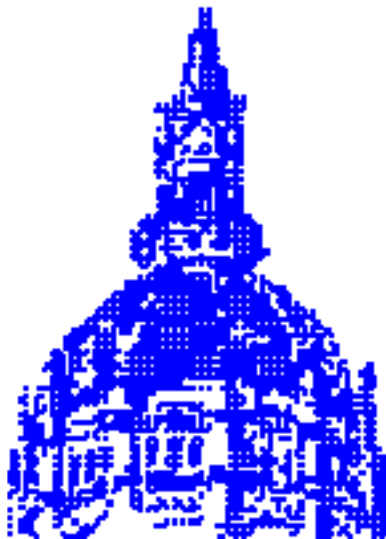


Office of Legislative Research  
Connecticut General Assembly



# OLR MAJOR ISSUES

## Major Issues for 2006



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## **TO OUR READERS**

Every year, legislative leaders ask the Office of Legislative Research (OLR) to identify and provide brief descriptions of important issues that the General Assembly may face in the coming session.

This report represents the professional, nonpartisan views of staff in OLR, the Office of Fiscal Analysis (OFA), and the Legislative Commissioners' Office (LCO) of possible upcoming legislative issues. It does not represent staff suggestions or recommendations. We identified issues based on interim studies; research requests; non-confidential discussions with legislators, other legislative participants, and executive branch agencies; and subject matter knowledge.

OLR compiled this report on the major issues for the 2006 session in consultation with OFA and LCO. Except for the Appropriations Committee issue description, which was provided by OFA, the issue descriptions below were written by OLR analysts.

We list the issues according to the committee in whose jurisdiction they primarily fall. Since more than one committee may consider aspects of the same issue, descriptions may overlap. Please contact OLR for additional information about these or other potential issues.

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## **AGING**

### ***Response to Medicare Prescription Drug Law***

The federal Medicare Part D prescription program allows Medicare beneficiaries to enroll in private, federally subsidized prescription-only plans or in a Medicare HMO that covers drugs.

In 2005, the General Assembly passed several pieces of legislation to (1) coordinate the new federal drug benefit with our state's Medicaid program and the state-funded ConnPACE program, which helps lower-income seniors and disabled people who are ineligible for Medicaid pay their prescription drug costs, and (2) fill in the gaps in the federal program for these beneficiaries. Currently, as a result of the state legislation, the Department of Social Services (DSS) is planning to provide coverage for ConnPACE and Medicaid recipients for expenses that Medicare Part D does not pay. The department has also committed to paying full premiums for ConnPACE recipients up to December 31, 2006 and will automatically enroll people who do not choose a plan for themselves in an appropriate plan. ConnPACE recipients will be responsible for the usual ConnPACE maximum copay and annual registration fee. Under the state legislation,

full benefit Medicare-Medicaid eligible people will not have to pay the minimal federal co-pay they would otherwise have been subject to. The General Assembly may want to monitor implementation of the program to see what the difficulties will be, and whether additional modifications to state law are needed.

### ***Long-term Care Issues***

The legislature may continue to explore ways to help people stay out of nursing homes and other institutions. Some proposals may increase the number of people who receive long-term care in their own homes. Other proposals may address quality of care and staffing ratios in nursing homes. A related issue is finding resources for a legislatively required, but so far unfunded Connecticut-specific comprehensive long-term care needs assessment to aid in preparation of the next Long-Term Care Plan, due in January 2007.

### ***Department on Aging***

PA 05-280 re-establishes a Department on Aging as of January 1, 2007. The act transfers the functions, powers, duties, and personnel of the DSS Division of Elderly Services to the Department on Aging. It also

establishes a 20-member task force to study the department's reestablishment and the act's provisions. The task force must make recommendations on further revising the statutes and other necessary or advisable changes by February 15, 2006 to the Aging Committee. The work of the task force could result in additional legislative proposals.

