CHAIRPERSON: Senator Catherine Osten

SENATORS: Formica, Abrams, Bradley, Kushner, Lesser, Miner, Somers

REPRESENTATIVES: Walker, Abercrombie, Bolinsky, Candelaria, Case, Currey, Dathan, Dauphinais, Dillon, DiMassa, Gibson, Gilchrest, Haddad, Hall, Horn, Johnson, Korkoruda, Mastrofrancesco, McCarty, Pavalock-D'Amato, Perone, Petit, Porter, Reyes, Rosario, Ryan, Simanski, Simms, Tereyak, Wilson, Zupkus, Nolan

SENATOR OSTEN (19TH): Brandon, all set, very good, let's go. I'm going to start the public hearing. First up, first up, first up Fae Brown-Brewton from OPM. Hi Fae. When you get yourself situated, let us know what you have to say.

MS. BROWN-BREWTON: Good afternoon. I'm Fae Brown-Brewton from the Office of Policy and Management, Office of Labor Relations. I am here on the proposed resolutions that represent the conclusion of impact negotiations regarding the accretion of six employees in the classifications of Tax Attorney 1, 2 and 3 employed by the Department of Revenue Services into the Administrative and Residual Employees (P-5) Bargaining Unit. This group was
formerly classified as managers, and the State Board of Labor Relations certified them for bargaining on February 27, 2017. As managers, they have only received two pay increases in the past ten years. They received 3 percent general wage increases in 2013 and 2014. They were also eligible to receive a 3 percent performance-based increase on those same two years as well. They organized the following announcement that they would be subject to a higher premium cost share for health insurance than their unionized coworkers.

At the outset of these negotiations, the Union sought to place them on the existing A&R pay plan. The Union wanted them to placed them on a step and salary group in the pay plan that would immediately result in annual pay increases to up to almost $6,000. The Union wanted them to be able to automatically progress to the next higher level, in the class series, as in the case for the current Staff Attorney job classification. The State successfully negotiated against those and other costly proposals. And to that end, we've managed to ensure that they are not eligible for time and one-half pay for overtime hours worked, and reduced their vacation maximum accrual, and the associated payout upon employment separation. It has been a long, arduous struggle to reach an agreement that neither rewards nor punishes them for their decision to organize, but recognizes the State's ongoing fiscal struggles that included budget shortfalls and a number of years, by providing a lower incremental increase than the rest of the bargaining unit.

The Administrative and Residual (P-5) Bargaining Unit already has a contract in place that will expire on June 30, 2021. The parties have agreed
that the Tax Attorneys will be covered, by the terms of that current contract that was approved by the Legislature in July of 2017 with some exceptions. The Agreement before you today, therefore, follows the wage structure set forth in the 2017 SEBAC Agreement. Of note is the fact that the value steps, also known as increments, in the A&R pay plan is 3.1 percent. This Agreement for the Tax Attorneys provides only a 2 percent incremental increase, in lieu of steps, in the last two years of the Agreement. We have effectively captured a savings for the State with this lower increment rate. This Agreement provides for no general wage increases for contract years 2016, 2017 and 2018. It provides no incremental or step movement for the same period of time. For those at the top of the pay scale, they shall receive the 2.5 percent lump sum payment at maximum as prescribed by the contract. Like other SEBAC-covered units, they are eligible to receive a $2,000 one-time payment upon Legislative approval.

The Tax Attorneys' Agreement avoids any immediate pay increases that would otherwise result by placing them on a step within the A&R play plan. They shall maintain their current rates of pay, based upon the managerial range plan, and they shall only be afforded general wage increases and step movement along with the rest of the A&R bargaining unit, commencing July 1, 2019 and July 1, 2020. This outcome was dictated by the statutory factors that an arbitrator must consider in interest arbitration. Section 5-276(e)(5) of the General Statutes provides, in relevant part, that: The factors to be considered by the arbitrator in arriving at a decision are: The history of negotiations between the parties.
including those leading to the instant proceeding; the existing conditions of employment of similar groups of employees; the wages, fringe benefits and working conditions prevailing in the labor market; the overall compensation paid to the employees involved in the arbitration proceedings, the ability of the employer to pay; changes in the cost of living; and the interests and welfare of the employees.

The history and negotiations between the State and A&R resulted in an agreement that already has a wage package that was a result of the SEBAC 2017 Agreement. The conditions of employment of similar groups of employees is reflected in the SEBAC 2017 Agreement which covered approximately 40,000 state employees. The wages, fringe benefits and working conditions prevailing in the labor market also supports the wages for this group of Attorneys. Fringe benefits such as pension and health care were negotiated on a coalition basis pursuant to Section 5-278(f)(1) of the General Statutes. Those benefits are included in the 2017 SEBAC Agreement which will not be open for renegotiation until 2027. The overall compensation paid to these employees reflects multiple years without any pay increases at all; and when we consider the changes in the cost of living with the rest of the bargaining unit, it is clear they have fallen behind. The ability of the employer to pay this conservative increase in pay is minimal when the State's budget is considered as a whole. Finally, the statute requires that an arbitrator consider "the interest and welfare of the employees". While it should be patently obvious that the interest and welfare of the employer and the employee are inexorably tied together, the
Statute only requires an arbitrator to consider the interest and welfare of the employees.

