The meeting was called to order at 10:00 am by Chairman, Sen. Osten C. S19.

The following committee members were present:

Senators: Bradley D. S23; Daugherty Abrams M. S13; Flexer M. S29; Formica P. S20; Hartley J. S15; Kushner J. S24; Lesser M. S09; Miner C. S30; Osten C. S19; Somers H. S18; Winfield G. S10

Representatives: Abercrombie C. 083; Baker A. 124; Betts W. 078; Bolinsky M. 106; Case J. 063; Currey J. 011; Dathan L. 142; Dauphinais A. 044; Dillon P. 092; DiMassa M. 116; France M. 042; Gibson B. 015; Gilchrest J. 018; Gonzalez M. 003; Haddad G. 054; Hall C. 059; Horn M. 064; Johnson S. 049; Kokoruda N. 101; Lavielle G. 143; Lemar R. 096; Mastrofrancesco G. 080; McCarty K. 038; Nolan A. 039; Pavalock-D'Amato C. 077; Perone C. 137; Petit W. 022; Porter R. 094; Reyes G. 075; Rosario C. 128; Rotella K. 043; Ryan K. 139; Simanski B. 062; Simms T. 140; Tercyak P. 026; Walker T. 093; Wilson D. 066; Winkler M. 056; Zawistowski T. 061; Zupkus L. 089

Absent were:

Senators:

Representatives:

Sen. Osten convened the meeting.

The meeting was recessed at 10:00 am to be reconvened following a caucus.
The meeting was reconvened by Sen. Osten at 10:48 am.


Sen. Osten asked the Committee for any discussion on the bill.

Rep. Lavielle noted that some members of the public had not been able to view the agenda for the committee meeting until mid-morning that day.


Rep. Lavielle questioned why $15 per hour is the number in question, as opposed to any other amount.

Sen. Osten replied that the number reflects a larger, nationwide movement.

Rep. Lavielle commented that Connecticut may differ from other states in that it is lagging in its economic growth. She also questioned how the dollar amounts that would be allocated to the Office of Policy and Management (OPM) for fiscal years 20/21 (assistance to providers that work with the state that would have to raise the minimum wage) were determined.

Sen. Osten replied that the dollar amount is based on the number of people that would be impacted by the minimum wage increase, and that this dollar amount was reviewed by the Office of Fiscal Analysis (OFA).

Rep. Lavielle further questioned whether agencies other than Human Services agencies were included in this.

Sen. Osten replied that around seven or eight state agencies are included.

Rep. Lavielle brought forth a question concerning the fiscal note, stating that the figures to be allocated to these state agencies for the first and second year are lower in the budget than in the fiscal note, questioning the cause of this discrepancy.

Sen. Osten replied that she believes there is no difference in these figures, noting that it may have been OFA doing a deeper dive. She also noted that non-partisan staff is used to check figures such as these.

Rep. Lavielle noted that in the fiscal note the figure for the third year is $17.9 million.

Sen. Osten replied that this figure is compounded.

Rep. Lavielle asked if those state employees included in the fiscal note are mainly seasonal or temporary.

Sen. Osten replied that many of these employees are young, age 18 or older individuals who work in the Passport to Parks program, many of whom are in college and/or working on a temporary basis.
Rep. Lavielle asked an additional question regarding the indexing of the minimum wage against the CPI – specifically, if this would prevent the legislature from having a voice in further discussion surrounding the minimum wage.

Sen. Osten answered that it would not, because although it is a mechanism to increase the minimum wage without legislative action, a member of the legislature can always seek to change current legislation.

Rep. Lavielle asked if the CPI had gone down at any time in recent memory.

Sen. Osten replied that she did not know, but that it generally remains flat.

Rep. Lavielle made further comments on the potential to be locked into fixed costs in the future and how this would be detrimental.

Rep. Zawistowski questioned how the bill might impact tourism and the restaurant industry – specifically, how the bill might increase tip credit.

Sen. Osten answered in the affirmative.

Rep. Zawostowski expressed her concern about the potential impact on tourism.

Rep. Case questioned how money might be set aside in order to reimburse nursing homes for the increased wages they would have to pay as a result of the bill.

