

Republican Budget
Structural Changes for the State of Connecticut and Municipal Mandate Relief

STRUCTURAL CHANGES FOR THE STATE OF CONNECTICUT

- Mandatory Approval of Labor Contracts by the General Assembly. If rejected once goes to arbitration and then needs to go back to the GA for affirmative approval. If rejected again, it goes back to arbitration and the arbitrators decision that second time is deemed approved.
- Enact a Constitutional Spending Cap
 - Only allow for debt service, federal funds, first year of mandates and court orders to be excluded from the calculation of the spending cap.
 - Include in the calculation of the spending cap those items that were previously appropriated whose funding was moved to bonding, a non-appropriated account, or a revenue intercept.
 - Change definition of personal income and inflation to match as recommended by the Spending Cap Commission.
- Set in Statute an Annual Cap on Allocations that can be made by the State Bond Commission at \$2.0 billion. Cap new general obligation bond issuances made by the State Treasurer at \$2.0 billion annually beginning January 1, 2020.
- Require that within that bond cap that the State Bond Commission allocate the amounts set forth in the Prioritize Progress plan with GO bonds for transportation improvements (Lets GO CT rather than STO bonds)
- Enact modifications to the State Employees Retirement System effective on July 1, 2027 as follows:
 - extend the overtime changes enacted in SEBAC 2017 (25 year smoothing) to all employees not just those hired after July 1, 2017.
 - eliminate the breakpoint for all employees not yet retired as of that date
 - no COLA for retirees after this effective date until the funded ratio of the SERF fund hits 80%
 - increase employee contributions to 7% for all employees.
 - Limit future SEBAC terms to a maximum of four years.
- Encourage Urban Economic Growth through Brownfield Redevelopment with the 7/7 Program. SB 623
- Enact a 90 day turn-around time for environmental and Department of Transportation reviews otherwise automatically approved.
- Require that all waiver renewals for Medicaid services be approved by the committees of cognizance prior to their submission to the federal government. Require that agency commissioners submit annually to the committees of cognizance all possible waivers that the state can pursue that may save the state money.
- Require that a PILOT program be enacted by OPM that applies Results First to at least 10 grant programs financed by the state. The 10 must include services for families and employment programs and at least one agency with an annual budget of over \$200 million with their contracting.
- Require UCHC to seek private partnerships and report back to the legislature by April 1st.

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- Require public hearings in GAE and the committees of cognizance regarding audit report recommendations.
- Repeal the local spending cap imposed under the Municipal Revenue Sharing Account.
- Create an Anti-Fraud Council to review current policies, make recommendations for new policies and initiatives, monitor implementation, and develop new strategies to reduce fraud in state government. Require that this Council creates public service announcements to inform the public of the state's new emphasis on fighting fraud.
- Regarding school construction – require the State Department of Education to submit a report to the General Assembly on three different prototype schools. If municipalities do not pick these schools then they will get a lower reimbursement rate and the municipality must pay all architectural and engineering costs as they will no longer be reimbursable.
- Statutory restrictions for future individual collective bargaining contracts:
 - Modify current state policy on use of state vehicles to limit access to vehicles and to prohibit supersedence of the policy by union agreements.
 - Eliminate taxpayer-funded time for union stewards/representatives to do work – includes the elimination of funding for hearings, union conferences/conventions, steward training, contract negotiations, and all other union work.
 - Limit release time to a maximum of 5% for any given employee.
 - Establish state policy regarding telecommuting and prohibit supersedence of the policy by union agreements.
 - Limit overtime pay to the amount of time actually worked – no provisions for “mandatory minimum” paid hours.
 - Eliminate provisions requiring state agencies to provide office space and parking privileges for union employees.
- Amend section 3-115 to require that the Comptroller analyze the Office of Policy and Management's monthly letter to the Comptroller in his or her monthly reporting of the state's financial position.
- Delete section 4b-53 of the C.G.S. which requires that the state allocate an additional 1% for the total cost of construction or remodeling of any state building. The removal of this requirement will reduce bond allocations immediately and will produce long-term debt service savings.
- Proposed bill 269 – require that if the cumulative monthly financial statements by the Comptroller for two consecutive months includes a general fund deficit, then the general assembly shall enact legislation as necessary to prevent such projected deficit.
- Proposed bill 395 – Move consensus revenue estimates from November 10th to October 31st.