### ***Elderly Property Tax Relief***

Last session, the legislature failed to enact SB 63, which would have allowed municipalities, at their own option and without state reimbursement, to freeze the real estate property taxes of homeowners age 80 or older who have annual incomes of \$27,100 or less (\$33,000 for married couples). The bill also would have allowed towns to impose their own asset limits for eligibility and to place liens on the property. Similar proposals may be advanced in the 2006 session.

## **APPROPRIATIONS**

### ***Potential State Budget Adjustments***

Recent estimates indicate projected General Fund surpluses of \$524.5 million in FY 06 and \$497 million for FY 07 due to Personal Income Tax collections that are higher than were anticipated when the original biennial budget was passed. During the 2006 session,

the governor and legislature will negotiate whether the surplus will remain unappropriated and be deposited in the Budget Reserve (Rainy Day) Fund, or be intercepted in advance for other purposes.

The surplus amounts may change if: (1) the governor declares an emergency or extraordinary circumstances allowing the spending cap to be exceeded by any additional appropriations of anticipated surplus, which requires legislative approval by a three-fifths vote; (2) there are technical or policy alterations to the current biennial budget during the 2006 session; (3) the level of currently estimated deficiencies grows, including additional state funding for emergency heating home assistance; (4) revenues continue to grow or are adversely affected by any deterioration in economic conditions; or (5) arbitration awards or collective bargaining agreements are submitted and approved by the legislature or become effective in the absence of legislative rejection.

Of the 32 collective bargaining contracts, 12 (covering approximately 50% of General Fund state employees) are settled and funded through the current biennium. Currently there are 20 unsettled contracts (one from FY 05, eight more in FY 06 and 11 more in FY 07) that could require additional funding during the current biennium. Assuming a one-year wage freeze for any

unsettled contract that has not experienced a wage freeze in recent years, an additional \$4 million in FY 06 and \$43 million in FY 07 may be required.

The extent to which agency budgets and the Reserve for Salary Adjustments account can absorb any of the increases that may occur during the current biennium is uncertain at this time. Some level of additional appropriation may be likely and will ultimately depend upon (1) the number of unsettled contracts or arbitration awards submitted for approval before the end of the current biennium and (2) whether any include wage concessions similar to those in agreements already approved.

The FY 07 projected surplus figure assumes some level of technical current services changes including cost/caseload adjustments, costs associated with collective bargaining contracts that may be approved, and the need to increase future appropriations to reflect FY 06 deficiency needs rolled forward.

The amounts of anticipated surplus that remain unappropriated will be deposited in the Budget Reserve ("Rainy Day") Fund. It is anticipated that the state comptroller will close the books on both FY 04 and FY 05 by December 31, 2005 and that the combined surplus from each of these years could approximate \$605.6 million. This figure would represent the amount deposited in the Budget Reserve Fund which previously

contained a zero balance because the prior total of \$594.7 million was exhausted when it was transferred to partially cover the \$817.1 million deficit in FY 02. The maximum allowable in the Budget Reserve Fund is 10% of the amount of the net General Fund appropriations for the fiscal year in progress. With net General Fund appropriations for FY 06 totaling \$14,131.7 million, the maximum allowable in the Budget Reserve Fund is \$1,413.2 million or \$807.6 million more than potentially deposited, assuming that a full \$605.6 million surplus is realized from both of the prior fiscal years.

## **CHILDREN**

### ***Speeding Up Foster Care Adoptions***

A taskforce of legislators, agency representatives, and advocates held hearings throughout the state to identify strategies to reduce the time it takes to finalize adoptions for children in foster care. The Select Committee on Children is expected to propose several bills addressing this issue.

## **COMMERCE**

### ***Assuring Connecticut's Competitive Edge***

Connecticut stacks up well against other states on most economic indicators, but recent studies suggest that it will lose



its competitive edge in the future. Some of the trends threatening the state's economic future include: an aging population, businesses that add jobs more slowly than those in other states, an expanding service sector that has yet to capitalize on cost-cutting technology, and a drop-off in science and engineering graduates. Consequently, legislators may reassess current economic and workforce development plans and programs.

