

STATE OF CONNECTICUT
EXECUTIVE CHAMBERS

DANNEL P. MALLOY
GOVERNOR

GOVERNOR'S OFFICE

June 14, 2018

BILL NOTIFICATION
RELEASE No. 17

For Immediate Release

Governor Dannel P. Malloy signed the following legislation of the 2018 Regular Session on June 13:

- SB 222 AN ACT CONCERNING THE APPOINTMENT OF A FIRE MARSHAL AND
PA 18-142 POLICE OFFICER AT THE CONNECTICUT AIRPORT AUTHORITY.
This bill is effective from passage.
- SB 226 AN ACT CONCERNING USE OF MILITARY FACILITIES BY YOUTH MILITARY
PA 18-143 ORGANIZATIONS.
This bill takes effect July 1, 2018.
- SB 232 AN ACT CONCERNING TEACHER PERMITS FOR SPOUSES OF
PA 18-144 TRANSFERRED MEMBERS OF THE ARMED FORCES.
This bill takes effect July 1, 2018.
- SB 263 AN ACT ELIMINATING CERTAIN UNCLAIMED AND SELDOM CLAIMED TAX
PA 18-145 CREDITS.
This bill takes effect July 1, 2018.
- SB 265 AN ACT CONCERNING EXPEDITED PERMITTING PROCEDURES BY THE
PA 18-146 DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION FOR
BUSINESS INITIATION, EXPANSION OR NEW PRODUCTION AND ANNUAL
REPORTING ON THE NUMBER OF ENVIRONMENTAL VIOLATIONS
RESOLVED WITHOUT FINANCIAL PENALTY.
This bill takes effect October 1, 2018.
- SB 502 AN ACT CONCERNING THE CONVEYANCE OF CERTAIN PARCELS OF STATE
PA 18-154 LAND.
This bill takes effect from passage.
- HB 5206 AN ACT CONCERNING INSURANCE ISSUES
PA 18-158 This bill has various effective dates.

HB 5209 AN ACT IMPOSING A SURCHARGE ON CERTAIN INSURANCE POLICIES AND
PA 18-160 ESTABLISHING THE HEALTHY HOMES FUND.
This bill has various effective dates.
***While Governor Malloy signed this bill, he wrote a letter to the members of the
General Assembly regarding its content. Scroll down to view that letter.*

HB 5274 AN ACT CONCERNING THE TERMS OF THE STATE POET LAUREATE AND
PA 18-162 THE STATE TROUBADOUR.
This bill takes effect October 1, 2018.

HB 5309 AN ACT CONCERNING THE PORT AUTHORITY.
PA 18-163 This bill takes effect October 1, 2018.

HB 5312 AN ACT CONCERNING RECOMMENDATIONS BY THE DEPARTMENT OF
PA 18-164 MOTOR VEHICLES REGARDING THE MOTOR VEHICLE STATUTES.
This bill has various effective dates.

HB 5163 AN ACT CONCERNING THE DEPARTMENT OF PUBLIC HEALTH'S
PA 18-168 RECOMMENDATIONS REGARDING VARIOUS REVISIONS TO THE PUBLIC
HEALTH STATUTES.
This bill has various effective dates.

HB 5534 AN ACT CONCERNING THE CLASSIFICATION OF FARM LAND.
PA 18-176 This bill takes effect October 1, 2018.

HB 5321 AN ACT CONCERNING THE WRITTEN RESIDENTIAL DISCLOSURE REPORT,
PA 18-179 THE CAPTIVE INSURANCE COMPANY ESTABLISHED FOR ASSISTING WITH
CRUMBLING FOUNDATIONS AND FUNDING FOR LEAD REMOVAL,
REMEDICATION AND ABATEMENT.
This bill has various effective dates.

SB 413 AN ACT CONCERNING CERTAIN OFFICES IN THE TOWNS OF BROOKLYN
SA 18-22 AND BEACON FALLS.
This bill has various effective dates.

