

STATE OF CONNECTICUT
EXECUTIVE CHAMBERS

DANNEL P. MALLOY
GOVERNOR

GOVERNOR'S OFFICE

June 1, 2018

BILL NOTIFICATION
RELEASE No. 11

For Immediate Release

Governor Dannel P. Malloy signed the following legislation of the 2018 Regular Session on June 1:

- SB 217 AN ACT REQUIRING THE HEALTH INFORMATION TECHNOLOGY OFFICER TO
SA 18-6 ESTABLISH A WORKING GROUP TO EVALUATE ISSUES CONCERNING
POLYPHARMACY AND MEDICATION RECONCILIATION.
This bill is effective from date of passage.
- SB 229 AN ACT CONCERNING MEMBERS OF THE ARMED FORCES AND CIVIL
PA 18-44 SERVICE EXAMINATIONS.
This bill takes effect October 2, 2018.
- SB 145 AN ACT INCLUDING THE HIGHER EDUCATION COMMITTEE IN THE RECEIPT
PA 18-37 OF ANNUAL REPORTS RELATING TO MILITARY VETERANS AND LICENSURE.
This bill takes effect July 1, 2018.
- HB 5041 AN ACT CONCERNING THE RECOMMENDATIONS OF THE JUVENILE
PA 18-31 JUSTICE POLICY AND OVERSIGHT COMMITTEE AND CONCERNING THE
TRANSFER OF JUVENILE SERVICES FROM THE DEPARTMENT OF
CHILDREN AND FAMILIES TO THE COURT SUPPORT SERVICES DIVISION OF
THE JUDICIAL BRANCH
This bill has various effective dates.
- SB 391 AN ACT ELIMINATING THE REQUIREMENT THAT A MORTGAGOR
PA 18-53 REPRESENTED BY COUNSEL ATTEND THE FIRST FORECLOSURE
MEDIATION SESSION IN PERSON.
This bill takes effect October 1, 2018.
- SB 439 AN ACT CONCERNING TECHNICAL REVISIONS TO HUMAN SERVICES
PA 18-55 STATUTES.
This bill takes effect October 1, 2018.
- SB 489 AN ACT DESIGNATING VARIOUS DAYS AND WEEKS.
PA 18-60 This bill is effective from passage.

- SB 176 AN ACT REQUIRING THE REPORTING OF CERTAIN GIFTS TO THE STATE
PA 18-64 UNDER THE CODE OF ETHICS FOR PUBLIC OFFICIALS.
This bill takes effect October 1, 2018.
- SB 178 AN ACT DECREASING THE MEMBERSHIP OF THE COMMISSION ON EQUITY
PA 18-65 AND OPPORTUNITY.
This bill is effective from passage.
- SB 196 AN ACT EXTENDING THE HOURS OF OPERATION OF AIRPORT AIRLINE
PA 18-66 CLUB ALCOHOLIC LIQUOR PERMITTEES.
This bill is effective from passage.
- SB 315 AN ACT CONCERNING MINOR REVISIONS TO THE STATUTES OF THE
PA 18-67 DEPARTMENT OF CHILDREN AND FAMILIES AND ESTABLISHING A PILOT
PROGRAM TO PERMIT ELECTRONIC REPORTING BY MANDATED
REPORTERS.
This bill has various effective dates.
- SB 375 AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS'
PA 18-68 RECOMMENDATIONS FOR TECHNICAL AND OTHER CHANGES TO THE
INSURANCE STATUTES.
This bill takes effective October 1, 2018.
- SB 243 AN ACT CONCERNING AUDITS OF MEDICAL ASSISTANCE PROVIDERS.
PA 18-76 This bill takes effect July 1, 2018.
- SB 246 AN ACT LIMITING AUTO REFILLS OF PRESCRIPTION DRUGS COVERED
PA 18-77 UNDER THE MEDICAID PROGRAM AND REQUIRING THE COMMISSIONER OF
SOCIAL SERVICES TO PROVIDE CHIP DATA TO THE HEALTH INFORMATION
TECHNOLOGY OFFICER.
This bill is effective from passage.
- SB 256 AN ACT CONCERNING RACIAL AND ETHNIC IMPACT STATEMENTS.
PA 18-78 This bill takes effect October 11, 2018.