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MUNICIPAL MANDATE RELIEF

- Allow municipalities to override the arbitration decisions with a 2/3 vote of local legislative bodies.
- Formation of a committee to study the funding of local services including analysis of current structure and its impact on growth and opportunity on the state and local levels. The committee may submit a report on its findings and recommendations to the joint standing committee of the General Assembly having cognizance of matters relating to finance, in accordance with the provisions of section 11-4a of the general statutes.
- Require a supermajority vote in the legislature to adopt any new unfunded mandate that has a statewide municipal impact.
- Modify section 10-157 of the CGS to allow towns with a population of less than 10,000, with less than three public schools located in their town and with less than 2,000 resident students to not have a local superintendent. Recommend allowing said small towns receive direction from another local board of education's superintendent. The town legislative body shall make the determination that they will share a superintendent.
- Require boards of education to enter into cooperative arrangements with municipalities to provide administration and central office duties. The town legislative body shall make this determination.
- To allow for a reduction of associated expenses, allow boards of education that jointly employ a superintendent to either (1) reduce the number of meetings they individually hold or (2) hold joint meetings at least quarterly.
- Eliminate the MBR requirement for non-alliance districts.
- If ECS funding is reduced after education budgets are adopted, authorize a municipality's legislative body to reduce education administrative budgets by the same amount without seeking a waiver from the state Department of Education and without going to referendum.
- Authorize towns to reduce education spending on administrative expenses after the budget is adopted to reflect reductions in other sources of municipal aid.
- Prohibit boards of education from entering into leases for equipment, such as phone systems, computers, portable classrooms, vehicles, and copiers without town authorization.
- Require boards of education to adhere to town purchasing procedures.
- Require boards of education to consult with towns before purchasing new payroll, and payable software systems to determine whether such purchases can be shared or purchased on a regional basis.
- Require, when timing of contracts allows, for municipal and board of education consolidation with regards to the purchase of property casualty and workers' compensation insurance.
- Require shared maintenance of buildings, grounds, equipment and information technology between boards of educations and towns.

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- Prohibit boards of education from hiring any administrative personnel for positions which are not included in the proposed and approved budget without town concurrence.
- Authorize regional school districts to establish finance boards consisting of representatives from members towns to provide input on local budget issues.
- Provide towns in regional school districts with greater oversight of collective bargaining agreements by requiring such agreements to be approved by each local governing body. Deemed approved if the contract is approved by a majority of the towns in the regional school district.
- Allow towns to reopen collective bargaining agreements to negotiate savings in the event that education aid is reduced by more than 10%.
- Allow towns to reopen collective bargaining agreements when changes are needed to effectuate consolidation or shared services agreements.
- Require decisions in the arbitration of unfair labor practices to be issued not later than 60 days after the post-hearing briefs are filed.
- Require all municipal employers and municipal employee organizations engaged in mandatory binding arbitration to complete negotiations within one year from the date that binding arbitration was imposed by the state.
- Provide for the random selection of neutral arbitrators and the use of a single neutral through an agreement of the parties in the binding arbitration process.
- Require all employment contracts with administrative personnel (and amendment, including wage modifications) to be filed with the Town Clerk, and in regional districts, all town clerks.
- Provide that 15% or less of a municipality's budget reserve fund shall not be available for an argument towards a town's ability to pay.
- Allow municipalities to use volunteer service provided by children and parents by prohibiting collective bargaining agreements from containing provisions prohibiting the practice.
- Increase the current prevailing wage thresholds from the current \$400,000 to \$1,000,000 for new construction and from \$100,000 to \$500,000 for remodeling and alterations. Exempt projects specific to roofing, elevators, included are all DECD funded projects.
- Create a new state bonding authorization that will be used to repay debt on a capital expense when said capital expense is a barrier to regionalization for those towns with a school population of less than 3,000 students.
- With regards to the 2018 fiscal year, for those municipalities that forecasted reduced state revenue when setting their mill rate and tax levy, said municipalities would be required to rebase their mill rate and tax levy upon actual revenue from the state as included in the adopted FY 2018 FY 2019 Biennial Budget. Any excess taxes levied by municipalities over \$500,000 shall be returned to taxpayers in full in January 2018.