SB 446 AN ACT CONCERNING A STRATEGIC PLAN FOR THE BIOSCIENCE SECTOR
SA 18-23 IN CONNECTICUT.
This bill is effective from passage.

SB 448 AN ACT CONCERNING A REQUEST FOR PROPOSALS FOR THE OPERATION
SA 18-24 OF MOBILE MANUFACTURING TRAINING LABS.
This bill is effective from passage.

SB 459 AN ACT ESTABLISHING A TASK FORCE TO STUDY THE PROCESSING AND
SA 18-25 RETENTION OF FINGERPRINT RECORDS AND CRIMINAL HISTORY
RECORDS FOR EDUCATORS.
This bill is effective from passage.

- SB 493 AN ACT AMENDING THE CHARTER OF THE LAKE CHAFFEE IMPROVEMENT
SA 18-26 ASSOCIATION
His bill is effective from passage.
- HB 5191 AN ACT REQUIRING A STUDY OF POST-SALE WARRANTY WORK
SA 18-27 REIMBURSEMENT FOR POWER EQUIPMENT DEALERS
This bill is effective from passage.
- HB 5170 AN ACT ESTABLISHING A WORKING GROUP TO STUDY AND MAKE
SA 18-28 RECOMMENDATIONS CONCERNING ISSUES RELATING TO THE SEARCH
AND SEIZURE OF STUDENTS' PERSONAL ELECTRONIC DEVICES.
This bill is effective from passage.

Governor Dannel P. Malloy signed the following legislation of the 2018 Regular Session on June 14:

- SB 266 AN ACT CONCERNING INCENTIVES TO ENCOURAGE THE GROWTH OF
PA 18-147 BIOSCIENCE VENTURE CAPITAL IN CONNECTICUT.
This bill has various effective dates.
***While Governor Malloy signed this bill, he wrote a letter to the members of the
General Assembly regarding its content. Scroll down to view that letter.*
- SB 417 AN ACT CONCERNING THE DEPARTMENT OF REVENUE SERVICES'
PA 18-152 RECOMMENDATIONS REGARDING STATE TAXATION AND COLLECTION.
This bill has various effective dates.
- SB 467 AN ACT CONCERNING THE CUSTODY AND CONTROL OF A DECEDENT'S
PA 18-153 BODY.
This bill takes effect July 1, 2018.
- SB 521 AN ACT CONCERNING THE ADMINISTRATION OF THE DEPARTMENT OF
PA 18-155 CORRECTION.
This bill has various effective dates.
- HB 5220 AN ACT CONCERNING THIRD-PARTY FINGERPRINTING SERVICES, MINIMUM
PA 18-161 STANDARDS AND PRACTICES FOR THE ADMINISTRATION OF LAW
ENFORCEMENT UNITS AND REPORTS OF POLICE PURSUITS.
This bill has various effective dates.
- HB 5313 AN ACT REVISING MOTOR VEHICLE STATUTES.
PA 18-165 This bill takes effect October 1, 2018.
- SB 483 AN ACT CONCERNING THE PREVENTION AND TREATMENT OF OPIOID
PA 18-166 DEPENDENCY AND OPIOID OVERDOSES IN THE STATE.
This bill has various effective dates.
- HB 5314 AN ACT CONCERNING RECOMMENDATIONS BY THE DEPARTMENT OF
PA 18-167 TRANSPORTATION.
This bill has various effective dates.