Sen. Osten replied that this would require $23 million during years 1 and 2 of the budget.

Rep. Case expressed his concern about the potential cost for nursing homes to raise the minimum wage for their employees.

Sen. Osten replied that the issue of nursing homes hadn’t yet been dealt with.

Rep. Case questioned how many individuals would potentially lose their state benefits because they would be making more due to the increase in minimum wage.

Sen. Osten replied that this issue would be an ongoing discussion.

Rep. Case put forth a question concerning how the I/DD community (those with intellectual and developmental disabilities) would be affected by this increase in the minimum wage.

Sen. Osten stated that she did not believe that this had been calculated into the fiscal note, and that she was not yet quite certain.

Rep. Case also stated his concern regarding the impact of this bill on the camps in his district, and would be looking forward to further conversation.
Rep. Porter made a few comments about the bill, including how the I/DD community would not be impacted by this bill. She also commented on the discriminatory origins of the tip wage system and that these and other workers should be paid more, citing various studies and statistics.

Rep. Bolinsky questioned how those workers who currently make approximately $15 per hour might be impacted by the bill.

Sen. Osten stated that there would not be a compression issue on the public side, and that the necessary data from the private sector could not feasibly be obtained in order to do an actuarial study on that side.

Rep. Bolinsky stated his concern regarding the impact that the bill might have on youth or student jobs, as well as his concern for the impact on home health care agencies and the impact on aging in place.

Sen. Osten stated that it is difficult for state government to get the numbers from private businesses in order to analyze the compression issue, as businesses are not required to report to the state on the number of people they employ and the salaries of these employees.

Rep. Bolinsky stated that perhaps the unintended consequences of the bill had not yet been fully thought through.

Rep. Abercrombie expressed her support for the bill, commenting that individuals such as CNAs cannot survive on $10 per hour, and if they are paid a living wage they would not have to work multiple jobs.

Rep. Dathan expressed her support for the bill, stating that she would be looking forward to further discussion regarding the timeline of implementation as well as the impact on the I/DD community, tip wage workers, and others.

Rep. Mastrofrancesco questioned how many currently vacant state level minimum wage positions were included in the fiscal note.

Sen. Osten replied that this allocation is mainly for sessional and seasonal workers. She also stated that other state employees working at the minimum wage level are mainly employed in the Department of Environmental Protection and the Department of Agriculture.

Rep. Mastrofrancesco questioned how tip workers would factor into this bill, and if the CPI adjustment would affect tip workers.

Sen. Osten responded that any change would impact tip wage workers.

Rep. Mastrofrancesco further commented on her concerns regarding tip-based workers, such as potential loss of jobs and customers paying more at restaurants.

Rep. Rotella stated that she would support the bill, and that further discussions would need to take place.
Rep. Kokoruda questioned how the I/DD community might be impacted by the bill – specifically, in the context of the sub-minimum wage certificate. She stated that this topic came up in a public hearing.

Sen. Osten replied that the sub-minimum wage is not addressed in the bill.

Sen. Osten asked the Legislative Commissioner’s Office (LCO) if the bill would affect the sub-minimum wage.

Nick Bombace of LCO stated that he would consult with the Office of Fiscal Analysis (OFA).

OFA stated that the bill would eliminate the ability of an employer to pay learners or those under age 18 85% of the minimum wage.

Rep. Tercyak stated that no provision in the bill would change the federal exemption regarding the sub-minimum wage.


Rep. Kokoruda stated that issues with the bill regarding the I/DD community would need to be addressed.

Rep. Zupkus questioned if DDS has a client who then works with a nonprofit, if that nonprofit would then go by the $15 per hour standard.

Sen. Osten replied that DDS had already been taken care of, and thus was not in the fiscal note.

Rep. Zupkus asked how the Department of Mental Health and Addiction Services (DMHAS) would be affected.

Sen. Osten replied that the Medicare and Medicaid reimbursements would need to be changed.

Sen. Somers expressed her concern that the bill is still a working, incomplete document. She commented on the negative impact this bill might have on tourism, particularly the restaurants in her district. She further stated that other states that raise the minimum wage have thriving economies, unlike Connecticut.