### ***Defense Cuts***

Connecticut initially escaped job losses in 2005 when the federal Base Realignment and Closure Commission took the Groton submarine base off the list of proposed military base closings. However, southeastern Connecticut was jolted last fall when Electric Boat announced it would lay off about 2,400 workers in 2006. These events show how much the state depends on defense manufacturing, a condition that could trigger legislation to help spawn new businesses and train workers for new, high-paying jobs.

### ***Stimulating Economic Growth***

Manufacturers must acquire the latest production technologies to boost productivity and offset the higher costs of doing business in Connecticut. But property taxes, the principal

source of municipal revenue, could be discouraging them from upgrading their plants. As a result, the legislature may consider eliminating the property tax on manufacturing machinery and equipment, and reimbursing towns for the resulting revenue loss.

Many economists argue that the high cost of doing business in the Northeast also discourages businesses from adding jobs and expanding payrolls. Maine, Massachusetts, and New Jersey try to mitigate this problem by giving rebates to businesses based on a portion of the income tax they withhold from employees holding new jobs. The legislature may consider these or similar job creation incentives.

### ***Delivering Economic Development Programs and Services***

The myriad of federal, state, and local agencies offering economic development services make it hard for businesses to identify, obtain, and package these services. Florida and Virginia address this problem by creating public-private partnerships to market their economic development programs. Other states rely on regional planning organizations to deliver services and fund projects. Given these trends, the legislature may consider new ways to organize and deliver economic development programs.

## **EDUCATION**

### ***No Child Left Behind and School Accountability***

As more schools face sanctions under the federal No Child Left Behind law for failing to make enough annual progress toward reading and math proficiency for all students, the state will be required to provide students at those schools with remedial help and alternative programs. Possible sanctions include: (1) closure and reconstitution as a public charter school, (2) replacement of most or all staff, (3) takeover by private management, (4) state takeover (if allowed by state law), or (5) some other fundamental reform.

To address achievement deficits the General Assembly may consider proposals to increase the number of spaces in school readiness programs for low-income children in inner cities, raise the quality of those programs, and provide more and better pre-school facilities. Other likely proposals include increased financial aid to cities to support new teachers and financial incentives to both retain good teachers at, and attract highly qualified teachers to, schools in priority districts. The state also may be asked to help pay for programs to extend the school day or year at failing schools.

Finally, there may be requests to change state laws to allow or facilitate state takeovers of failing

schools or school districts, or the reconstitution of failing schools as charter schools.

### ***Interdistrict Magnet Schools***

PA 05-245 establishes an 18-member task force to study interdistrict magnet schools. The task force must: (1) examine interdistrict magnet school per-pupil expenditures and compare such expenditures to the state-wide average local and regional school district per pupil expenditure, (2) evaluate the adequacy of state grants for the operation of interdistrict magnet schools and transportation grants, (3) study standard cost sharing by participating school districts, (4) examine interdistrict magnet school governance, and (5) consider projected enrollment commitment standards for state-aided construction and operation of new interdistrict magnet schools. It is likely that the task force report will include legislative recommendations. The education commissioner was to report on the study to the Education and Appropriations committees by January 1, 2006. Additionally, there are a number of interdistrict magnet school projects on the school construction priority list that will require funding.

### ***School Nutrition***

The General Assembly voted in 2005 in favor of legislation addressing the types and

nutritional values of foods sold on school grounds, the hours during which certain foods or beverages could be sold, and how they could be sold. The governor vetoed the measure. Although, at the governor's request, the state Department of Education sent state school superintendents a set of detailed, preliminary guidelines to assist in developing nutrition and physical activities policies, it is possible that school nutrition will return as a major issue.

## **ENERGY AND TECHNOLOGY**

### ***Energy Costs and Efficiency***

In light of recent significant increases in energy prices, the legislature is likely to consider bills encouraging greater efficiency in energy use in homes, businesses, and transportation. Among the issues that may be addressed are whether to extend the tax exemptions for energy efficient appliances adopted in PA 05-4, December Special Session; measures to encourage gas and electric utility conservation programs; and the use of telecommuting to decrease both energy use and traffic congestion.

