-deductible (HSA) style design

- **Delays moving the Connecticut Technical Education and Career System** from the State Department of Education to an independent agency from 2021 to 2023.
- **Establishes a debt free community college program** beginning in 2021, funded at least in part by the development of an I-Lottery, i.e. online versions of existing lottery games.

TAXES/BUDGET POLICY

- Establishes a “mansion tax” on expensive homes: 1.25% conveyance tax on values over \$800,000 up to \$2.5 million and 2.25% conveyance tax on values exceeding \$2.5 million.
- Expands the sales tax on a range of goods and services that generate \$50 million in the second year of the budget, including digital downloads, dry cleaning, prepared restaurant meals, interior design services and electronic cigarette vaping products that contain nicotine.
- Requires DRS to consult with the Streamlined Sales Tax Governing Board to have retailers remit sales taxes more often than quarterly.
- Reduces a tax credit for limited liability corporations and other pass-through entities from 93% to 87%, raising \$50 million in new revenue.
- Increases the excise tax on alcoholic beverages, except beer by 10%.
- Establishes new distributor tax on: barrels of beer sold on the premises covered by a manufacturer’s permit to \$3.60 per barrel; barrels of cider to \$7.92 per barrel; and wine from 40 cents to 94 cents per gallon.
- Reduces the admissions tax rate on certain venues from 10% to 7.5% on July 1, 2019, and from 7.5% to 5% on July 1, 2020. Reduces the admissions tax rate on events at Dunkin’ Donuts Park in Hartford, from 10% to 5%, beginning July 1, 2019, and fully exempts such events beginning July 1, 2020.
- Establishes a 10-cent fee on plastic bags, generating \$30 million in the first budget year and then bans their use completely beginning 1, 2021.
- Raises quarterly taxes on nursing homes and intermediate care facilities.
- Extends the room occupancy tax to short-term rentals.
- Raises ridesharing fees from 25 cents to 30 cents per trip.
- Increases dealer registration fees on trade-in vehicles from \$35 to \$100.
- Requires DRS to evaluate how to implement a state payroll tax and establishes a Payroll Commission to educate the public, receive public testimony and determine how to best implement a payroll tax.
- Phases out the capital base tax over four years.
- Sunsets the business entity tax beginning in 2020.
- Extends the 10% corporation business tax surcharge for the 2019 and 2020 income years.
- Increases the fee limited partnerships, limited liability companies, and limited liability partnerships pay for filing annual reports with the Secretary of the State from \$20 to \$80.
- Delays the increase in the teacher pension income tax exemption (25% to 50%) for two years.
- Reduces from 70% to 50.01%, the amount a company may reduce its tax liability using R&D and Urban Reinvestment Act credits.
- Requires OPM to study state fees and report recommended increases by February 5, 2020.
- Rejects the Finance, Revenue & Bonding Committee’s proposal to assess a 2% surcharge on capital gains.
- Rejects the Governor’s proposal to tax sugary beverages.