STATE OF CONNECTICUT
OFFICE OF POLICY AND MANAGEMENT

TESTIMONY OF LINDA J. YELMINI
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BEFORE THE LABOR & PUBLIC EMPLOYEES COMMITTEE
OF THE GENERAL ASSEMBLY
February 10, 2009

Raised Bill No. 6191An Act Concerning Impact Statements for Major Layoffs or Dismissals.

This Bill mandates the Office of Policy and Management prepare an impact statement concerning the effect that a "major layoff" or "dismissal" would have on an affected state agency, department board or commission and the correspond clients served thereby. The Bill goes on to define "major layoff" as one that results in the loss of at least five percent of the total positions within an agency but not less than one hundred employees of the agency.

Under the current law, Layoffs may occur due to, "economy, insufficient appropriations, reorganization, [and] abolition of positions." CGS Sec. 5-241. This Bill appears to address only the situations involving insufficient appropriations and reorganization as that is where it is most likely that more than a few employees would be noticed for layoff. In both of those situations, it is more likely than not, that the General Assembly would have been involved in the passage of legislation concerning any reorganization or appropriation.

While the Statute defines when layoffs may occur, various collective bargaining agreements covering a majority of state employees contain similar bases for layoffs. The terms of the labor agreements have been approved by the General Assembly. When the Legislature cuts personal services budgets, it certainly recognizes that changes in operation and service distribution must be made. The impact of reduced budgetary dollars would certainly have been a consideration of the Legislature prior to the enactment of the State's budget.

Layoffs are usually they are the last resort in addressing budget deficit situations. The reason why they are the last resort is because of the potential impact upon clients, and the citizenry at large. When the need to implement a layoff occurs, it usually is immediate and demands immediate action. Requiring the Office of Policy and Management, within its limited resources, to research and prepare an impact statement to submit to the General Assembly beforehand, would have a deleterious affect. Additionally, the Decision to layoff employees may come at a time when the General Assembly is not in session. Because the law mandates that the impact statement be prepared and submitted to the General Assembly Prior to any layoff or dismissal of state employees, any fiscal problem would only exacerbate during the ensuing period of time.

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Dismissals are usually at the end in the line of progressive discipline. They are not usually massive in nature. Employees in the classified service cannot be dismissed except for cause. Management cannot arbitrarily dismiss its employees. The General Assembly has defined which employees are within the classified service and subject to the just cause standard.

The majority of State employees are covered by collective bargaining agreements. Those contracts have also incorporated a just cause standard for dismissal. Both layoff and dismissal are actions that require the exercise of managerial judgment and are not susceptible to delay if the results are to be positive. Unions have the right to challenge both layoffs and dismissals. If either are to be effective, they cannot be delayed.