### ***Alternative Fuels***

Like most states, Connecticut relies almost entirely on gasoline and other petroleum products to move passengers and freight. The legislature is likely to consider bills to diversify the state's fuel

mix by encouraging fuels such as ethanol and biofuels.

### ***Broadband Access as an Economic Development Tool***

Several municipalities have encouraged the development of ubiquitous, low-cost wireless broadband access, in part to promote economic development. The legislature is likely to consider bills that would encourage telecommunications companies to provide this access, particularly in non-urban areas where there are currently few "hot spots."

## **ENVIRONMENT**

### ***Reducing Greenhouse Gas Emissions***

The legislature will likely consider a Department of Environmental Protection (DEP) plan to (1) decrease the sales tax by up to 3% on new motor vehicles that produce low greenhouse gas emissions and (2) increase the sales tax by up to 3% for new motor vehicles that have high greenhouse gas emissions. SA 05-6 directs DEP to submit the plan to the Environment Committee by January 1, 2006.

### ***Air Pollution and Diesel Emissions***

The legislature may act on a DEP plan to reduce diesel emissions that contain harmful

particulate emissions, or soot. SA 05-7 requires the DEP commissioner to develop such a strategy, along with legislative recommendations, by January 15, 2006. Among other things, the strategy must provide strategies to reduce soot emissions from (1) transit buses, (2) school buses, and (3) construction equipment on state construction projects.

### ***Lawn Care Pesticides on School Grounds***

State law (1) bans the use of lawn care pesticides at public and private preschools (except in emergencies) and (2) restricts their application on the grounds of public or private elementary schools. It completely prohibits the use of lawn care pesticides at elementary schools starting July 1, 2008, except in emergencies. The legislature may seek to expand these restrictions to high schools.

### ***Electronic Waste***

The legislature may grapple with the growing problem of electronic waste – discarded computers and televisions that contain hazardous materials. The DEP is expected to propose an “e-waste” strategy in an updated state solid waste management plan.

### ***Bottle Bill***

The legislature could see proposals giving the state the deposit revenue from unredeemed bottle and cans. These so-called “escheats” now go to bottle and can distributors.

### ***Agriculture***

The legislature might consider enhancing the marketing of Connecticut-grown products through existing agricultural programs and by expanding marketing and consumer education programs. The legislature may also consider improving state-wide agricultural tourism by funding marketing programs and working with the Agricultural Cluster.

## **FINANCE, REVENUE AND BONDING**

### ***Revenue and Tax Changes***

A relatively positive state fiscal outlook for the next two years may lead the legislature to consider tax or other revenue adjustments in the coming session.

There may be proposals to restructure the new state estate tax enacted in 2005. Some legislators may seek to eliminate the tax or raise the \$2 million threshold for taxable estates. Others may wish to address a “cliff” in the tax under which no tax is due on an estate valued at \$2 million or less but every dollar

of an estate valued at \$2,000,001 or more is taxable.

Possible state income tax reduction proposals include (1) increasing the maximum property tax credit against the income tax to its former \$500 level from the current \$350, (2) moving the start of a scheduled credit increase from \$350 to \$400 forward from the 2006 to the 2005 tax year, and (3) exempting some or all private or public pension income from the state income tax.

The legislature could once again see proposals for a so-called "millionaire tax". These proposals would impose higher tax rates on taxable incomes above certain thresholds.

Finally, the Program Review and Investigations Committee will complete a study of the reliability, fairness, and efficiency of state's tax system in early 2006. Legislative proposals may result from the committee's recommendations.

### ***Corporation Tax***

In the past several sessions, legislators tried to address the concern that the Connecticut corporation tax makes it relatively easy for companies that operate in many states to shift income to avoid the tax. Many have also questioned the number of corporation tax credits the state offers and whether they provide sufficient economic benefit to justify the revenue loss.

In 2006, the legislature could see proposals to restructure the corporation tax to limit tax avoidance, including (1) requiring multi-state companies with many subsidiaries and affiliates to file their tax returns as single entities; (2) eliminating or further limiting deductions for various types of income and expenses; (3) adjusting the apportionment formula to reflect corporate income not sourced to any state and thus not currently taxed; and (4) reducing net operating loss carry forward periods.

