



State of Connecticut

SENATE

STATE CAPITOL
300 CAPITOL AVENUE
HARTFORD, CT 06106-1591
SENATE REPUBLICAN OFFICES

April 12, 2019

Governor Ned Lamont
Office of the Governor
210 Capitol Avenue
Hartford, CT 06106

Dear Governor Lamont:

We are writing to bring your attention to another state employee contract scheduled to be voted on by the General Assembly in the coming days that will add to Connecticut's fixed costs thereby making it more difficult to fund core services.

The contract proposed to be approved in Senate Resolution 26/House Resolution 23 contains significant wage increases for a group of newly unionized tax attorneys formerly classified as managers who work for the state of Connecticut. This contract includes an 11.6% wage increase, which includes a 3.5% general wage increase and a 2% annual increment. State leaders previously made a decision not to give these raises to managers because we could not afford it in the state budget; but now these managers have joined a union to seek the very same raises our state budget cannot sustain. While only impacting a limited amount of people, we are concerned that approving yet another contract containing such provisions will continue setting a precedent in Connecticut that unaffordable wage increases are acceptable even when they do not match the state's economic reality and the true cost of living. Much like the last three contracts Democrat legislators approved this year, we fear this contract perpetuates the same high-priced plans our state simply cannot afford.

We also have concerns about the direction your administration is headed given the way your staff has described this contract. The Office of Policy and Management's top labor negotiator described this contract when testifying before the Appropriations Committee stating: "The ability of the employer to pay this conservative increase in pay is minimal when the State's budget is considered as a whole." First, that argument proves too much. Second, this comment not only conflicts with the stated intentions of your budget, it also downplays the serious financial challenges you know exist in our state. We fundamentally disagree with the assessment that nearly 12% wage increases are 'minimal' when looking at the state budget as a whole. Such statements are insensitive to all those in Connecticut who are struggling to obtain core social services that the state has been unable to fund as a result of the dramatic growth in fixed costs through contracts such as the one before us today.

Governor Ned Lamont

April 12, 2019

Page 2

As you are aware, we have raised similar concerns about the arbitration award concerning the contract for the state's Assistant Attorneys General in a letter dated March 20, 2019. To that letter, you responded on March 26, 2019 that while you had some disagreements with the arbitrator's decision because it was a decision in arbitration, this contract was out of your control. Even though the arbiter made it very clear that the state failed to provide needed evidence or effectively argue its position multiple times throughout negotiations, you have taken the position that such a contract is governed by the provisions of the 2017 SEBAC agreement and therefore there is nothing more the state could have done. However, we disagree with your assessment that SEBAC must control contracts such as these, as the SEBAC agreement makes clear that any contract with a group of state employees not included in the SEBAC agreement will rise and fall on its own negotiations. The very fact that the contract for these tax attorneys needed to be negotiated confirms this point. If negotiations were not required, the newly unionized attorneys would have simply assumed the benefits of SEBAC. But a negotiation had to happen. SEBAC provided a framework as far as what items are to be discussed in negotiations. But negotiations regarding specific benefits still had to take place. The state does have a role in those contracts which have yet to be approved.

Once again, we believe that you have an opportunity to change the course of our state by standing up with us and speaking out against contracts that Connecticut taxpayers cannot afford. We understand that there are 12 more contracts coming before the General Assembly for consideration this session, and we hope that your voice will be a part of the debate on each. As you are well aware, when making awards arbitrators must consider the history of negotiations between parties. Therefore, to not weigh in on the negotiation of these contracts would be a missed opportunity to set the record for the future. In future years, we fear inaction today could come back and haunt your administration as you try to negotiate other contracts.

Our state is clearly facing future budget deficits. Contracts such as these will add to those deficits and make it harder to protect funding for core government functions and services for the most vulnerable. These contracts perpetuate the current difficulties, while crowding out important funding for our safety net. Instead of making a promise to initiate reforms you campaigned on several years from now, why don't we work together to take a stand and make those changes today? We are asking that you raise your voice in unison with ours and encourage lawmakers to change our state for the better.

Sincerely,



Senator Len Fasano
Senate Republican Leader



Senator Paul Formica
Deputy Senate Republican Leader

cc: Ryan Drajewicz, Chief of Staff