The Agreement captures the three years of hard zero increases with the exception of the $2,000 one-time lump sum payment following Legislative approval. The are on par with the rest of the bargaining unit, and other organized groups of state employees. I am available to respond to any questions. Thank you.

SENATOR Osten (19TH): Thank you very much, Fae, that was an excellent presentation. Are there any comments or questions? Representative Walker.

REP. WALKER (93RD): Thank you. Thank you, Fae, thank you for your comments. Can you explain to me again, because you mentioned the fact that it works out as a savings for the state? Could you explain that part to me again, please.

MS. BROWN-BREWTON: Okay. The A&R bargaining unit, their step pay plan, the value of the step, the increment value, is 3.1 percent. These employees and the Union have agreed to accept in lieu of the 3.1 percent, 2 percent value of the increment. So, that's less than the 3 percent the rest of the bargaining unit has, therefore, the savings.

REP. WALKER (93RD): Thank you. Thank you, Madam Chair.

SENATOR Osten (19TH): Senator Formica.

SENATOR FORMICA (20TH): Thank you very much, Madam Chair, good afternoon, good afternoon.

MS. BROWN-BREWTON: Good afternoon.
SENATOR FORMICA (20TH): Thank you for your presentation today. The -- this group is a group of folks that are joining an existing bargaining unit.

MS. BROWN-BREWTON: Correct.

SENATOR FORMICA (20TH): Is that correct? So, the follow up on the good Chair's comment about the savings that you just applied to, I think I understand you to say that this group gets 2 percent annual increment on top of their 3.5. And the existing bargaining unit, because they're already involved with the SEBAC Agreement framework, gets 3.1 percent on top of the 3.5 percent.

MS. BROWN-BREWTON: That is correct.

SENATOR FORMICA (20TH): So, even though they're in the same union, they don't have to have the same levels of benefits?

MS. BROWN-BREWTON: Well, that's the product of negotiations. And I'm -- there's no doubt in my mind when the contract opens in a couple years that they're going to be seeking to be placed on a step. But we reached an agreement that lent -- resulted in this outcome.

SENATOR FORMICA (20TH): And does this agreement also include a job protection clause?

MS. BROWN-BREWTON: Yes.

SENATOR FORMICA (20TH): And that job protection clause goes to 2022?


SENATOR FORMICA (20TH): '21.

Senator Formica (20th): And then these contracts get renegotiated.

Ms. Brown-Brewton: Yes.

Senator Formica (20th): Does the rest of the union get renegotiated contract in 2021?

Ms. Brown-Brewton: The rest of the (P-5) Bargaining Unit, that's when the contract opens, yes.

Senator Formica (20th): Do all of the SEBAC?

Ms. Brown-Brewton: Not -- well, all the ones --

Senator Formica (20th): But here's where my -- let me -- maybe if I just ask my kind of my real question. Because I'm trying to get to a point where SEBAC, I thought, went to 2027 in terms of the parameters of health and pension.

Ms. Brown-Brewton: That is correct.

Senator Formica (20th): And then it was discussed at these last few hearings that we've had that we have to offer the framework of the SEBAC Agreement with regard to financial benefits, aside from health and pension. But health and pension are 2027 and these all seem to be tied to 2021 or 2022.

Ms. Brown-Brewton: The pension and health care, as you know, Senator, 5-278 of the Statues provides that health and pension must be negotiated on a coalition basis. And it also allows that other matters of the parties agree can be negotiated on a coalition basis. So, in 2017 when the state sought concessions with respect to health and pension, we also agreed that we would negotiate a wage structure for those participating bargaining units. But each individual bargaining unit had to adopt it in its
individual contract. And so, therefore, that's why those contracts only run until 2021.

SENATOR FORMICA (20TH): So, what happens in 2021? Is it -- do they -- do we renew the framework until 2027? Is the framework all good to then or all bets are off and we start all over in 2021?

MS. BROWN-BREWTON: And bets are off and we start all over in 2021 with respect to the wages.

SENATOR FORMICA (20TH): And is that because it's tied to the job protection and that expires in 2021 or all of it?

MS. BROWN-BREWTON: Everything except for pension and health care.

SENATOR FORMICA (20TH): Yeah, yeah. I don't --

MS. BROWN-BREWTON: Wages, hours, terms of conditions of employment are all up for grabs in 2021.

SENATOR FORMICA (20TH): Okay. Because just looking over the SEBAC Agreement, I was confused as to how that framework kind of got developed into a wage discussion and it seems to be tied in.

