



General Assembly

Amendment

February Session, 2018

LCO No. 4967



Offered by:
SEN. FASANO, 34th Dist.

To: Senate Bill No. 445

File No. 400

Cal. No. 231

**"AN ACT CONCERNING AN ANALYSIS OF THE
RECOMMENDATIONS OF THE COMMISSION ON FISCAL
STABILITY AND ECONOMIC GROWTH."**

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. (*Effective from passage*) (a) There is established a panel to
4 study and make recommendations regarding the proposals made by
5 the Commission on Fiscal Stability and Economic Growth, established
6 pursuant to section 250 of public act 17-2 of the June special session, in
7 its final report concerning the rebalancing of state taxes to better
8 stimulate economic growth without raising net new taxes. The study
9 shall include, but not be limited to, reviews of (1) options for
10 expanding revenue sources for municipalities, and (2) base-broadening
11 methodologies for the sales and use taxes, taking into account the
12 work of said commission and the State Tax Panel convened pursuant
13 to section 138 of public act 14-217.

14 (b) The panel shall consist of the following members:

15 (1) One appointed by the speaker of the House of Representatives,
16 who shall have either served on the State Tax Panel, convened
17 pursuant to section 138 of public act 14-217, or on the Commission on
18 Fiscal Stability and Economic Growth, established pursuant to section
19 250 of public act 17-2 of the June special session;

20 (2) One appointed by the minority leader of the House of
21 Representatives, who shall have either served on said tax panel or on
22 said commission;

23 (3) One appointed by the president pro tempore of the Senate, who
24 shall have either served on said tax panel or on said commission;

25 (4) One appointed by the Republican president pro tempore of the
26 Senate, who shall have either served on said tax panel or on said
27 commission; and

28 (5) The Commissioner of Revenue Services, who shall be an ex-
29 officio, nonvoting member of the panel.

30 (c) All appointments to the task force shall be made not later than
31 thirty days after the effective date of this section. Any vacancy shall be
32 filled by the appointing authority.

33 (d) The speaker of the House of Representatives and the president
34 pro tempore of the Senate shall jointly select a cochairperson of the
35 panel from among the members of the panel. The minority leader of
36 the House of Representatives and the Republican president pro
37 tempore of the Senate shall jointly select a cochairperson of the panel
38 from among the members of the panel. Such cochairpersons shall
39 schedule the first meeting of the task force, which shall be held not
40 later than sixty days after the effective date of this section.

41 (e) The administrative staff of the joint standing committee of the
42 General Assembly having cognizance of matters relating to finance,
43 revenue and bonding shall serve as administrative staff of the panel.

44 (f) The panel may consult with any individuals or entities the

45 members of the panel deem appropriate or necessary and may request
46 the Secretary of the Office of Policy and Management to hire a
47 consultant or consultants to assist the panel in conducting the study.
48 The sum of one hundred thousand dollars shall be appropriated to the
49 Office of Policy and Management for the purpose of hiring a
50 consultant or consultants to assist the panel.

51 (g) Not later than January 1, 2019, the panel shall submit a report on
52 its findings and recommendations to the joint standing committee of
53 the General Assembly having cognizance of matters relating to finance,
54 revenue and bonding, in accordance with the provisions of section 11-
55 4a of the general statutes. The panel shall terminate on the date that it
56 submits such report or January 1, 2019, whichever is later.

57 Sec. 502. (*Effective from passage*) (a) Not later than July 1, 2018, the
58 Secretary of the Office of Policy and Management shall develop and
59 issue a request for proposals to hire a national consultant to study and
60 make recommendations regarding efficiency improvements in revenue
61 collection and agency expense management that will result in a
62 savings of at least five hundred million dollars. Such recommendations
63 shall not adversely impact program quality or social services program
64 benefits.

65 (b) The secretary shall consult with former members of the
66 Commission on Fiscal Stability and Economic Growth, established
67 pursuant to section 250 of public act 17-2 of the June special session, on
68 the scope of the study and shall update such former members on its
69 progress. Not later than January 1, 2019, the consultant shall submit a
70 report on the consultant's findings and recommendations to the joint
71 standing committees of the General Assembly having cognizance of
72 matters relating to appropriations and the budgets of state agencies
73 and finance, revenue and bonding, in accordance with the provisions
74 of section 11-4a of the general statutes.