Governor Dannel P. Malloy vetoed the following legislation of the 2018 Regular Session on June 1:

- HB 5171 AN ACT PROHIBITING THE EXECUTIVE BRANCH FROM MAKING
PA 18-35 RESCISSIONS OR OTHER REDUCTIONS TO THE EDUCATION COST
SHARING GRANT DURING THE FISCAL YEAR.
This bill had various effective dates. The Governor vetoed the bill.
***Scroll down to read the Governor's veto message.*

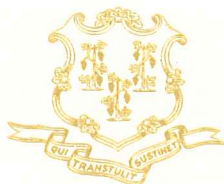
Governor Dannel P. Malloy will leave unsigned the following legislation of the 2018 Regular Session on June 2:

SB 206 AN ACT AUTHORIZING PREGNANCY AS A QUALIFYING EVENT FOR SPECIAL
PA 18-43 ENROLLMENT PERIODS FOR CERTAIN INDIVIDUALS.

This bill takes effect January 1, 2019.

***Governor Malloy wrote a letter to the members of the General Assembly regarding this bill. Scroll down to view that letter.*

As of this date, the Governor has signed seventy-one (71) bills, vetoed one (1) bill, and left unsigned one (1) bill of the 2018 Regular Session.



Dannel P. Malloy

GOVERNOR
STATE OF CONNECTICUT

June 1, 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 House Bill 5171, *An Act Prohibiting the Executive Branch From Making Rescissions or Other Reductions to the Education Cost Sharing Grant During the Fiscal Year*. This bill would prevent any future governor from making rescissions to certain municipal grants without regard to communities' relative need or ability to fund their own spending decisions, and without regard to the seriousness of a financial emergency in the state. In doing so, it would help the wealthiest cities, towns, and residents at the expense of the poorest.


It is understandable that legislators wish to provide more certainty to the municipalities and school districts that they represent. This bill, however, takes a misguided approach. If the legislature wishes to provide additional stability and predictability to cities and towns in formulating their budgets, the best way to do so is to pass a state budget that identifies specific savings or additional revenue to pay for the level of assistance it wishes to provide. Unfortunately, when the legislature does not do so, but instead includes unspecified savings targets amounting to hundreds of millions of dollars, the executive branch must take a balanced approach to cut spending where necessary and preserve funding where more cuts would devastate critical services. No governor can do otherwise.

I have consistently advocated for budgetary policies that provide stability and predictability. When Education Cost Sharing (ECS) funds were withheld in the current fiscal year, it was first because there was no enacted budget for four months, and spending was limited to funding available, without revenue adjustments. And the funds continued to be withheld because of the unprecedented savings – \$881 million – demanded by the enacted budget without offsetting revenue or cuts. Indeed, throughout 2017, I advocated for a different type of targeted aid, one that recognized municipalities' ability to pay and their level of need.

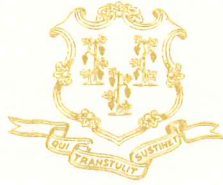
It is undisputable that our current distribution methods for state aid to local governments favor our most affluent communities. This is even more egregiously true if we consider the more than \$1 billion in state support for local teacher pensions that is provided with no consideration of ability to pay. Substitute House Bill 5171 is designed to ensure that the gains made by our richest towns are secured forever, at the expense of our neediest communities and their residents. This is not only inequitable and wrong, it is also shortsighted, as it nurtures the vicious cycle of urban fiscal distress that threatens our urban centers with insolvency and leaves them little ability to grow our economy. For Connecticut to succeed during the coming years of fiscal recovery, we must abandon our penchant for protecting the comfortable at the expense of our poor and our cities.