MS. BROWN-BREWTON: It was by mutual agreement of the parties.

SENATOR FORMICA (20TH): Yeah, all right. And -- and then you spoke about the ability to pay is minimal. This particular fiscal note, I think, is $80 some odd thousand dollars in year two for six employees, is that about what I'm?
MS. BROWN-BREWTON: Well, I have Greg Messner here from the Budget Division who prepared the cost sheet. Greg, would you like to come up?

MR. MESSNER: Hi, so Greg Messner from the Budget Division and yes, you're correct about $80,000 or thereabouts in year two.

SENATOR FORMICA (20TH): Thank you, good afternoon. $80,000 and there's six employees that make us this particular unit.

MR. MESSNER: That's correct.

SENATOR FORMICA (20TH): So, that from doing math right, that's at least a double digit increase in raises?

MR. MESSNER: So, over the two years, well the two years that there are permanent wage increases. As Fae said, there's a one-time $2,000 increase in the current fiscal year. But for fiscal year '20 and fiscal year '21, it works out to about a 6 percent increase in those two years but it is a five-year agreement. So, you know, if you spread that six and six that 12ish percent increase over five years, it's 2.3 or 4 percent per year on an annualized basis.

SENATOR FORMICA (20TH): But the fives are, you're going back to '16 and '17 that were zeros, right?

MR. MESSNER: That's correct.

SENATOR FORMICA (20TH): And the reason we can say that is because this bargaining unit was around when the SEBAC Agreement took hold in 2017. So, therefore you can take advantage of saying zeros in '16 and '17?
MS. BROWN-BREWTON: The bargaining unit was in existence, was part of SEBAC. And we are incorporating this group of employees into that existing bargaining unit.

SENATOR FORMICA (20TH): So, it's just incorporating employees into a bargaining unit that already existed, not two bargaining units into one.

MS. BROWN-BREWTON: That's correct.

SENATOR FORMICA (20TH): Okay. So, employees who are outside of the bargaining unit in 2017 and SEBAC, no matter where they work, could be incorporated into any bargaining unit they choose that perhaps was involved in SEBAC in 2017.

MS. BROWN-BREWTON: If the Labor Board certified them as able to bargain, yes sir.

SENATOR FORMICA (20TH): Okay. So, I'm a little troubled by your statement that the ability to pay is minimal.

MS. BROWN-BREWTON: When I said when just opposed the state budget as a whole.

SENATOR FORMICA (20TH): It's considered as a whole. You know, we have an increase in personal services line item throughout almost every agency that we talk to here in this Committee. And every one of those line items is -- refers to the increase that's coming with the wage increases. We just seem to be adding more people on at every turn. And I don't know if the people that are doing our negotiations that are saying, on behalf of the state, say that this is -- impact is minimal. I think when you look at the big picture, I don't know how many more are coming after this. Do you know how many more
potential contracts we have coming after this? You do the bulk of the negotiating, correct?

MS. BROWN-BREWTON: Well, there is -- there are multiple groups that have accreted into bargaining units that shall be coming forward. I can't say definitely if it will be this session. But there are groups that have decided that they wanted to organize and the Labor Board has determined that they do not meet the statutory criteria to be defined as managers and therefore excluded from bargaining and so, we therefore have to negotiate with them. And once we negotiate with them, well it's kind of hard, especially when we realize how much is at risk with respect to placing them on an existing pay plan as what this unit tried to do with this group of people. And placing them on a step in the pay plan and not costing the state thousands of dollars immediately. And that would necessarily be the result in bargaining because of the statutory factors that I've outlined when you compare them with the rest of the unit, with the rest of the state employees.

SENATOR FORMICA (20TH): You know, as is there right to get involved in the system. But I'm more concerned about saying here that this is a minimal number when we know we have other people ahead of us coming who may have similar numbers. Except that if we have a thousand of those people over a period of time, those numbers don't become minimal they become maximum. And so, I'm a little concerned about, you know, having this statement but I thank you for that. And I've taken up a lot of time and I thank the Chairman for her latitude here. But I do remain concerned about the process that we're undertaking
here in incorporating more and more and more and more and more into this framework. Thank you, Madam Chair.

SENATOR OSTEN (19TH): Thank you very much. Fae, I just want to say for the record, that's a sentence, that's not just a part that my good colleague was mentioning was an excerpt from one sentence. So, it sort of has a different meaning than if you don't take the whole sentence. So, the ability of the employer to pay this conservative increase in pay is minimal when the State's budget is considered as a whole, is the whole sentence. So, it's a sort of by removing a piece of it, it doesn't give the ten -- the understanding of what that sentence is referring to. So, your reference as minimal as referring to just the point of what this cost in comparison to the whole budget, would that be a true statement?

MS. BROWN-BREWTON: Thank you for that clarification, Senator.

SPEAKER: $19 billion.