- HB 5028
PA 18-169 AN ACT CONCERNING CHILD CARE LICENSING, CERTAIN MUNICIPAL PENSION DEFICIT FUNDING BONDS, RECIPROCAL LICENSING OF ITINERANT FOOD VENDING ESTABLISHMENTS, FUNCTIONS OF THE DEPARTMENT OF REHABILITATION SERVICES, BUSINESS DEDUCTIONS AND TAXATION OF CERTAIN WAGES AND INCOME, ORAL HEALTH ASSESSMENTS REQUESTED BY LOCAL OR REGIONAL BOARDS OF EDUCATION, PROPERTY TAX TREATMENT OF CERTAIN CONVERTED CONDOMINIUM AND COMMON INTEREST COMMUNITY UNITS, AND PAYMENT OF CERTAIN GRANTS, ADVANCES AND TRANSFERS.
This bill has various effective dates.
- HB 5155
PA 18-170 AN ACT CONCERNING THE TAX IMPOSED ON AMBULATORY SURGICAL CENTERS AND ANNUAL ADJUSTMENTS TO ASSESSMENT RATES ADOPTED FOR CERTAIN UNITS OF COMMON INTEREST COMMUNITIES AND CONDOMINIUMS UNDER COMMON OWNERSHIP.
This bill has various effective dates.
- HB 5169
PA 18-172 AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE OFFICE OF EARLY CHILDHOOD.
This bill takes effect July 1, 2018.
- HB 5490
PA 18-173 AN ACT CONCERNING CONSUMER CREDIT LICENSES.
This bill has various effective dates.
- HB 5509
PA 18-174 AN ACT CONCERNING WATER POLLUTION CONTROL AUTHORITIES.
This bill takes effect July 1, 2018.
***While Governor Malloy signed this bill, he wrote a letter to the members of the General Assembly regarding its content. Scroll down to view that letter.*
- HB 5575
PA 18-177 AN ACT CONCERNING THE APPOINTMENT OF A QUALIFIED, LICENSED HEALTH CARE PROFESSIONAL TO PROVIDE TREATMENT OR AN EVALUATION IN CONNECTION WITH A FAMILY RELATIONS MATTER.
This bill takes effect October 1, 2018.
- HB 5590
PA 18-178 AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS, TRANSPORTATION AND OTHER PURPOSES, CONCERNING THE BOND CAPS, ESTABLISHING THE APPRENTICESHIP CONNECTICUT INITIATIVE AND CONCERNING THE FUNCTIONS OF CTNEXT AND CONNECTICUT INNOVATIONS, INCORPORATED.
This bill has various effective dates.
- HB 5348
PA 18-180 AN ACT REQUIRING THE CONSIDERATION OF CREATING A PORTFOLIO STANDARD FOR THERMAL ENERGY IN THE NEXT INTEGRATED RESOURCES PLAN.
This bill is effective from passage.

- HB 5360
PA 18-181 AN ACT CONCERNING REVISIONS TO CERTAIN ENVIRONMENTAL QUALITY AND CONSERVATION PROGRAMS OF THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION AND CERTAIN FARMLAND PRESERVATION PROGRAMS OF THE DEPARTMENT OF AGRICULTURE AND ESTABLISHING A WORKING GROUP ON MICROFIBER POLLUTION, AUTHORIZING SCHOOL INSTRUCTION AND CURRICULUM ON CLIMATE CHANGE, REQUIRING UPDATED HAZARDOUS MITIGATION PLANS FOR CERTAIN HAZARDOUS CHEMICAL FACILITIES, PERMITTING SUNDAY BOW HUNTING OF DEER THROUGHOUT THE STATE AND ESTABLISHING A PILOT PROGRAM ON THE SEPARATE COLLECTION OF GLASS FROM OTHER RECYCLING PROGRAMS. This bill has various effective dates.
- HB 5446
PA 18-182 AN ACT CONCERNING MINOR REVISIONS AND ADDITIONS TO THE EDUCATION STATUTES. This bill has various effective dates.
- HB 5447
PA 18-183 AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE AUDITORS OF PUBLIC ACCOUNTS CONCERNING PRIVATE PROVIDERS OF SPECIAL EDUCATION. This bill takes effect July 1, 2018.
- HB 5449
PA 18-184 AN ACT CONCERNING THE ADMINISTRATION OF CERTAIN EARLY CHILDHOOD PROGRAMS AND THE PROVISION OF EARLY CHILDHOOD SERVICES BY THE OFFICE OF EARLY CHILDHOOD. This bill takes effect July 1, 2018.
- HB 5452
PA 18-185 AN ACT CONCERNING THE RECOMMENDATIONS OF THE TASK FORCE ON LIFE-THREATENING FOOD ALLERGIES IN SCHOOLS. This bill has various effective dates.
- HB 5470
PA 18-186 AN ACT CONCERNING THE PROVISION OF TIMELY NOTICE OF CHILD PLACEMENT INFORMATION FROM THE DEPARTMENT OF CHILDREN AND FAMILIES TO THE ATTORNEY OR GUARDIAN AD LITEM REPRESENTING THE CHILD IN A CHILD PROTECTION MATTER. This bill takes effect October 1, 2018.
- HB 5475
PA 18-187 AN ACT CONCERNING THE BODY-WORN RECORDING EQUIPMENT TASK FORCE. This bill is effective from passage.