Rep. Case requested clarification from LCO about the DDS wage.

Sen. Osten asked LCO to respond.

Nick Bombace of LCO stated that he would follow up with OFA.

Emily Shepard of OFA responded that the $14.75 per hour wage only applies to DDS and DSS.

Christina Gellman of OFA responded that in the previous session, Special Act 18-5 had increased the wage to $14.75 per hour for DDS.
Sen. Osten asked if Rep. Case could further communicate with the DDS community in his district regarding this issue.

Rep. Case further stated the concern of those families affected by I/DD.

Rep. McCarty stated that there are flaws in the proposal, and while well-intentioned, the bill could do harm to seniors in the context of the Medicaid reimbursement rate.

Emily Shepard of OFA stated that the office is still reviewing this issue. She further stated that this issue may fall outside of the minimum wage issue.

Sen. Miner expressed his concern that no changes were made to the bill after it was voted out of the Labor & Public Employees Committee. He described hearing public testimony on the ramifications of the bill in that committee, and the potential negative impact on municipalities as well as summer camps. He then stated his intent to oppose the bill.

Rep. Walker stated that in the context of the cost of living in Connecticut, an individual would have to make $19.08 per hour in order to comfortably get by. She further stated that quality of life should be afforded for all, and that the conversation needs to continue. She said that she would be supporting the bill.

Sen. Formica expressed some concerns surrounding the small business community regarding the bill, stating that the bill should be adjusted for the tip credit as well as for the beginner and under-18 workers.

Sen. Formica offered an amendment to the bill (Amendment A).

Sen. Osten requested a copy of that amendment.

Sen. Formica described that Amendment A proposes to eliminate certain brackets in the bill so that the rates for beginners and learners may be lower.

The motion for Amendment A was seconded by Rep. Betts.

Sen. Osten asked if there was any discussion on Amendment A.

Rep. Petit expressed concern from his district regarding the cost of the bill, and that the amendment would go a long way in protecting municipalities.

Sen. Hartley commented on the amendment, stating that most legislators would like to support a minimum wage bill, but many factors must be taken into consideration. She asked if the bill’s projected impact on the state budget had been assessed.

Sen. Osten replied that the fiscal note does not address the cost of the bill.

Sen. Hartley stated that this bill proposes a greater increase in the minimum wage than in years past, and that this bill must be a part of the conversation of where Connecticut is as a state. She stated that she would like to vote for an increase in the minimum wage bill but would also be supporting the amendment.
Rep. Walker stated that it was not the appropriate time for an amendment, and asked her fellow legislators that they oppose the amendment.

Sen. Miner stated his support for the amendment and urged his fellow legislators to also support the amendment.

Rep. Lavielle stated her support for the amendment.

Rep. Walker stated that discussions regarding the minimum wage would continue.

Rep. Dathan expressed her agreement with Rep. Walker, and that she would be voting “no” on the amendment.

Rep. Case stated that he would be supporting the amendment, and further stated that the House of Representatives would be voting on the bill the following day, at which time there would be further opportunity for discussion.

Rep. Betts stated his support for the amendment, and that he would like those who gave testimony to be heard.

Sen. Miner stated that he would like to expand on Rep. Case’s previous comment regarding discussion of the bill in the House of Representatives. He questioned where there would be opportunity for dialogue about changes to the bill before then.

Sen. Osten stated that she had not yet spoken with the House Speaker and thus did not know the answer.

Sen. Miner asked if the vote in the Appropriations Committee wouldn’t be the end to the conversation surrounding the bill.

Sen. Osten answered that yes, the vote that day would not be the end of that conversation.

Sen. Osten asked the Administrator for a roll call vote on Amendment A.

The Administrator called the roll and Amendment A failed, with 20 voting yea, 29 voting nay, 1 abstaining, and 1 absent and not voting.

Sen. Formica made a closing comment on Amendment A and the importance of small businesses.

Rep. Hall questioned whether the bill took into consideration those students employed at state colleges.

Sen. Osten called on OFA to answer this question.

