

Appropriations Committee JOINT FAVORABLE REPORT

Bill No.: HB-5047
AN ACT IMPLEMENTING THE GOVERNOR'S RECOMMENDATIONS FOR
Title: GENERAL GOVERNMENT.
Vote Date: 4/4/2024
Vote Action: Joint Favorable Substitute
PH Date: 3/15/2024
File No.:

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SPONSORS OF BILL:

Governor Lamont

REASONS FOR BILL:

The bill implements the Governor's general government budget adjustments for FY 25.

The Appropriations Committee made several changes to the bill:

Sections 1 – 13 were deleted. The sections proposed reconstituting the CT Port Authority (CPA) as the CT Maritime Authority (CMA) and making the CMA a subsidiary of the CT Airport Authority. It was determined that the more prudent action was to wait to make the proposed change until new leadership is established at the CT Airport Authority. In the interim, substitute language was added to require the CPA to submit quarterly reports to the Appropriations and Transportation Committees.

Sections 18 – 19 were deleted. The language would have made changes to the School Construction process.

Sections 20, 25 – 28, and 30 were deleted due to insufficient information regarding the need for the changes.

Section 24, which sought to add an exemption from disclosure of public records, was deleted due to input from the Freedom of Information Commission.

In addition to the CPA quarterly reports, new language was adopted as follows:

- Requiring OPM to review the state contracting process – Concerns have been raised in recent years by nonprofits that the contracting system is wrought with inefficiencies that result in contract delays, which then results in payments to contractors being delayed. Many nonprofits have been forced to "float" the cost of the programs by tapping into their lines of credit or their reserves to ensure continuity of services.
- Creation of a Higher Education Financial Oversight Committee – The state's colleges and universities have experienced severe financial challenges over recent years. The oversight committee will allow for legislative review and evaluation regarding the financial status of the state's public higher education system.

RESPONSE FROM ADMINISTRATION/AGENCY:

[Jeffrey Beckham, Secretary, Office of Policy and Management](#) – Secretary Beckham offered extensive testimony in support of the bill (please see link to the testimony)

[Colleen Murphy, Executive Director, Freedom of Information Commission](#) – Ms. Murphy spoke in opposition to Section 24 of the bill. She believes that the language was proposed in response to a recent State Supreme Court ruling that ordered the disclosure of police reports, absent personally identifiable information, about patient deaths in 2016 at the Whiting Forensic Division of Connecticut Valley Hospital. She asked the Appropriations Committee to consider the following:

- As drafted, Section 24 would not guarantee a different result for DMHAS, the Whiting police department, or any other public agency that may wish to claim "covered entity" status under HIPAA's privacy rule. The Supreme Court declined to even consider whether the agency or its police department fits that definition, and this bill does not expressly grant such status.
- The position adopted by the Connecticut Supreme Court is in accord with courts across the country (Nebraska, Ohio, Oregon, Texas), ruling that HIPAA does not act as an exemption to state FOI laws requiring records disclosure.
- If a public agency wishes to raise confidentiality exemptions for records containing health-related information, there are existing mechanisms in the FOI Act (e.g., the personal privacy exemption in Conn. Gen. Stat. § 1-210(b)(2)).
- Most importantly, the Supreme Court's decision strikes the right balance between the public's right to know and patient privacy. The ruling allows the public to view investigation records that reveal how the state polices itself, while simultaneously shielding the identity of the patient placed in the state's custody.

[Michelle Gilman, Commissioner, Dept. of Administrative Services](#) – Commissioner Gilman offered testimony in support of Section 17, which would permit full-time permanent employees in the State service, including those serving a working test period, to earn and use that vacation leave and personal leave, as approved by their supervisor. She believes that this is a "common-sense adjustment to the State's overall leave benefit offering", as the State continues to face a "persistently challenging job market". Commissioner Gilman shared that the proposal is responsive to feedback from State agency heads who have expressed

concern that the current language in Sec. 5-250 regarding vacation and personal leave has been a hindrance to their efforts in building leadership teams with talent from outside of State service. She sees the language as helpful to the State's overall recruitment and retention efforts.