SENATOR OSTEN (19TH): Thank you. The other thing is, is you also talked about the layoffs. And I believe one of these employees was hired after July of 2017. So, if that employee was hired -- any employee hired after July 2017 is subject to layoff, is that not true?

MS. BROWN-BREWTON: That is correct. Any employee hired after July 1, 2017 does not have the layoff protection.

SENATOR OSTEN (19TH): Thank you. Representative Lavielle followed by Representative Case.

REP. LAVIELLE (143RD): Thank you very much, Madam Chair, good afternoon.
SENATOR Osten (19th): Good afternoon.

Rep. LaVieLle (143rd): Thank you for your testimony. Thank you for going into detail on some things we didn't hear about the last couple of times. I do have a couple of questions. The individuals who come under this contract, they were classified as managers before, right?

Ms. Brown-Brewton: That is correct.

Rep. LaVieLle (143rd): And did they get any increases in the previous three years when the people in unions were getting zeros?

Ms. Brown-Brewton: No, they did not.

Rep. LaVieLle (143rd): Okay. One of the things that troubles me a bit is that you correctly point out that you -- your [inaudible - 00:19:58] smaller increase on the step for these individuals then in some other negotiations. I just wonder why it was -- I know we saw that with the tour of the last ones, the Assistant Attorney's General. But on the judicial clerks and the public defenders, we weren't able to get a flat 2 percent. Was there a reason that we were, you know, one of the criteria here that you cite that the arbitrators have to take into consideration is what's been done for other units recently. So, why were we able to make that change now but not before?

Ms. Brown-Brewton: Well, AAG's we did give the 2 percent.

Rep. LaVieLle (143rd): Yes, that's what I said.
MS. BROWN-BREWTON: But with the other groups, I don't negotiate those contracts so I couldn't tell you what went into those.

REP. LAVIELLE (143RD): Oh, okay, okay. Well, it's striking that they weren't able to do it and, of course, that concerns me for further negotiations to come. I do know we have several coming out as soon as we go forward, the numbers multiply, they grow. And as each of these is signed and agreed upon and the comparisons again with what's available to the folks in the -- not in the government sector who are paying for them, is somewhat disturbing and marked.

I guess when we look at the ability to pay of the state, whether we're looking at your setups or somebody else's it's, you know, when we've gotten to the point and I get your point. And I understand why you wrote that the 2 percent was a savings for the state, I really do and I'm not aiming this at you.

But when we start saying that giving people a 5.5 percent increase as opposed to a 6.5 or 7 percent increase is a savings. When the state has no money even to make reasonable cuts to some of its services for very needy people when we are having to -- when we're looking at a budget that does nothing but raise taxes after having raised them so many times. It's odd that we talk about spending more but spending a little less than we spent last time as a big savings or as a savings at all. And I just don't know how we justify that the state has any ability to pay for increases at all. Did that strike you at all during the negotiations?

MS. BROWN-BREWTON: Certainly, the State's fiscal situation was ever present. It's the purple gorilla
sitting on the sofa during these negotiations. And so, that notwithstanding that fact when you're got six employees accreting into a bargaining unit of approximately 2,000 employees and everybody else in that unit is going to get a raise and that's what an arbitrator is going to look at. In interest arbitration, well you kind of know how the movie is going to end.

REP. LAVIELLE (143RD): Yeah. That's -- it's striking. The one other thing and I'll stop after this and I just want to briefly approach. We had some discussions on the House floor last week about the SEBAC protocol which is neither law nor rules, it's just sort of a custom. When it comes time to look at wages and working conditions, everything but health care and pension, again in 2021. Is there anything that you know of that demands that that particular protocol of, you know, in exchange for no layoffs, the various unions would be willing to look at changes? Is there anything that you know of that would impose that without question, any law, any rule?

MS. BROWN-BREWTON: No.

REP. LAVIELLE (143RD): Okay, thank you, I appreciate it. Thank you, Madam Chair.

SENATOR OSTEN (19TH): Thank you very much. I just want to make another statement for the record. Fae, is this a five-year contract?

MS. BROWN-BREWTON: Yes.

SENATOR OSTEN (19TH): Three zeros?

MS. BROWN-BREWTON: Three zeros.
SENATOR OSTEN (19TH): And out of the last ten years they've gotten two segments of raises?

MS. BROWN-BREWTON: Yes.

SENATOR OSTEN (19TH): Were managerial employees, those that were called managerial employees that did not meet the definition of manager because there is a statutory definition of manager. Did they have increased costs in health care while they were getting zeros and pensions?

MS. BROWN-BREWTON: Yes. They paid a higher premium cost share for their health insurance.

SENATOR OSTEN (19TH): Thank you very much. Representative Case.

REP. CASE (63RD): Thank you, Madam Chair. Good afternoon.

MS. BROWN-BREWTON: Good afternoon.

REP. CASE (63RD): A few questions and concerns. So, with this managerial team that's now coming into the bargaining unit, what is the change in their vacation or their time off?