There may also be proposals to eliminate or consolidate corporation tax credits or to require companies to publicly disclose the credits they receive. There are also likely to be proposals to provide new credits or other business tax incentives for various types of businesses, such as movie production.

### ***Bonding***

In FY 06, debt service on state general obligation bonds is projected to take up 11.1% of the state budget. In FY 07, that percentage rises to 11.4%. Keeping the debt service share of the budget at roughly this level over the next three years may require the legislature to reassess capital priorities. Continuing large allocations for higher education infrastructure, school construction, economic development, clean water projects, and the recently enacted Housing Trust Fund

could squeeze bonding for local projects, open space acquisition, and public safety projects.

## **GENERAL LAW**

### ***Identity Theft***

Identity theft occurs when someone's personal identifying information is taken and used fraudulently. The legislature has criminalized the practice and restricted a business's use of a consumer's Social Security number. It may be asked to prohibit "skimming," which occurs when a scanner or other device is used to take encoded information from the magnetic strip on the back of a credit or other payment card and place it on another card with the intent to defraud. It may also consider proposals requiring businesses to shred any records they dispose of that contain information identifying consumers.

## **GOVERNMENT ADMINISTRATION AND ELECTIONS**

### ***Ethics***

The Government Administration and Elections Committee (GAE) is likely to review ethics legislation introduced but not enacted last session. Ethics proposals include establishing a code of ethics for municipal public officials, employees, and lobbyists; and tightening the gift ban by

eliminating some existing exceptions.

### ***Contracting Reform***

Last year, the governor vetoed two acts, PA 05-286 and PA 05-01, October Special Session, that established a state contracting board and made it responsible for establishing uniform procurement standards. These acts included recommendations made in the fall of 2004 by the Contracting Reform Task Force. The acts also included provisions on privatization, light pollution, reincorporated companies, and contractors' qualifications to work on state projects.

In between the passage of the two acts, the governor, by executive order, established a contracting standards board and charged it with establishing uniform procurement standards.

The General Assembly will likely hear legislation to codify the board created by the governor and implement other task force recommendations.

### ***Elections***

GAE is likely to revisit PA 05-5, October 25 Special Session, which created a system of public financing for political campaigns. To ensure maximum participation and adequate funding for the program, the committee may look at issues such as qualifying contributions, contribution limits, funding

sources, and eligibility for state grants.

## **HIGHER EDUCATION**

### ***UConn Accountability***

Revelations about building code violations, lax financial management, and insufficient oversight of “UConn 2000” building projects led the governor to appoint a commission to review what went wrong. The commission called for many changes in the way UConn manages its ambitious infrastructure construction program. UConn has already implemented many of the commission’s recommendations, but some may need legislative action or mandate, including changes to the Board of Trustees’ structure and audit, construction management, and reporting requirements.

### ***Higher Education and the Knowledge Economy***

The foundations of Connecticut’s economy are shifting into areas that require businesses and their employees to create knowledge and apply it to new products and services. The higher education community has a significant role to play in assuring that businesses and workers can obtain the knowledge they need to succeed in this new economic environment.

The legislature took several steps last year to spur this process. It required UConn and several economic development agencies to propose a plan and budget for promoting technology transfer and other forms of collaboration between academia and the workplace. It also looked specifically at the emerging field of nanotechnology as a potential pillar of the knowledge economy and required the Office of Workforce Competitiveness to study ways the state can support it, particularly in terms of research and training. Both reports were due January 1.

## **HOUSING**

### ***Affordable Housing***

The affordable housing appeals procedure, which allows developers to appeal to Superior Court if a zoning board or commission denies an affordable housing application, will likely generate a number of proposals to both weaken and strengthen its provisions.

With the housing market slowing and the lack of affordable units available for purchase or rent by low-income families, the legislature also may see legislation to expand affordable housing opportunities for low- and moderate-income people. Similarly, the need for supportive housing to assist mentally ill and recovering individuals may bring follow-up legislation to the supportive housing goals of PA

05-280, which requires the Department of Mental Health and Addiction Services commissioner to provide up to 500 additional units of affordable, supportive housing for people with mental illness.