For all of these reasons, I disapprove of Substitute House Bill 5171, *An Act Prohibiting the Executive Branch From Making Rescissions or Other Reductions to the Education Cost Sharing Grant During the Fiscal Year*. Pursuant to Section 15 of Article Fourth of the Constitution of the State of Connecticut, I am returning Substitute House Bill 5171 without my signature.

Sincerely,



Dannel P. Malloy
Governor



Dannel P. Malloy

GOVERNOR
STATE OF CONNECTICUT

June 1, 2018

Dear Honorable Members of the General Assembly:

Today I am informing you of my intention to allow Senate Bill 206, *An Act Authorizing Pregnancy As A Qualifying Event for Special Enrollment Periods For Certain Individuals* to become law without my signature. This bill allows women who become pregnant to purchase insurance outside the open enrollment period via our individual insurance exchange, Access Health CT, if they meet certain conditions.

As Governor, I have never before allowed a bill to become law without my signature. I am choosing to do so now with clear intention and purpose. First, I wish to draw special attention to certain issues relating to our health insurance exchange, and how we can best position it for long-term growth and viability. And second, I hope to engage with you in a conversation about how changes in benefits mandated by state law can affect rates paid by Connecticut consumers, and the resulting impact on our local insurance industry.

To begin, while this bill is undoubtedly admirable in its public policy goal, it gives me concern for the future stability of our insurance marketplace. The foundational philosophy underlying the Affordable Care Act is that individuals should be insured at all times, not just when an individual *needs* to utilize insurance. This is why enrollment periods and the individual mandate were originally implemented and why I requested that we create our own individual mandate, as our neighbors in New Jersey did recently.

This legislation weakens one of the fundamental tenets of our health insurance system, which is the principle of spreading and pooling risk. Permitting the diagnosis of a health condition to be a triggering event for a special enrollment period has a disproportionate effect on the insurance risk pool, increasing the costs for every single person seeking to purchase insurance in the individual market. Research tells us that cost is the greatest barrier to acquiring and maintaining health insurance, and we must carefully consider any public policy that increases health insurance premiums. This legislation alone will increase annual costs an estimated \$70 per-year, per-person on top of the increases we expect from the other changes made to health insurance coverage mandates this session, at a time when too many of our residents still struggle to afford insurance.

I believe these negative impacts were actually known to certain proponents of this legislation in the legislature. These individuals were aware of the threat this policy poses and, I believe, saw it as an opportunity to destabilize our individual market due to their philosophical disagreements with the Affordable Care Act. As the home of the insurance industry, this cannot be the example that we set for the rest of the country.

To be clear, increasing access to insurance for pregnant women is of course a laudable public policy. That's why the state already has a number of programs in place for pregnant women, including presumptive eligibility under HUSKY/Medicaid and higher income allowances. The annual income cut-off for pregnant women is at 263% of the federal poverty level – substantially higher than all other HUSKY categories. As we all know, our overall public health improves with access to prenatal and preventive health care, and as such we should rightly be proud of Connecticut's strong history on this front, and the improved health outcomes that have resulted from it.

If state policymakers believe the public policy encompassed in SB 206 plus the affordability of health insurance are important, then we should work together to devise a better way to cover these individuals without making individual health insurance unaffordable and unattainable to thousands of Connecticut residents. For instance, simply expanding eligibility for pregnant women under Connecticut's existing HUSKY initiatives (in order to take advantage of federal reimbursement) may be preferable to the approximately \$7 million increase in premium costs from this legislation that will negatively impact Access Health members. This idea would serve the same intent as Senate Bill 206, while preventing all costs from being passed directly to those residents of Connecticut who can least afford it.

I am eager to discuss this idea or others with anyone who is truly committed to protecting both our residents and the foundations of our health insurance marketplace. It is my hope that we can have these conversations this summer, and I would in fact welcome a Special Session to prevent the premium rate increases this bill will undoubtedly cause in the fall. I look forward to hearing your thoughts on these matters, and your suggestions for how we proceed together.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. Malloy", with a stylized flourish at the end.

Dannel P. Malloy
Governor