Governor Dannel P. Malloy vetoed the following legislation of the 2018 Regular Session on June 14:

- SB 523
PA 18-156 AN ACT CONCERNING AN ANIMAL ABUSE REGISTRY. This bill had an effective date of January 1, 2019. The Governor vetoed the bill. ***Scroll down to read the Governor's veto message.*

SB 528
PA 18-157

AN ACT CONCERNING STATE CONTRACT ASSISTANCE PROVIDED TO
CERTAIN MUNICIPALITIES.

This bill would have taken effective from passage. The Governor vetoed the bill.
***Scroll down to read the Governor's veto message.*

As of this date, the Governor has signed two hundred and seven (207) bills, vetoed seven (7) bills, and left unsigned one (1) bill of the 2018 Regular Session.



Dannel P. Malloy

GOVERNOR
STATE OF CONNECTICUT

June 13, 2018

Dear Honorable Members of the General Assembly:

Today I am signing Substitute House Bill 5209, *An Act Imposing A Surcharge On Certain Insurance Policies And Establishing The Healthy Homes Fund*.

This bill will assess Connecticut homeowners policies \$12 to fund The Healthy Homes Fund that provides financial relief to homeowners to address the issue that jeopardizes the structural integrity of their homes. This is only a partial measure. A broader based solution that deals with the economic fundamentals of home value and marketability is critical.

The language of the bill does not align with the legislative intent in three areas:

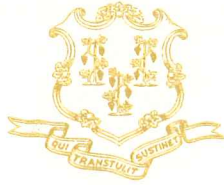
- First, the bill requires the \$12 surcharge apply to each person that is named on a policy, not on each policy. This means that if a couple is named on the policy each person would be charged \$12 for a total of \$24.
- Second, the bill uses the term “homeowners insurance” which as defined includes homeowners insurance policies as well as renters and tenant insurance policies.
- Third, the surcharge applies to all policies “amended or endorsed” on or after January 1, 2019 which would mean that each time a policyholder changes any term of their policy (e.g. adds an asset to their personal property inventory, adds a new mortgagee, or changes their limit or deductible) they would be charged an additional \$12 surcharge for each additional occurrence.

I would welcome the legislature to come in resolve these important technical issues before the surcharge goes into effect on January 1, 2019. Attached is language which the Insurance Department drafted to bring the language in line with the legislative intent.

Sincerely,

A handwritten signature in blue ink that reads "Dannel P. Malloy".

Dannel P. Malloy
Governor



Dannel P. Malloy

GOVERNOR
STATE OF CONNECTICUT

June 14, 2018

Dear Honorable Members of the General Assembly,

Today I am signing with a message of caution, Senate Bill 266, *An Act Concerning Incentives to Encourage the Growth of Bioscience Venture Capital in Connecticut*. This bill would provide investors with a tax deduction for income from their venture capital funds' investment in and management of Connecticut-based bioscience businesses.

Although, I support the laudable goal of further supporting the bioscience sector in Connecticut, I caution the Connecticut General Assembly that establishing tax deductions from personal income poses risks of eroding the state's unpredictable income tax revenue and places future funding of state programs in jeopardy. We have much more effective ways to promote investment and growth in this sector, and our recent successes, including the job creation and construction at Jackson Laboratories and Sema4, clearly show that.