[Kevin Dillon, Executive Director, CT Airport Authority](#) (CAA) – Mr. Dillon testified regarding Sections 1 – 13, which would have established the CT Maritime Authority (CMA) as a successor quasi-public agency to the CT Port Authority (CPA) and would have made the CMA a subsidiary of the CT Airport Authority (CAA). Mr. Dillon explained OPM approached the CAA regarding the potential merging of the two authorities to help the CPA gain access to more resources, both from organizational capacity and staffing perspectives. The CAA assisted in the drafting of the language to ensure that the finances and liabilities of both authorities would remain separate and distinct in order to comply with federal revenue diversion guidelines. He stated that the bill establishes those protections to ensure that the merger would comply with federal law. Based on the language proposed in HB 5047, Mr. Dillon feels that the CAA would be capable of incorporating these functions and assisting the new Maritime Authority to perform its duties "to the highest extent possible". He added that "to be successful, this initiative must not detract from the work being done to maximize the CAA's aviation assets and perform its aviation regulatory functions". He shared that attention was paid in the drafting of the language to minimize disruption to aviation activities.

NATURE AND SOURCES OF SUPPORT:

[Paula Cofrancesco, First Selectwoman, Town of Bethany](#) – Ms. Cofrancesco submitted testimony in support of Section 15 of the bill, which increases the maximum grant that a municipality may receive under the Small Town Economic Assistance Program (STEAP). She wrote that increasing the grant amount from \$500,000 to \$1 million is long overdue and would be extremely helpful to small towns in addressing local economic and community development needs.

[Ryan Curley, First Selectman, Town of Portland](#) – Mr. Curley submitted testimony in support of increasing the STEAP grant. He shared that Portland was recently awarded a STEAP grant to replace asbestos cement water mains on a main town road. Without the grant the community would not have been able to fund the project. He wrote that by increasing the maximum grant award amount to \$1,000,000, towns such as Portland will be able to double the scope of critical projects.

[Tracey Hanson, First Selectman, Town of Voluntown](#) – Ms. Hanson submitted testimony in support of the STEAP increase. She wrote that Voluntown has received several STEAP grants over the years that have used for small, yet highly needed, projects. Increasing the grant maximum award to \$1,000,000 would allow small towns to take on larger projects that these municipalities currently cannot afford to do on their own. Additionally, Ms. Hanson requested that consideration be given to the "municipality's proportionate share of such grant". She explained that it is harder for a municipality to have that proportionate share with a larger grant award, and it would be beneficial to allow other grants to be part of the municipality's proportionate share.

[Betsy Gara, Executive Director, Council of Small Towns \(COST\)](#) – Ms. Gara submitted testimony in support of increasing the STEAP grant. She explained that the grant program was established in 2001 to mirror the Urban Act program. Given the increase in the cost of construction in the 23 years since the inception of the program, she believes that increasing the eligible grant amount to \$1 million is long overdue. Ms. Gara also noted that awards under the Urban Act are not capped.

[David Kooris, Board Chair, Connecticut Port Authority](#) – Mr. Kooris wrote that he has worked closely with senior members of the Lamont administration to build the capacity necessary to achieve the CT Port Authority's mission. He shared that from the start, it was recognized the Port Authority would only ever grow to be an organization of limited size and would inevitably be dependent on external support to piece together the complete team and administrative apparatus to reach its goals. Working most closely with OPM, we have hired a small, but excellent staff team, adopted the policies and procedures that subsequently governed the procurement of external consultants to supplement staff expertise (e.g. legal, IT, communications), and entered into multiple Memorandums of Agreement with other quasi-public and state agencies for other support roles (e.g. HR, construction procurement). For years, we have brainstormed as to whether there might be a way to consolidate this support and enable the Port Authority to rely on one entity to fill these roles that couldn't be directly performed by its limited staff. I commend the Governor for continuing to demonstrate his support for the Port Authority and continuing to proactively propose solutions to the challenges of governance that are so important to achieving the objectives of government. This proposal is a clear sign of his continued leadership regarding the Port Authority's future. I am also proud of the fact that the financials and operations of the Port Authority are unquestionably sound, putting the organization in a position to be considered to be taken on by another entity without serious concern. I view this as a testament of the hard work of the Board and staff over these last several years. While details will certainly evolve over the remainder of this legislative session and the coming years to ensure that the priorities of the Maritime industry are heard, and advanced even within a larger organization, capitalizing on the depth of operational expertise of a large and established quasigovernmental entity while maintaining the Port Authority's existing staff and a level of independence makes the Airport Authority a logical partner for the Port Authority.