75 Sec. 503. Subsection (a) of section 5-271 of the general statutes is
76 repealed and the following is substituted in lieu thereof (*Effective July*

77 1, 2018):

78 (a) (1) Employees shall have, and shall be protected in the exercise
79 of the right of self-organization, to form, join or assist any employee
80 organization, to bargain collectively through representatives of their
81 own choosing on questions of wages, hours and other conditions of
82 employment, except as provided in subdivision (2) of this subsection
83 and subsection (d) of section 5-272, and to engage in other concerted
84 activities for the purpose of collective bargaining or other mutual aid
85 or protection, free from actual interference, restraint or coercion.

86 (2) On and after July 1, 2027, "wages, hours and other conditions of
87 employment" shall not include any question related to state employee
88 retirement benefits, the state employees retirement system or state
89 employee health and welfare benefits.

90 Sec. 504. Subsection (c) of section 5-272 of the general statutes is
91 repealed and the following is substituted in lieu thereof (*Effective July*
92 *1, 2018*):

93 (c) For the purposes of sections 5-270 to 5-280, inclusive, to bargain
94 collectively is the performance of the mutual obligation of the
95 employer or his designated representatives and the representative of
96 the employees to meet at reasonable times, including meetings
97 appropriately related to the budget-making process, and bargain in
98 good faith with respect to wages, hours and other conditions of
99 employment, except as provided in subsection (a) of section 5-271, as
100 amended by this act, and subsection (d) of this section, or the
101 negotiation of an agreement, or any question arising thereunder, and
102 the execution of a written contract incorporating any agreement
103 reached if requested by either party, but such obligation shall not
104 compel either party to agree to a proposal or require the making of a
105 concession.

106 Sec. 505. Section 5-278 of the 2018 supplement to the general statutes
107 is repealed and the following is substituted in lieu thereof (*Effective July*
108 *1, 2018*):

109 (a) When an employee organization has been designated, in
110 accordance with the provisions of sections 5-270 to 5-280, inclusive, as
111 the exclusive representative of employees in an appropriate unit, the
112 employer shall be represented in collective bargaining with such
113 employee organization in the following manner: (1) In the case of an
114 executive branch employer, including the Division of Criminal Justice,
115 by the chief executive officer whether elected or appointed, or his
116 designated representative; who shall maintain a close liaison with the
117 legislature relative to the negotiations and the potential fiscal
118 ramifications of any proposed settlement; (2) in the case of a judicial
119 branch employer, by the Chief Court Administrator or his designated
120 representative; and (3) in the case of each segment of the system of
121 higher education, the faculty and professional employees shall
122 negotiate with their own board of trustees or its designated
123 representative.

124 (b) (1) Any agreement reached by the negotiators shall be reduced
125 to writing. The agreement, together with a request for funds necessary
126 to fully implement such agreement and for approval of any provisions
127 of the agreement which are in conflict with any statute or any
128 regulation of any state agency, and any arbitration award, issued in
129 accordance with section 5-276a, together with a statement setting forth
130 the amount of funds necessary to implement such award, shall be filed
131 by the bargaining representative of the employer with the clerks of the
132 House of Representatives and the Senate within ten days after the date
133 on which such agreement is reached or such award is distributed. The
134 General Assembly may approve any such agreement as a whole by a
135 majority vote of each house or may reject such agreement as a whole
136 by a majority vote of either house. The General Assembly may reject
137 any such award as a whole by a two-thirds vote of either house if it
138 determines that there are insufficient funds for full implementation of
139 the award.

140 (2) (A) If an agreement is rejected, the matter shall be returned to the
141 parties, who shall initiate arbitration in accordance with the provisions
142 of section 5-276a. The parties may submit any award issued pursuant

143 to such arbitration to the General Assembly for approval in the same
144 manner as the rejected agreement. If the arbitration award is rejected
145 by the General Assembly, the matter shall be returned again to the
146 parties for further arbitration. Any award issued pursuant to such
147 further arbitration shall be deemed approved by the General
148 Assembly.