Furthermore, it is completely appropriate to ask the most fortunate of our fellow citizens to pay for their fair share of services and infrastructure, instead of creating mechanisms that allow them to reduce their personal income tax burden. This is even apparent when the same individuals have acquired major tax benefits from the Republicans recent tax cut from Washington, DC.

No one can predict how much revenue we will lose in future years as individuals use this proposed deduction to reduce their personal income tax for investments. I am signing this legislation because the General Assembly believes this deduction can be a necessary tool to luring a new industry of bioscience venture capitalists to Connecticut.

The legislature should convene in special session to place reasonable limits on this deduction prior to its full implementation to avoid the inevitable uncertainty this would create for state revenues.

Sincerely,

A handwritten signature in blue ink that reads "Dannel P. Malloy".

Dannel P. Malloy
Governor



Dannel P. Malloy

GOVERNOR
STATE OF CONNECTICUT

June 14, 2018

Dear Honorable Members of the General Assembly,

Today I am signing, with a message of caution, Substitute House Bill No. 5509, *An Act Concerning Water Pollution Control Authorities*. This bill mandates municipal adoption of ordinances regarding the regulation of water pollution control authorities and require the Public Utilities Regulatory Authority (PURA) to regulate those authorities in municipalities with a population of not fewer than one hundred thousand people.

While I understand the unfortunate circumstances that gave rise to this bill and the effort to protect consumers, I also believe the underlying technical deficiencies of the bill could make it unworkable and in its current form, and that the General Assembly should consider further changes to these laws in the years ahead.

To begin, PURA lacks the sufficient expertise and authority in regulating Water Pollution Control Authorities that would allow them to effectively execute this law. They have no statutes, regulations or legal precedent to govern the standards and procedures for oversight and review of these authorities nor a familiarity with their business practices allowing them to determine what is and is not appropriate for the authority. The cost to ratepayers of giving PURA the resources it would need to establish these necessary regulatory tools would be substantial and on-going, to say nothing of the cost to the municipalities and other state agencies which would now have to appear before PURA to argue their cases, many of which take over six months to fully decide.

There are also home rule implications. Directing specific municipalities to adopt specific ordinances could be seen as an improper usurpation of that municipality's legislative authority. If the state believes that this issue is of such concern that the ordinances this bill requires are necessary, we could pass a law that is applicable to every municipality. Indeed, the state did this when it set the applicable interest rate for collection of past due bills for use of a sewer system at a rate equal to the rate charged on delinquent property taxes- ironically, something this bill attempts to have a municipality undo by ordinance which is a violation of home rule in the other direction. Additionally, there are open questions as to the extent of this invasion of municipal authority. It is

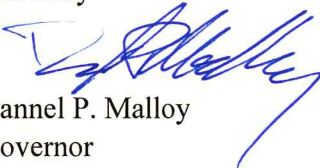
unclear from the bill if the regulatory authority granted to PURA would take the place of a municipality's existing regulatory structure or be in addition to it.

I believe there are likely better, more effective ways for municipalities to take action and achieve the stated goals of this bill. In fact, municipalities already recognize the problem this legislation seeks to solve and are taking reasonable, responsible steps to regulate the problem of water pollution control authority foreclosures, as the City of Bridgeport did with its recent moratorium on the practice. The City of Stamford could take similar steps. Rather than creating a new regulatory structure, the state could seek to support these municipal efforts, perhaps through the creation of an ombudsman or consumer advocate structure similar to what the Metropolitan District Commission and Connecticut Municipal Electric Energy Cooperative recently adopted.

Furthermore, this bill was submitted late in the process without the benefit of a public hearing or committee review. This is not how decisions should be made. To create a new surcharge on Connecticut ratepayers usurp a municipality's authority to control its own consumer protection laws without even giving them a chance to comment is an extreme example of legislative overreach. We should not be creating mandates like this in the dark.