MS. BROWN-BREWTON: Their vacation is now reduced. This group, if they had any vacation in excess of the 60 days maximum allowed under the contract, whatever they have, upon Legislative approval, that's their cap, that's their maximum. They can never go higher, they can never go to the 120 days previously enjoyed as managers.

REP. CASE (63RD): What is their yearly time off that they get from a manager to going into this unit?
MS. BROWN-BREWTON: It depends upon years of service and --

REP. CASE (63RD): Do they follow the SEBAC Agreement at the 45 days off between vacation and personal?

MS. BROWN-BREWTON: That -- each individual bargaining unit agreement has the terms with respect to vacation. Personal leave is statutory so they're incorporated with three PL days. Holidays are statutory, the 12 holidays are incorporated, yes. And the vacation, it depends upon years of service.

REP. CASE (63RD): So, what is this, I mean, the last one we heard last week was 45 days. Did this one, the negotiation come out with the 45 days?

MS. BROWN-BREWTON: Well, I'd have to look at the contract because I just don't know off the top of my head what this particular Bargaining Unit Agreement provides with respect to vacation and how many years you have to work to get to 15 days. I just don't know that off the top of my head. But we can get that information for you.

REP. CASE (63RD): But we're voting on it today.

MS. BROWN-BREWTON: Well, --

REP. CASE (63RD): Okay we'll move on, we'll move on. What is the base salary for these employees?

MS. BROWN-BREWTON: The base salary, their current rates are set forth in the tentative agreement. And so, for example, Dayton Tax Attorney 3 current salary MP 68 on a managerial pay plan and so his current rate is $104,596. That's his current annual base rate.
REP. CASE (63RD): And where does it go to under the Agreement?

MS. BROWN-BREWTON: It is subject to the general wage increases 3.5, 3.5 and the 2 percent incremental increases in the last 2 years.

REP. CASE (63RD): So, do you have that -- can you --

MS. BROWN-BREWTON: Do you have that, Greg?

MR. MESSNER: Yeah, I think I do.

MS. BROWN-BREWTON: Greg Messner. I'm going to --

MR. MESSNER: I have that here somewhere.

MS. BROWN-BREWTON: Defer to Greg on that question.

MR. MESSNER: Well, I have to add up some numbers. Let me try and do that in my head quickly. Approximately that $104,596 would go to about $116,000 by the end of 2021.

REP. CASE (63RD): So, basically about a $12,000 increase in salary until 2021, correct?

MR. MESSNER: That’s -- let me make sure I did my math right in my head. Yeah, approximately, that's correct.

REP. CASE (63RD): Wow. Not that people don't --

MR. MESSNER: Think 6 percent of a hundredish thousand is 6,000 and there's two of those.

REP. CASE (63RD): So, take it for numbers 12 times 6 employees so that's where your $80,000 number comes for the first year.

MR. MESSNER: The first year is not.
REP. CASE (63RD): Correct. It goes to fiscal '21 is the $80,000 when you add them all up.

MR. MESSNER: That's right. Correct.

REP. CASE (63RD): What's left in the RSA account, do we know?

MR. MESSNER: What's left in the RSA account this year?

REP. CASE (63RD): Is that where these dollars are coming from or is it coming out of general appropriations?

MR. MESSNER: Yeah, no. So, this comes out of the RSA account and these funds were budgeted, both the payment that will happen this year if this is approved is mostly that $2,000 one-time payment. Those were budgeted in the budget that passed for fiscal year '19 for all employees, so that money is available. In the Governor's budget proposal biennium, we budgeted an amount roughly equal to that SEBAC pattern for all employees. So, funds would be available in both years. Current year, I believe, there is a little under $100 million of RSA available between what was carried forward into this fiscal year and what was appropriated this fiscal year.

REP. CASE (63RD): Okay. And with that, just a couple of comments. In reading through it because when we got this sent to us, we only had about five sentences. So, now we're looking through it and seeing a little bit more today. You know, it's a minimal impact to the budget, so we're told, but to be honest with you, it's a big impact to the citizens of the state, especially those who are most
vulnerable and that's who I look out for. $12,000 to year 2021 can do a lot for CNA or a PCA or somebody who is taking care of our most vulnerable. Thank you for coming today.

SENATOR OSTEN (19TH): Thank you very much. Do you know, Fae, if the people that are in this bargaining unit are taxpayers?

MS. BROWN-BREWTON: Yes, they are.

SENATOR OSTEN (19TH): Oh.

MS. BROWN-BREWTON: They're citizens of the state, they're taxpayers.

SENATOR OSTEN (19TH): Citizens of the State of Connecticut?

MS. BROWN-BREWTON: Yes.

SENATOR OSTEN (19TH): Thank you very much. Any other questions for Fae? Heather. Senator Somers and somebody else down there that had a hand up too. Thank you.