149 (B) If an arbitration award, other than an award issued pursuant to
150 subparagraph (A) of this subdivision, is rejected, the matter shall be
151 returned to the parties for further arbitration. Any award issued
152 pursuant to such further arbitration shall be deemed approved by the
153 General Assembly.

154 (3) Once approved by the General Assembly, any provision of an
155 agreement or award need not be resubmitted by the parties to such
156 agreement or award as part of a future contract approval process
157 unless changes in the language of such provision are negotiated by
158 such parties. Any supplemental understanding reached between such
159 parties containing provisions which would supersede any provision of
160 the general statutes or any regulation of any state agency or would
161 require additional state funding shall be submitted to the General
162 Assembly for approval in the same manner as agreements and awards.
163 If the General Assembly is in session, it shall vote to approve or reject
164 such agreement or award within thirty days after the date of filing. If
165 the General Assembly is not in session when such agreement or award
166 is filed, it shall be submitted to the General Assembly within ten days
167 of the first day of the next regular session or special session called for
168 such purpose. The agreement or award shall be deemed rejected if the
169 General Assembly fails to vote to approve or reject such agreement or
170 award within thirty days after such filing or submission. The thirty-
171 day period shall not begin or expire unless the General Assembly is in
172 regular session. For the purpose of this subsection, any agreement or
173 award filed with the clerks within thirty days before the
174 commencement of a regular session of the General Assembly shall be
175 deemed to be filed on the first day of such session.

176 (4) Each house of the General Assembly shall permit not more than
177 six hours of total time for debate of a resolution to approve or reject an
178 agreement or award filed with the clerks of the House of
179 Representatives and the Senate pursuant to this subsection. Those
180 speaking in favor of such resolution shall be allocated not more than
181 three hours of total time for debate, and those speaking in opposition
182 to such resolution shall be allocated not more than three hours of total
183 time for debate. A vote shall be taken on the resolution upon the
184 conclusion of the debate.

185 (5) Notwithstanding the provisions of subdivision (4) of this
186 subsection, if the debate on such resolution occurs during the last three
187 days of the thirty-day period, each house of the General Assembly
188 shall permit not more than four hours of total time for debate of such
189 resolution. Those speaking in favor of such resolution shall be
190 allocated not more than two hours of total time for debate and those
191 speaking in opposition to such resolution shall be allocated not more
192 than two hours of total time for debate. A vote shall be taken on the
193 resolution upon the conclusion of the debate.

194 (c) Notwithstanding any provision of any general statute or special
195 act to the contrary, the legislature shall appropriate whatever funds are
196 required to comply with a collective bargaining agreement,
197 supplemental understanding or arbitration award, provided the
198 request called for in subsection (b) of this section has been approved
199 by the legislature.

200 (d) No provision of any general statute or special act shall prevent
201 negotiations between an employer and an employee organization
202 which has been designated as the exclusive representative of
203 employees in an appropriate unit, from continuing after the final date
204 for setting the state budget. An agreement between an employer and
205 an employee organization shall be valid and in force under its terms
206 when entered into in accordance with the provisions of this chapter
207 and signed by the chief executive officer or administrator as a
208 ministerial act. Such terms may make any such agreement effective on

209 a date prior to the date on which the agreement is entered. No
210 publication thereof shall be required to make it effective. The
211 procedure for the making of an agreement between the employer and
212 an employee organization provided by sections 5-270 to 5-280,
213 inclusive, shall be the exclusive method for making a valid agreement
214 for employees represented by an employee organization, and any
215 provisions in any general statute or special act to the contrary shall not
216 apply to such an agreement.