## **HUMAN SERVICES**

### ***HUSKY—Expansion and Access***

Although the 2005 legislature increased eligibility limits for adults in the HUSKY A program and eliminated cost sharing for certain HUSKY B families, the 2006 legislature will likely look at more proposals to expand health care coverage to reduce the number of uninsured residents. The House Speaker convened a task force on health care coverage in the fall and that group may produce its own set of expansion recommendations.

### ***Responding to Federal Budget Cuts***

Congress has been working on a budget reconciliation bill that contains numerous Medicaid cuts. These include allowing states to (1) impose premiums and higher co-payments in the Medicaid program, (2) scale back the benefits Medicaid provides, (3) increase the long-term care transfer of asset look-back period, and start the penalty date for certain transfers earlier. The 2006 legislature may need to conform state law to these changes, as well as address any

potential consequences these changes create.

### ***TANF Reauthorization and Oversight Council***

For the last several years Congress has been struggling to pass a reauthorization of the 1996 Temporary Assistance to Needy Families (TANF) legislation, which provides the state with funding for cash welfare and related programming. The U.S. House and Senate have different versions of a reauthorization plan, with the House imposing stricter work requirements. The reconciliation act mentioned above also makes some TANF changes. Notably, a provision may limit the degree to which states can have more liberal work-related rules when using state funds to pay for their welfare-to-work programs.

Despite the tightening of the rules expected at the federal level, the state's TANF monitoring council, in conjunction with the Child Poverty Council, will likely have recommendations to ease the work requirements, including allowing cash welfare recipients to engage in more education and job training activities than they may do now.



## **INSURANCE AND REAL ESTATE**

### ***Access to Health Insurance***

The Insurance and Real Estate Committee may consider ways to reduce the number of uninsured residents. It may consider expanding HUSKY eligibility, opening up the Municipal Employees Health Insurance Plan to individuals, public-private initiatives, low cost policies, and other measures. It may also introduce bills (1) requiring a cost-benefit analysis of existing mandated benefit laws, (2) concerning contracts between insurance companies and health care providers, and (3) permitting cooperative agreements between health care providers.

### ***Product Regulation Interstate Compact***

The Insurance and Real Estate Committee will again consider the National Association of Insurance Commissioners Interstate Insurance Product Regulation Compact Model Act. This is a multi-state agreement to create a streamlined state system of product regulation to allow insurers to market insurance products faster nationally. It is one way state legislatures are trying to prevent the federal government from taking insurance regulation away from the states. The compact

creates a national public authority to receive, review, and quickly make regulatory decisions on insurance product filings according to national uniform standards created by the member states. State insurance departments retain regulatory authority over local market activity and consumer protection matters. To date, 19 states have adopted the compact.

### ***Natural Disaster Relief***

In light of recent natural disasters, the Insurance and Real Estate Committee may look at what financial sources are available to victims of floods, hurricanes, and other natural catastrophes.

## **JUDICIARY**

### ***Sex Offenders***

Under current law, those convicted of sexual crimes must register with the Department of Public Safety. The information is available in an online database that details the offender's town, address and crime.

The legislature will consider various measures designed to give the state greater control over convicted sex offenders. For example, there may be proposals to tighten reporting requirements, provide for satellite tracking of an offender's movements, and allow for long-term civil commitments in the most violent cases.

## ***Probate Court Reform***

In 2004, Chief Justice William J. Sullivan directed the probate court administrator to develop a reorganization plan to address the finances and operation of the probate court system. The plan, submitted on October 1, 2004, provided three proposals for reorganization. Legislation to incorporate aspects of one proposal was the subject of a recent Judiciary Committee public hearing.

The Legislative Program Review and Investigations Committee also voted last year to study the probate court system. Its study focuses on the system's operations and finances and examines whether the current structure is administratively and financially viable. The committee will produce a report and recommend legislation, which the legislature will likely review and consider.