SENATOR SOMERS (18TH): I just had a question for you quickly. I know that someone made the statement, I'm not sure if it was you, that the percentage is small, the increase percentage is small in comparison to the state budget which obviously the state budget is very large. But would you guys be able to tell me, if this were to pass, and what we have passed so far, when you add all of the employee's salaries and health care benefits together, what percentage cumulatively that is of the budget?

MS. BROWN-BREWTON: I'll refer to Greg.
MR. MESSNER: So, this agreement --

SENATOR Osten (19TH): I think we could ask OFA to do that, Senator Somers. They could get that around to us. Can you get us a percentage of the budget that $88,000 is please, thank you.

SENATOR SOMERS (18TH): That wasn't my question but I can ask OFA the question. The question was, if this passes along with what we have passed in some of the other agreements, do you guys have the totals of when we add it all together with all the employees and health care that the state is paying, what percentage in total that is of the budget? Only because we had brought up this was a small percentage of increase.

SENATOR Osten (19TH): So, just for clarification, Senator, they handle the Executive Branch Agreements. We've had Agreements here that are judicial that are not handled by this group, so they wouldn't have those numbers. So, if you want that total, we could go back to OFA and they could get us that total of all contracts that have passed the percentage of the budget. Excuse me everybody, excuse me, thank you.

So, if we want to get that total, because we passed contracts that are from different branches. So, they only handle the Executive Branch contracts. And so, we -- in order to get the total of what we have passed so far this year, we would actually need OFA or we would need a compilation of policy management and judicial.

SENATOR SOMERS (18TH): Okay, thank you. I just thought you might have that because you were negotiating this contract you might keep track of
it, that's why I asked. If not, we can get it from OFA. Thank you. Do you happen to have it?

MR. MESSNER: No, I don't. I don't have it today.

SENATOR SOMERS (18TH): Okay.

SENATOR OSTEN (19TH): Thank you. Representative Pavalock-D'Amato.

REP. PAVALOCK-D'AMATO (77TH): Thank you. Is Tax Attorney I the lowest level or the lowest level of attorney as far as this agreement goes?

MS. BROWN-BREWTON: It's the lowest level. It's the entry level for this group for that series, the job series.

REP. PAVALOCK-D'AMATO (77TH): Okay and what is -- what are the education requirements for that position? Education and/or experience requirements?

MS. BROWN-BREWTON: You must have a law degree and a license to practice in the state.

REP. PAVALOCK-D'AMATO (77TH): For Tax Attorney I is there any number of years required as far as experience?

MS. BROWN-BREWTON: I don't recall off the top of my head.

REP. PAVALOCK-D'AMATO (77TH): Is there an LLM that's required?

MS. BROWN-BREWTON: I'm sorry?

REP. PAVALOCK-D'AMATO (77TH): An LLM in tax? Is that required?

MS. BROWN-BREWTON: No.
REP. PAVALOCK-D'AMATO (77TH): Or is there a degree in accounting that's required?

MS. BROWN-BREWTON: No.

REP. PAVALOCK-D'AMATO (77TH): Thank you.

SENATOR OSTEN (19TH): Thank you. Are there any other comments or questions? Seeing none, thank you very much. Up next is John DiSette. Hi John, how are you?

MR. DISETTE: Doing all right.

SENATOR OSTEN (19TH): If you could just state your name for the record and then read your testimony for us.

MR. DISETTE: All right. I am John DiSette, I'm the President of A&R Employees Union. I did submit written testimony. I wasn't going to read it to you but I certainly can. I just really what I want to do is I want to open this up for any questions anyone may have. I just want to remind everyone that what we're talking about here is bringing six people into an existing bargaining unit. This was only impact bargaining. This was not renegotiating the entire contract, this was just really smoothing, taking people that were non-union and fitting them into the union box, the union rules. That's all we're really talking about here.

We do have six people, these are the lead attorneys for the Department of Revenue Services. These are the attorneys that uphold the laws, the regulations for the State Tax Code in the State of Connecticut, all right. So, that's what the Tax Attorney 1's, the 2's and the 3's are. They are our leading tax attorneys for the State of Connecticut, all right?
SENATOR OSTEN (19TH): Are there any comments or questions? Seeing none, oh, Senator Kushner.

SENATOR KUSHNER (24TH): Yeah, I just thought it might be helpful if you could tell us a little bit about why these folks decided to organize at this point and what brought them into the union.

MR. DISETTE: The classic question of why did they unionize? I guess the classic question is because unions work. You know, you'd have to get -- you'd have to ask them. I can characterize it for you but the fact of the matter is they recognize that they needed to band together. They needed to have a voice. They looked at the statues and they decided that they were going to get together, petition the Labor Board and see if they can unionize and they were successful in doing so.


REP. LAVIELLE (143RD): Thank you, Madam Chair. Good afternoon, thanks for being here.

MR. DISETTE: Sure.