217 (e) Where there is a conflict between any agreement or arbitration
218 award approved in accordance with the provisions of sections 5-270 to
219 5-280, inclusive, on matters appropriate to collective bargaining, as
220 defined in said sections, and any general statute or special act, or
221 regulations adopted by any state agency, the terms of such agreement
222 or arbitration award shall prevail; provided if participation of any
223 employees in a retirement system is [effected] affected by such
224 agreement or arbitration award negotiated or issued prior to July 1,
225 2027, the effective date of participation in said system,
226 notwithstanding any contrary provision in such agreement or
227 arbitration award, shall be the first day of the third month following
228 the month in which a certified copy of such agreement or arbitration
229 award is received by the Retirement Commission or such later date as
230 may be specified in the agreement or arbitration award.

231 (f) (1) Notwithstanding any other provision of this chapter,
232 collective bargaining negotiations concerning changes to the state
233 employees retirement system to be effective on and after July 1, 1988,
234 but prior to July 1, 2027, and collective bargaining negotiations
235 concerning health and welfare benefits to be effective on and after July
236 1, 1994, but prior to July 1, 2027, shall be conducted between the
237 employer and a coalition committee which represents all state
238 employees who are members of any designated employee
239 organization. (2) The provisions of subdivision (1) of this subsection
240 shall not be construed to prevent the employer and any designated
241 employee organization from bargaining directly with each other on
242 matters related to the state employees retirement system and health

243 and welfare benefits whenever the parties jointly agree that such
244 matters are unique to the particular bargaining unit. (3) The provisions
245 of subdivision (1) of this subsection shall not be construed to prevent
246 the employer and representatives of employee organizations from
247 dealing with any state-wide issue using the procedure established in
248 said subdivision.

249 (g) (1) Nonmandatory subjects of bargaining shall not be subject to
250 the impasse procedures of section 5-276a. In the case of higher
251 education teaching faculty, the arbitrator shall not make a decision
252 involving academic policy unless it affects the wages, hours or
253 conditions of employment of such faculty. Any arbitration award
254 issued on such matters shall be unenforceable. (2) Unless mutually
255 agreed to by the parties, the impasse procedures of section 5-276a shall
256 not be invoked during the pendency before the State Board of Labor
257 Relations of any scope of bargaining question arising from the parties'
258 negotiations. Any such question shall take precedence over all other
259 matters pending before said board.

260 Sec. 506. (*Effective from passage*) (a) Not later than July 1, 2018, the
261 Office of Legislative Management shall issue a request for proposals to
262 hire an independent consultant that specializes in state retirement
263 programs, employee health and other benefits programs and employee
264 compensation to analyze the ratified 2017 SEBAC agreement, dated June
265 25, 2017, between the state and the State Employees Bargaining Agent
266 Coalition, approved pursuant to subsection (f) of section 5-278 of the
267 general statutes, as amended by this act. Such analysis shall include, but
268 shall not be limited to, such matters as: (1) The competitiveness of state
269 workers' wages and benefits compared to competitor states and to
270 private sector wages and benefits; (2) the relative equity of benefits and
271 terms among the tiers of the state employees retirement system; (3) the
272 potential for disruptive effects from policies enacted in said agreement;
273 (4) the impacts of job protection policies; and (5) options for exempting
274 quasi-public entities from state employee collective bargaining
275 requirements in light of the unique nature and operation of such
276 entities.

277 (b) Not later than February 1, 2019, such consultant shall submit a
278 report, in accordance with the provisions of section 11-4a of the general
279 statutes, on the analysis completed in accordance with subsection (a) of
280 this section to the joint standing committee of the General Assembly
281 having cognizance of matters relating to appropriations and the
282 budgets of state agencies. The report shall include any
283 recommendations for (1) policy revisions concerning the matters
284 analyzed, and (2) legislation necessary to implement such revisions.