I am signing this bill because of its laudable intention to protect consumers. However, I offer these thoughts for continued consideration by the General Assembly.

Sincerely



Dannel P. Malloy
Governor



Dannel P. Malloy

GOVERNOR
STATE OF CONNECTICUT

June 14, 2018

The Honorable Denise W. Merrill
Secretary of the State
30 Trinity Street
Hartford, CT 06106

Dear Madam Secretary:

I hereby return, without my signature, Substitute Senate Bill No. 523, *An Act Concerning An Animal Abuse Registry*. This bill would require the establishment and maintenance of a registry of all persons convicted of committing a crime involving animal abuse. Further, it adds a new class D felony for individuals who fail to register or who fail to timely notify authorities of name and address changes.

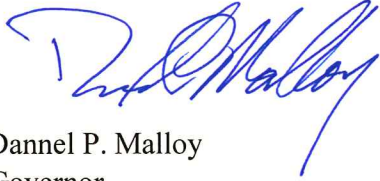
The American Society for the Prevention of Cruelty to Animals (ASPCA), an organization dedicated to preventing cruelty to and protecting animals, opposed this legislation and requested that this legislation be vetoed because it could have costly unintended consequences and in fact leave animals more vulnerable to abuse. The ASPCA cites studies concluding that registries result in an increase in plea bargains to reduced charges specifically to allow an individual to avoid registration. In the two states with animal abuse registries there are very few registrants (14 in Tennessee and fewer than 20 on New York registries).

Cruelty to animals is a serious issue and individuals found guilty of cruelty to animals should receive appropriate punishment. I do not believe that an animal abuse registry accomplishes this goal. There is no conclusive evidence that on-line registries protect the public and in fact, such registries have unfortunately had the opposite effect. That is why the Sentencing Commission has recommended reforms to Connecticut's current registry for sex offenders to address these very issues. Registries frequently create barriers to employment, housing and other services, the necessary basic tools, such as employment, housing and other services, that enable offenders to be rehabilitated and which are proven building blocks in reducing recidivism. Together we have enacted common sense policy initiatives to reduce recidivism and we are seeing positive results.

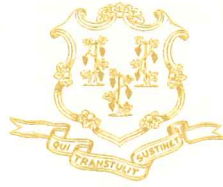
Lastly, the establishment and maintenance of registries require significant resources to ensure accuracy and avoid reporting an individual in error. The budget enacted by the General Assembly does not provide resources to accomplish the requirements of this legislation.

For these reasons, I disapprove of Substitute Senate Bill No. 523, *An Act Concerning An Animal Abuse Registry*. Pursuant to Sect 15 Article Fourth of the Constitution of the State of Connecticut, I am returning Substitute Senate Bill 523 without my signature.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. P. Malloy". The signature is fluid and cursive, with the first letter of each name being capitalized and prominent.

Dannel P. Malloy
Governor



Dannel P. Malloy

GOVERNOR
STATE OF CONNECTICUT

June 14, 2018

The Honorable Denise W. Merrill
Secretary of the State
30 Trinity Street
Hartford, CT 06106

Dear Madam Secretary:

I hereby return, without my signature, Substitute Senate Bill No. 528, *An Act Concerning State Contract Assistance Provided to Certain Municipalities*. This bill makes significant, detrimental changes to the Municipal Accountability Review Board (MARB) authority and operations as established in Public Act 17-2 of the June Special Session, now codified in Chapter 117, Secs. 7-560 through 579 of the 2018 supplement to the general statutes with respect to municipalities that receive a Tier III or IV designation.

As Governor, I have consistently argued that Connecticut's current distribution methods for state aid to local governments strongly favor our most affluent communities and therefore harm our state's less affluent, urban communities. We know that some communities are disfavored through poor funding of PILOTs despite concentration of state property, colleges, hospitals, and non-profits, and face constrained funding for education despite the acute needs of their students. When these structural forces push these communities to the brink, the state needs to step in as we did in Hartford, and as we have done for Bridgeport, Waterbury, West Haven and other communities in the past.

