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Governor's Bill 15

An Act Adopting the Requirements of the North Carolina State Board of Dental Examiners v. Federal Trade Commission and Making Minor Revisions to Boards and Commissions Statutes

Senator Cassano, Representative Jutila, Senator McLachlan, Representative Smith and Members of the Government Administration and Elections Committee. My name is Karen Buffkin and I am the General Counsel to Governor Dannel P. Malloy. Thank you for the opportunity to appear before you today to testify in favor of Governor's Bill 15, *An Act Adopting the Requirements of the North Carolina State Board of Dental Examiners v. Federal Trade Commission and Making Minor Revisions to Boards and Commissions Statutes*.

The legislation before you today addresses the United States Supreme Court decision *North Carolina State Board of Dental Examiners v. Federal Trade Commission*, 135 S.Ct 1101 (2015) issued last year. The case was brought by the federal trade commission alleging that actions of the Board of Dental Examiners violated federal anti-trust laws and engaged in anti-competitive behavior. The Supreme Court's decision holds that where the members of a licensing board are dominated by active market participants, in order for the state to be immune from claims of anti-trust, the state must actively supervise such boards. The department must be empowered to review the substance of a decision reached by a board and have the power to affirm, modify or reject that decision to ensure it conforms to state policy. Our licensing boards have played an important role in ensuring public safety and protecting consumers and we greatly appreciate the men and women who lend their professional expertise to the state to accomplish these important goals. However, in order to maintain the integrity of the work these boards perform, we need to have a process in place to guarantee that state policy goals are carried out.

In addition, the Governor's bill makes other important modifications to certain boards and commissions as follows:

- Education Arbitration panel members terms would be increased to four years from the current two year terms. These members are vetted by the Department of Education and confirmed by the General Assembly and are selected to serve by the parties.

- Connecticut Health and Educational Facilities Authority's (CHEFA) modification broadens the qualification for appointment to a member of the financial business industry. Currently the appointment is limited to an individual from "investment banking firm which originates and purchases state and municipal securities." The narrow qualifications restricts the potential pool of individuals who are willing or able to serve. It also expands the ability to appoint a designee for state or appointed officials who serve on the board.
- Connecticut Lottery Corporation's modification eliminates from the membership of the board of directions the executive director of the Division of Special Revenue conforming to the reorganization of the functions of that entity and increases by one the number of directors who have management or finance backgrounds from the private sector.
- Connecticut Medical Examining Board's change is a technical clean up that eliminates out dated language and clarifies the method of appointment.
- State Board of Labor Relations' modification eliminates the one year term for alternate members and provides for them to serve a term that is co-terminus in accordance with Section 4-1a of the general statutes.
- Emergency Medical Services Advisory Board is modified to provide representation on the advisory board for the regional councils by adding the presidents of each regional council and requires the regional councils to specify in their by-laws the method for electing the president of such council.
- Clarifies the minority representation statutes with respect to ex-officio members, requires clerks or the appointing authority to determine the number of individuals who can be appointed from a particular party and lastly, it requires appointing authorities to include in the communication of such appointment the political affiliation, if any, of the individuals who are being appointed.

Thank you for your consideration and I am happy to answer any questions.