285 Sec. 507. Subdivision (9) of subsection (d) of section 7-473c of the
286 2018 supplement to the general statutes is repealed and the following
287 is substituted in lieu thereof (*Effective July 1, 2018*):

288 (9) In arriving at a decision, the arbitration panel shall give priority
289 to the public interest and the financial capability of the municipal
290 employer, including consideration of other demands on the financial
291 capability of the municipal employer. There shall be an irrebuttable
292 presumption that a municipal employer's budget reserve equal to
293 fifteen per cent or less of the municipal employer's operating budget
294 [reserve] is not available for payment of the cost of any item subject to
295 arbitration under this chapter. The panel shall further consider the
296 following factors in light of such financial capability: (A) The
297 negotiations between the parties prior to arbitration; (B) the interests
298 and welfare of the employee group; (C) changes in the cost of living;
299 (D) the existing conditions of employment of the employee group and
300 those of similar groups; and (E) the wages, salaries, fringe benefits, and
301 other conditions of employment prevailing in the labor market,
302 including developments in private sector wages and benefits.

303 Sec. 508. Subdivision (4) of subsection (c) of section 10-153f of the
304 general statutes is repealed and the following is substituted in lieu
305 thereof (*Effective July 1, 2018*):

306 (4) After hearing all the issues, the arbitrators or the single arbitrator
307 shall, within twenty days, render a decision in writing, signed by a
308 majority of the arbitrators or the single arbitrator, which states in detail

309 the nature of the decision and the disposition of the issues by the
310 arbitrators or the single arbitrator. The written decision shall include a
311 narrative explaining the evaluation by the arbitrators or the single
312 arbitrator of the evidence presented for each item upon which a
313 decision was rendered by the arbitrators or the single arbitrator and
314 shall state with particularity the basis for the decision as to each
315 disputed issue and the manner in which the factors enumerated in this
316 subdivision were considered in arriving at such decision, including,
317 where applicable, the specific similar groups and conditions of
318 employment presented for comparison and accepted by the arbitrators
319 or the single arbitrator and the reason for such acceptance. The
320 arbitrators or the single arbitrator shall file one copy of the decision
321 with the commissioner, each town clerk in the school district involved,
322 the legislative body or bodies of the town or towns for the school
323 district involved, or, in the case of a town for which the legislative
324 body of the town is a town meeting or representative town meeting, to
325 the board of selectmen, and the board of education and organization
326 which are parties to the dispute. The decision of the arbitrators or the
327 single arbitrator shall be final and binding upon the parties to the
328 dispute unless a rejection is filed in accordance with subdivision (7) of
329 this subsection. The decision of the arbitrators or the single arbitrator
330 shall incorporate those items of agreement the parties have reached
331 prior to its issuance. At any time prior to the issuance of a decision by
332 the arbitrators or the single arbitrator, the parties may jointly file with
333 the arbitrators or the single arbitrator, any stipulations setting forth
334 contract provisions which both parties agree to accept. In arriving at a
335 decision, the arbitrators or the single arbitrator shall give priority to
336 the public interest and the financial capability of the town or towns in
337 the school district, including consideration of other demands on the
338 financial capability of the town or towns in the school district. In
339 assessing the financial capability of the town or towns, there shall be
340 an irrebuttable presumption that a budget reserve [of five] equal to
341 fifteen per cent or less of the operating budget of any town in the
342 school district is not available for payment of the cost of any item
343 subject to arbitration under this chapter. The arbitrators or the single

344 arbitrator shall further consider, in light of such financial capability,
345 the following factors: (A) The negotiations between the parties prior to
346 arbitration, including the offers and the range of discussion of the
347 issues; (B) the interests and welfare of the employee group; (C)
348 changes in the cost of living averaged over the preceding three years;
349 (D) the existing conditions of employment of the employee group and
350 those of similar groups; and (E) the salaries, fringe benefits, and other
351 conditions of employment prevailing in the state labor market,
352 including the terms of recent contract settlements or awards in
353 collective bargaining for other municipal employee organizations and
354 developments in private sector wages and benefits. The parties shall
355 submit to the arbitrators or the single arbitrator their respective
356 positions on each individual issue in dispute between them in the form
357 of a last best offer. The arbitrators or the single arbitrator shall resolve
358 separately each individual disputed issue by accepting the last best
359 offer thereon of either of the parties, and shall incorporate in a decision
360 each such accepted individual last best offer and an explanation of
361 how the total cost of all offers accepted was considered. The award of
362 the arbitrators or the single arbitrator shall not be subject to rejection
363 by referendum. The parties shall each pay the fee of the arbitrator
364 selected by or for them and share equally the fee of the third arbitrator
365 or the single arbitrator and all other costs incidental to the arbitration.