It is clear that Substitute Senate Bill 528 is a reflection of indignation on the part of some legislators that MARB exercised its statutory authority in coming to the aid of our capital city. However, I believe it is critical that the state have a viable mechanism in place to allow it to intervene in the case of other troubled municipalities in a way that is both effective and that holds those municipalities highly accountable. The MARB statute provides just such a framework. It is workable, it is working, and it should be left alone.

Currently, MARB is comprised of legislative and gubernatorial appointments and co-chaired by the OPM Secretary and the State Treasurer. The law allows for increasing degrees of oversight for municipalities depending on their designated Tier, up to and including allowing MARB to pre-empt collective bargaining binding arbitration statutes and impose a budget on a municipality that has failed to adopt one that meets the requirements of the Board.

At present, two municipalities – Hartford and West Haven – are designated as Tier III under MARB’s purview. In this penultimate tier, these communities are required to seek MARB approval of labor agreements and budget assumptions, and to receive comment from the Board on their overall budget and on any non-labor contract over \$50,000. As Tier III communities, they are eligible to receive funds from the state budget for municipal restructuring, provided that MARB first approves a multi-year fiscal recovery plan. Hartford has obtained such approval, and MARB has recommended a grant of \$20 million for FY 2018 and none for FY 2019. West Haven has recently submitted a plan, which is currently under review by MARB. West Haven has requested \$8 million in each of FY 2018 and FY 2019. The MARB has considered moving each of these communities into Tier IV but has not taken action to do that at this point.

Current law also allows the Secretary of the Office of Policy and Management (OPM) and the State Treasurer to enter into contract assistance with such designated municipalities (this tool allowed the state to stave off bankruptcy for Hartford earlier this year). This bill would change the provisions of Sec. 7-576j in several detrimental ways: it would require the legislature’s Appropriations Committee and Finance, Revenue and Bonding Committee to approve a debt service assistance contract before it can be executed. This requirement is onerous given the lack of timelines in the statute and extreme difficulty of achieving support in committees that have historically demanded that any benefit be provided equally to all communities. While it may seem “unfair” that a deeply troubled community gets a lifeline, the real unfairness would be to foreclose other communities from this option if their circumstances demand it in the future.

The bill would also reduce state aid to a municipality in year six of contract assistance, but that could occur sooner under certain circumstances. The legislature may elect to offset contract assistance to Hartford in the future, and must approve state aid amounts for all communities. But it makes little sense to make an out year reduction without giving the program the opportunity to see results before imposing what amounts to a sanction.

The bill further requires additional MARB reporting to the Governor and the Appropriations Committee on the amount of funds needed by the Municipal Restructuring Fund for financial assistance for designated Tier II, III and IV municipalities with an approved restructuring plan. The Appropriations Committee and Finance, Revenue and Bonding Committee must hold a joint hearing on the recommendations and make its own recommendation to MARB and the legislature. The legislature also must approve the total amount of annual state aid to Tier III and Tier IV municipalities, and consider MARB’s recommendations about maintaining the funding level of the Municipal Restructuring Fund. It authorizes the legislature’s Appropriations Committee and Finance, Revenue and Bonding Committee to recommend that the legislature designate a Tier III municipality as Tier IV under certain conditions. All of these actions are permitted by existing statutes, committees presumably will already take those appropriate steps to consider out-year funding requirements, and may make recommendations to MARB. Indeed the MARB includes a number of legislative appointments who can ensure that legislative recommendations are considered.

For these reasons, I disapprove Substitute Senate Bill No. 528, *An Act Concerning State Contract Assistance Provided to Certain Municipalities*. Pursuant to Sect 15 Article Fourth of the Constitution of the State of Connecticut, I am returning Substitute Senate Bill 528 without my signature.

Sincerely,



Dannel P. Malloy
Governor