REP. LAVIELLE (143RD): Did I understand correctly when I was going over this that these individuals are -- will be as long as they have enough service prior to, I think it was January 2018. They will be eligibility for longevity payments which they did not get when they were not in the union?

MR. DISETTE: Yeah, I believe it was July 1, 2017 was the date and yes, that is the case. Four of the six would be either currently are or will be eligible for longevity. The longevity is the chart that is already in our book which is, I think, was
established in 1977. The rates haven't changed since then.

REP. LAVIELLE (143RD): So, that gives them two longevity, provided they have ten years of service, am I correct?

MR. DISETTE: Correct.

REP. LAVIELLE (143RD): So, they get two payments per year that you add them up and there is something -- what's approximately the total of what they get per year out of that?

MR. DISETTE: Well, I can pull out the book and read it to you but you have ten years and then once you reach 15, it's a different number, it's a little higher, and then 20 years it's a little higher and 25 it's a little higher. I believe it starts at, I think, for this group maybe 244 per payment for ten years, I'm not exactly positive. It looks like it's 204.

REP. LAVIELLE (143RD): That’s twice a year.

MR. DISETTE: Twice a year so it's be 408, 409 perhaps.

REP. LAVIELLE (143RD): Okay. I'm looking at your testimony which I took the liberty of reading while you were talking.

MR. DISETTE: Why thank you.

REP. LAVIELLE (143RD): You've mentioned down near the bottom that the wage pattern that was negotiated would allow for a 2 percent merit increase annually contingent upon service rating results. Could you explain the service ratings to us?
MR. DISSETTE: Well, every year employees in the (P-5) Bargaining Unit are supposed to be rated based on four or five criteria. Quality of work, quantity of work, ability to deal with people, dependability, sometimes supervisory. As long as your service rating is a good service rating, you do get your annual increment.

REP. LAVIELLE (143RD): What are the gradations of rating? How -- what are the categories of rating?

MR. DISSETTE: There's five. Obviously, there's a top grade and then there's the low grade which would be unsatisfactory. So, it ranges from basically a 1 to 5 scale.

REP. LAVIELLE (143RD): And anything that is -- what are the conditions and I'm asking you this because we saw it in another contract earlier this session. Anything that is above unsatisfactory that is considered satisfactory, I guess and --

MR. DISSETTE: No, there's a second category, I apologize, should have let you finish your question, go ahead.

REP. LAVIELLE (143RD): Sure. What I'm trying to get at here is that in one of the prior contracts, I think, well, I think it was the judicial clerks and the public defenders and I know those are other units. But they had a satisfactory rating and an unsatisfactory rating, that was what they had. And if you had unsatisfactory for any longer than just a few months than you couldn't stay. But everybody else, if they got the satisfactory, that was deemed sufficient for a merit increase. So, is there a distinction in this system if you are simply working there and you haven't had anything that disqualifies
you from working, are you eligible for the merit increase?

MR. DISETTE: That's not exactly how I would phrase it but yes, as long as your service rating is satisfactory, you would qualify for an increment, yeah.

REP. LAVIELLE (143RD): So, there's no distinction in terms of performance. If you do really, really well, you don't get more and if you do pretty badly but not quite badly enough to be obsolete you still get it.

MR. DISETTE: No. You could actually be denied if you do what we call fair which is just above unsatisfactory. Unsatisfactory, you know where that goes, you mentioned it. But there's a category above that which is fair. If you get a couple of fairs' as well, you can be denied.

REP. LAVIELLE (143RD): Okay. All of the elements that are mentioned in here, there's -- we've got the 3.5, we've got the step increases and then we've got some one off's, plus sums and longevity payments. Which of those amounts are part of the calculation of an individual's salary for pension purposes?

MR. DISETTE: It depends on where you are and when you retire. There are things like lump sums, right. There's a 2.5 percent top step payment but that would only count if you get to the top step and that became part of your salary or your payment, right? It's the way whatever your highest three years is what counts as your pension. So, it depends on where you are when you retire. So, in you only got an increment, well you didn't get a lump sum payment
a lump sum payment wouldn't count towards your pension. It just depends on what you earn.

REP. LAVIELLE (143RD): And if you get these lump sum payments, say in your last three years before retirement, those count?

MR. DISETTE: Towards the pension calculation?

REP. LAVIELLE (143RD): Um-hum.

MR. DISETTE: Yes.

REP. LAVIELLE (143RD): And how far are these individuals away from retirement? I know they're all different but, I mean, you know, just as a -- there's not that many of them.

MR. DISETTE: Well, you know, I don't know their ages. I know generally about where they are as far as service but retirement is a combination of age and service. I can tell you there are a couple that are long time employees and a couple that are very new. In fact, one is only a couple of months in.

REP. LAVIELLE (143RD): Okay. I appreciate your answers, thank you.

MR. DISETTE: Sure.

SENATOR OSTEN (19TH): Senator Formica.

SENATOR FORMICA (20TH): Thank you very much, Madam Chair. Thank you, sir, and good afternoon. I had a question in relation to the line of discussion you just have with Representative Lavielle.