## **LABOR AND PUBLIC EMPLOYEES**

### ***“Pay or Play” Health Care***

In 2005, the legislature considered a bill that would impose a fee on all large employers that do not provide health insurance for their employees. The money raised would have been used to provide health insurance to the uninsured employees. The legislature is likely to consider

some form of this bill in 2006 in an attempt to address the large number of working people who do not have workplace health insurance.

### ***State Employees and “Sick Buildings”***

The legislature may once again consider addressing the problem of state employees becoming ill apparently because of conditions in certain state buildings. The governor has asked a team of state commissioners to recommend whether or not to continue to use the state-owned office tower at 25 Sigourney Street in Hartford. Legislation may be needed to implement that recommendation or to resolve issues surrounding relocating state workers from that site, and handling health issues stemming from the situation.

## **PLANNING AND DEVELOPMENT**

### ***Eminent Domain***

Last summer's U.S. Supreme Court decision in [\*Kelo v. City of New London\*](#) sparked a national debate about whether government should be allowed to take privately-owned land for private development purposes. The Judiciary and Planning and Development Committees held hearings and drafted bills on the subject during the 2005 Special Session. The legislature did not enact any of these bills, but may

reconsider them or others during 2006. Proposals range from prohibiting the taking of residential property for economic development to increasing the level of compensation for these takings.

### ***Property Tax Reform***

The legislature may hear new calls for property tax reform, especially as homeowners recover from the aftershock of revaluations that saw their property values skyrocket. Past proposals included reinstating state-funded tax freezes for elderly homeowners and establishing graduated income tax credits for middle-income families. Other proposals sought to reduce the property tax burden by giving towns other revenue-raising options, such as levying local sales and lodgings taxes, or charging developers for the municipal services and infrastructure benefiting new developments.

### ***State Land Use Planning***

Recent decisions by the Continuing Legislative Committee on State Planning and Development have caused some legislators to question the state's role in local land use decision-making. By law, the committee must approve interim changes to the five-year State Plan of Conservation and Development, which identifies areas the state

believes should be conserved or developed.

While the plan does not bind local land use commissions, it controls where the state allocates money for sewers, highways, and other infrastructure. For this reason, developers proposing projects in state-designated conservation areas often request plan changes that will allow their projects to qualify for state funding. Sometimes they do this before seeking local approvals. Since these proposed changes could be at odds with local policies and plans, legislators may sponsor bills specifying criteria for approving proposed interim changes.

### ***Streamlining the Local Land Use Regulatory Process***

Developers must often obtain approvals from several different local regulatory agencies for a single project, an arrangement that allows specialized commissions and boards to identify how a proposed project could affect traffic patterns, wetlands and watercourses, open space and affordable housing needs, and the demand for municipal services. But the number of approvals and the timetables for obtaining them cost developers time and money. For this reason, legislators may consider proposals to consolidate the processes without compromising their public purpose.

## **PUBLIC HEALTH**

### ***Prescription Drugs/Pharmacy***

The public health commissioner, pursuant to PA 05-280 (as amended by PA 05-3, June SS) and in conjunction with the Public Health Committee, has convened a working group to study whether the state should contract for development of a prescription drug purchasing program, or enter into an existing program that allows state residents to buy drugs through pharmacies in Connecticut or other countries. The Department of Public Health (DPH) has contracted with UConn to report on several aspects of the drug importation issue. The group's initial report to the Public Health and Appropriations committees is expected in early February 2006 and may include some legislative recommendations.

Another important prescription drug issue involves the "pedigree" of such products. This is a document that records each distribution of a prescription drug, from sale by a manufacturer through acquisition and sale by a wholesaler or repackager, until final sale to a pharmacy or another dispensing the drug. Some states, such as Florida, have enacted legislation on prescription drug pedigrees that attempt to ensure prescription drug quality and safety and

prevent counterfeiting. The General Assembly considered, but did not pass, legislation on this topic last session.