NATURE AND SOURCES OF OPPOSITION:

[Francine Coss, Superintendent, Thomaston Public Schools](#) – Superintendent Coss submitted testimony in opposition to the cap to the school construction projects proposed in the bill. She wrote that limiting the priority school list to \$500 million annually would "considerably affect the ability of municipalities to access important school construction resources". Ms. Coss shared that the condition of most schools in the State, especially in small towns where new construction costs are "out-of-reach" for taxpayers, would become exponentially worse with a cap on school construction funding.

[Patrice McCarthy, Executive Director, CT Association of Boards of Education](#) – Ms. McCarthy submitted testimony in opposition to the school construction changes proposed in Sections 18 and 19. She wrote that the process of building or renovating school facilities is long with many hurdles, local legislative approval among them. If the district was held back because a number of large projects are already in line ahead of them, she feels it would be "slap" to a

district having met all of the criteria. Ms. McCarthy shared that when increases in enrollment and buildings beyond repair dictate new or renovated projects a district can no longer wait to make necessary changes to structures so as to be able to provide a quality education. She finds the cap of \$500 million to be arbitrary and believes that it would create a potential backlog of eligible projects for years to come.

[Jennifer Jacobson, Fairfield Board of Education](#) – Ms. Jacobson submitted extensive testimony outlining her opposition to the Sections 18 and 19 regarding school construction (please see link to Ms. Jacobson's testimony).

[Jen Kawecki, Executive Director, CT Marine Trades Association](#) – Ms. Kawecki expressed concern regarding the proposed changes to the CT Port Authority. She stated that the Connecticut Port Authority (CPA) serves as the main conduit to the state's maritime economy and commerce. The recreational boating sector, with our marinas and water-dependent businesses, is a significant part of that. She believes that subsuming the CPA into the Connecticut Airport Authority could lose that "laser focus". Further, Ms. Kawecki expressed concern regarding the ability of the Connecticut Airport Authority (CAA) to take on responsibilities regarding the CPA given the responsibilities the CAA has for ensuring the safe and cost-effective operation of Bradley International Airport and five general aviation airports. She shared that CPA has been designated as the lead entity to develop a plan with the U.S. Army Corps of Engineers to enable dredging in the State's waterways, harbors and marinas. Without dredging, she stated that the maritime economy will "come to a screeching halt". Ms. Kawecki added that she does not believe that this is the time to turn this vital matter over to an entity that has little or no interest or expertise in it.

[Gaffney Feskoe](#) – Regarding the proposed reconstitution of the CT Port Authority, Mr. Feskoe wrote the proposal "seems misguided" and that he sees no compelling reason to enact the change. He cited several achievements of the CPA that he believes shows that the current structure works effectively. Mr. Feskoe added that should the bill pass, he would recommend that a subsidiary board of directors to the CT Airport Authority be created that would be dedicated to maritime affairs.

[Michele Jacklin, Legislative Co-Chair, CT Council on Freedom of Information \(CCFOI\)](#) – Ms. Jacklin submitted testimony in opposition to Section 24. In her testimony, she provided background regarding the original request for information submitted by a Hartford Courant reporter and the subsequent court rulings. On behalf of the CCFOI, Ms. Jackling expressed the concern that the proposed language represents "an end-run around the Supreme Court ruling", which her organization believes to have been the correct and appropriate ruling in deciding the public's right to know. She further stated that the public's right to know should "trump a governmental agency's attempt to conceal misconduct by its staff."

Reported by: Susan Keane

Date: 4/12/24