366 Sec. 509. (NEW) (*Effective July 1, 2018*) On and after July 1, 2018, any
367 municipal employee affected by a service sharing agreement between
368 one or more municipalities shall be represented by a coalition
369 committee or new bargaining unit representing similarly situated
370 employees in any proceeding concerning such agreement and its
371 impact on such employee.

372 Sec. 510. (*Effective from passage*) (a) There is established a panel to
373 conduct a study of the proposal made by the Commission on Fiscal
374 Stability and Economic Growth, established pursuant to section 250 of
375 public act 17-2 of the June special session, in its final report for reform
376 of the Teachers' Retirement System.

377 (b) The study shall include, but need not be limited to, consideration
378 of: (1) A thirty-year contribution of lottery net proceeds to the
379 Teachers' Retirement Fund to pay down unfunded liabilities, (2) re-
380 amortization of remaining fund liabilities in 2025 after current bonds
381 are defeased, and (3) the creation of a hybrid defined benefit/defined
382 contribution plan for new teachers with risk sharing on investment
383 returns.

384 (c) The panel shall consist of the following members:

385 (1) One appointed by the speaker of the House of Representatives;

386 (2) One appointed by the majority leader of the House of
387 Representatives;

388 (3) One appointed by the minority leader of the House of
389 Representatives;

390 (4) One appointed by the president pro tempore of the Senate;

391 (5) One appointed by the Republican president pro tempore of the
392 Senate; and

393 (6) One appointed by the majority leader of the Senate.

394 (d) Each appointee shall be an expert in one of the following areas:
395 Public pensions, finance, bonding, defined benefit plans or defined
396 contribution plans. All appointments to the panel shall be made not
397 later than thirty days after the effective date of this section. Any
398 vacancy shall be filled by the appointing authority.

399 (e) The speaker of the House of Representatives and the president
400 pro tempore of the Senate shall jointly select a cochairperson of the
401 panel from among the members of the panel. The minority leader of
402 the House of Representatives and the Republican president pro
403 tempore of the Senate shall jointly select a cochairperson of the panel
404 from among the members of the panel. Such cochairpersons shall
405 schedule the first meeting of the task force, which shall be held not

406 later than sixty days after the effective date of this section.

407 (f) The administrative staff of the joint standing committee of the
 408 General Assembly having cognizance of matters relating to
 409 appropriations shall serve as administrative staff of the panel.

410 (g) Not later than January 1, 2019, the panel shall report on the
 411 results of the study in accordance with the provisions of section 11-4a
 412 of the general statutes to the joint standing committee of the General
 413 Assembly having cognizance of matters relating to appropriations and
 414 the budgets of state agencies. Such report may include
 415 recommendations for reform of the Teachers' Retirement System and
 416 legislation to enact such reform.

417 Sec. 511. (NEW) (*Effective July 1, 2018*) Notwithstanding any
 418 provision of the general statutes, no collective bargaining agreement
 419 entered into on or after July 1, 2018, between a municipality and an
 420 employee organization that is the exclusive representative of the
 421 municipality's employees shall contain any provision limiting the
 422 ability of the municipality to permit volunteer services for the
 423 maintenance of buildings and grounds."

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	<i>from passage</i>	New section
Sec. 502	<i>from passage</i>	New section
Sec. 503	<i>July 1, 2018</i>	5-271(a)
Sec. 504	<i>July 1, 2018</i>	5-272(c)
Sec. 505	<i>July 1, 2018</i>	5-278
Sec. 506	<i>from passage</i>	New section
Sec. 507	<i>July 1, 2018</i>	7-473c(d)(9)
Sec. 508	<i>July 1, 2018</i>	10-153f(c)(4)
Sec. 509	<i>July 1, 2018</i>	New section
Sec. 510	<i>from passage</i>	New section
Sec. 511	<i>July 1, 2018</i>	New section