OFA pointed out the section on page seven of the fiscal note that concerns higher education.

Rep. Hall commented on the potential municipal impact of the bill, reading from the fiscal note the impact on different sized municipalities.
Rep. Johnson stated that she would like to align her remarks on the bill with those of Rep. Walker. She further stated that the bill could potentially help individuals to move out of homeless shelters into apartments, and that homelessness is a particularly pressing issue in her district.

Rep. Nolan expressed his support for the bill, and the potential for the bill to aid in the closure of the gap between the “haves” and the “have-nots”. He also stated that he would be looking forward to further communication regarding the bill.

Rep. Wilson stated that he would not be supporting the bill, and reflected on some of Sen. Formica’s prior comments on small businesses.

Rep. Lavielle reflected on some of Rep. Walker’s prior comments on improving the quality of life for all. She offered an amendment to the bill (Amendment B). The motion was seconded by Rep. Case. Amendment B would strike the word “effective” from line 23, strike lines 24-35, and strike the phrase “immediately following” from line 36.

Sen. Osten asked if there were any comments regarding Amendment B.

Rep. Lavielle further commented on the state being held back and her support for the amendment.

Rep. Wilson expressed his support for Amendment B.

Sen. Hartley expressed her support for Amendment B and stated that the proposal addresses the issue that the bill must be examined in the context of the current state of Connecticut.

Rep. Walker expressed her opposition to the amendment, and stated that Connecticut may be lagging behind because of the existence of the “haves” and have-nots” in the state.

Rep. Dauphinais questioned the impact that the bill may have on the elderly – that other costs will go up while they are on a fixed income.

Sen. Osten asked the Administrator for a roll call vote on Amendment B.

The Administrator called the roll and Amendment B failed, with 20 voting yea, 30 voting nay, 1 abstaining, and 0 absent and not voting.

Rep. Lavielle made a closing comment on Amendment B.

Sen. Kushner offered a clarification by reading aloud the section of state statute that describes the exemption of summer camps from the increase in minimum wage. She also expressed her agreement with Rep. Walker’s prior comments.

Rep. Zupkus read aloud an email from a business in her district that opposes the bill. She also expressed her concern about an increase in the minimum wage.

Rep. Pavalock-D’Amato stated that she would be voting “no” on the bill and offered a personal anecdote on her experience as a small business owner and how this increase in the minimum wage would be detrimental to her business and others.
Sen. Osten stated that she appreciated the comments on the bill and that it would continue to be a work in progress, with the need to take small restaurants into consideration.

Sen. Osten asked the Administrator for a roll call vote on H.B. No. 5004 (COMM) (File No. 267) AN ACT INCREASING THE MINIMUM FAIR WAGE. (As amended by House Amendment Schedule "A"). (LAB,APP)

Sen. Hartley asked for a point of information, specifically as to whether the roll call vote was on HB-5004.

Sen. Osten answered Sen. Hartley’s question in the affirmative and asked that the roll continue to be called.

The Administrator called the roll and H.B. No. 5004 (COMM) (File No. 267) AN ACT INCREASING THE MINIMUM FAIR WAGE. (As amended by House Amendment Schedule "A"). (LAB,APP) received a Joint Favorable action, with 32 voting yea, 19 voting nay, 0 abstaining, and 0 absent and not voting.

Sen. Osten announced that the votes would be kept open until after the second bill on the agenda was called and voted on.


Sen. Osten sought comment on the bill and, seeing none, asked the Administrator for a roll call vote.

The Administrator called the roll and Substitute for S.B. No. 893 (RAISED) (File No. 230) AN ACT CONCERNING A PILOT PROGRAM FOR HEMP PRODUCTION. (As amended by Senate Amendment Schedule "A"). (ENV,APP) received a Joint Favorable action, with 51 voting yea, 0 voting nay, 0 abstaining, and 0 absent and not voting.

Sen. Osten announced that the votes would be kept open until the start of session in the House of Representatives.

A motion was duly made and seconded to adjourn the meeting.

The meeting was adjourned at 1:45 pm.

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Susan Keane                     Caroline Costa
Administrator                   Committee Clerk