MR. DISETTE: Sure.

SENATOR FORMICA (20TH): In your testimony, you say a 2 percent merit increase. OFA and maybe the
question is more appropriate for OFA, calls it an annual increment. Are they the same or do you get a 2 percent annual increment plus a 2 percent merit?

MR. DISETTE: No, they would be the same, that's what the increments are if you earn it.

SENATOR FORMICA (20TH): Okay so my understanding of an annual increment is it's an automatic. You get a step, like the 3.1 percent that was agreed to in most of the framework of the previous SEBAC Agreement. That automatically happens, that's not based on merit, am I misunderstanding that?

MR. DISETTE: You are, I apologize for that. The 3.1 percent that was mentioned is not something that was negotiated in the SEBAC Agreement or nor was it negotiated in our contractual agreement. We have had steps in our -- in the A&R union since 1981. Those steps, there are, you know, generally about a 3.1 percent increase from step 1 to step 2 to step 3. Actually, it's not exactly flat so it's lower when you're newer and gets to be a little higher as you gain experience. As you get to step 7, 8 and 9, they're a little higher and they're a little lower when you are brand new. Those are the steps, those are the increments, they're synonymous, all right, so they are the same thing. So, we didn't negotiate a 3.1 percent increment, it's been that way since 1981.

SENATOR FORMICA (20TH): May I ask, are those automatically added to the paycheck every -- to the salary every year?

MR. DISETTE: It's based upon service ratings and based upon whether an increment is going to be allowed through negotiations.
SENATOR FORMICA (20TH): So, if the increment is allowed during negotiations, in this case it's 2 percent, on my sheet from OFA and in a case that you referred to since 1981 it's roughly 3 percent but changes with the pay scale, right?

MR. DISETTE: Yes.

SENATOR FORMICA (20TH): What I'm trying to get is that's not a merit increase. You don't have to do anything during the course of the year to prove or disprove whether you earned that. That's automatically in the contract and every year you get that annual increment. I just want to try to get the verbiage from annual increment and merit increase. That's where I'm going.

MR. DISETTE: Okay.

SENATOR FORMICA (20TH): That's where I'm going. I'm sorry if I'm ignorant on this.

MR. DISETTE: No, no, no, that's all right, that's all right, I'll answer it again. You need to get a satisfactory service rating to earn it. I call it merit, you could call it increment, you could call it a step. It's all resulting in the same thing but it's based upon -- it's predicated upon two things. One, that it's negotiated to allow it and two, that you get a service rating that qualifies you for it. If you don't, if neither of those conditions exist or if one of those conditions doesn't exist, then you will not get that 3.1 or in this case, a 2. Will not get it.

SENATOR FORMICA (20TH): Okay, perfect, thank you. So, I think I'm clear. You've negotiated the step increase so that part is out. The number then is
determined on a criteria that I think Representative Lavielle was trying to talk about that you are gauged by your work that you provide every year. And if you're deemed that you qualify and satisfy the requirements, that I think you outlined to her, you'll be entitled to this increment/merit increase which are one in the same.

MR. DISETTE: Slash step, yes.

SENATOR FORMICA (20TH): Slash step. Okay great. And then does anyone ever not get those?

MR. DISETTE: Well, of course.

SENATOR FORMICA (20TH): Okay great, thank you. I never knew that those were in the same thing. I appreciate your educating me on that. And one other question, Madam Chair, is that there's a cost share for health insurance as negotiated in the SEBAC Agreement, is that?

MR. DISETTE: Yes. Again, we were just moving people from non-union to union. We can't open up the SEBAC side of that for this.

SENATOR FORMICA (20TH): So, did the people that you're moving, in this case, the six, pay the same cost share that the union that they're moving into pays or was it a different rate?

MR. DISETTE: I believe it was different. I believe that the Legislature may have increased the non-union cost share to, I think, it was 18 percent a few years back. And then when they came into A&R, they took the union number which, you know, based on SEBAC 2017 is going to increase up to 16 percent over the next couple of years.
SENATOR FORMICA (20TH): So, part of the benefits of 2 percent reduction in their cost share for their health plan as being part of this union.

MR. DISETTE: Yes, yes. As well though, they did take some of the other hits as well. They did take the three furlough days that were part of the SEBAC Agreement. They also are paying 2 percent more for their pension, contributing 2 percent more for their pension plan as well.

SENATOR FORMICA (20TH): Thank you, thank you very much. Appreciate your patience. Thank you, Madam Chair.

SENATOR OSTEN (19TH): Thank you very much. Are they any comments or questions? Seeing none, thank you very much. Are they any -- is there anyone else that would like to testify at this public hearing? Is there anybody else that would like to testify at this public hearing? Is there anybody else that would like to testify at this public hearing? Seeing none, this hearing is closed. We will come back in 5 minutes for our Committee meeting.