### ***Workforce Shortages***

Hospitals and other health care providers continue to have problems finding enough nurses and other health care workers. The legislature created an Allied Health Workforce Policy Board in 2004 and charged it with (1) monitoring trends in supply and demand and the higher education system's capacity to train students in these fields; (2) identifying recruitment and retention strategies; and (3) recommending ways to enhance the professions' attractiveness, financial and other assistance for students entering these fields, and ways to recruit faculty. Its report and recommended legislation is due in January.

In addition, an Office of Workforce Competiveness report on the status of a new grant program to expand nursing education programs and recruit new nursing faculty is also due in January. The report could lead to changes in that program.

## **PUBLIC SAFETY**

### ***Emergency Response Systems***

Hurricane Katrina highlighted weaknesses in emergency response systems at the state and federal level. The

Connecticut Emergency Management and Homeland Security Department may suggest legislation to strengthen the state's ability to respond to emergencies, especially those dealing with natural disasters.

## **TRANSPORTATION**

### ***Truck Safety***

A 2005 fatal accident focused interest on large trucks and truck safety issues. Both the Department of Public Safety and the Department of Motor Vehicles (DMV) conduct truck weight and safety inspections for different purposes. Issues of interest are likely to include: the number of people conducting safety inspections, the locations and methods used to inspect vehicles, methods to ensure compliance, monitoring motor carriers with respect to maintenance of insurance coverage, and sanctions and penalties for noncompliance.

### ***Highway Safety Issues***

Highway safety issues were an area of high legislative activity in 2005 and are likely to be again in 2006. In 2005, the legislature passed new laws affecting teenage drivers, expanding requirements for use of child restraint systems for small children, prohibiting the use of hand-held cellphones and mobile electronic devices by drivers in moving vehicles, penalizing

drivers who engage in non-driving, and banning the use of miniature motorcycles known as "pocket bikes."

Several of these new laws are likely to be revisited and refined in 2006 and the issues of distracted driving, speeding, drunk and drugged driving, and the effectiveness of the restructured driver retraining program for drivers with unsatisfactory driving records will once again be scrutinized. Extending mandatory seat belt use requirements to all vehicle occupants rather than only those in the front seat will also be considered.

Legislators also may want to explore ways to improve local police departments' awareness of DMV's procedural needs when it conducts administrative license suspension hearings for people arrested for drunk driving, and to improve coordination between the departments and DMV, given the strict timeframe for conducting the suspension hearings.

### ***Implementation of Federal "Real ID Act" Requirements***

In 2005, Congress passed sweeping legislation that will have major implications for the way in which state and local governments must issue identification cards. This legislation, called the "Real ID Act" affects not only state-issued drivers' licenses, but potentially other government-issued

identification documents as well. Failure to comply with the federal requirements means that federal agencies will not accept state-issued identification documents for such purposes as boarding aircraft. While states have until mid-2008 to comply with the new requirements, and they may change during the implementation period, significant statutory changes will be required. Compliance with the Real ID Act is also likely to have significant budget implications for certain state agencies, and possibly local governments, over the next two years as the requirements for compliance become better known.

### ***Motor Vehicle Document Integrity***

Following a criminal investigation into the alleged illegal sale of drivers' licenses by some DMV employees, the governor required the DMV commissioner to respond to the weaknesses in the current system. He did so by creating a DMV document integrity unit to establish and enforce strict standards for issuing licenses, identity cards, and registrations. The governor also proposed several statutory changes to more severely punish those who may engage in fraudulent acts regarding DMV-issued documents. These proposals were not enacted by the legislature in 2005, but could

resurface for consideration in 2006.

### ***Highway Congestion and Funding Transportation Initiatives***

Travel congestion, particularly along the I-95 corridor, continues as a high-profile issue. Funding necessary for initiatives to reduce congestion becomes particularly critical in the face of constrained state and federal resources. In 2005, the legislature approved a funding initiative exceeding \$1 billion for some of these high priority initiatives, including purchase of almost 350 new rail cars for the Metro North rail commuter service. The method of implementing these initiatives is still to be determined. Just as importantly, funding and implementing many other initiatives such as the New Haven-Hartford-Springfield commuter rail service, the Hartford-New Britain Busway, and managing travel demand on I-95 and elsewhere still remains to be solved.

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