

Legislative History for Connecticut Act

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House 5054-5090 (37)
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4825-5099

REP. GROPPPO: (63rd)

Mr. Speaker.

SPEAKER ABATE:

Rep. Groppo.

REP. GROPPPO: (63rd)

An announcement in the schedule commencing Monday, will be Monday and Tuesday at 1:00 P.M. Wednesday, Thursday, Friday, and Saturday at 11:00 A.M.

SPEAKER ABATE:

Would the Clerk please return to the call of the Calendar.

CLERK:

Calendar page 6. Calendar No. 586. File 710. Substitute for House Bill No. 6033. AN ACT TO ELIMINATE THE DEPARTMENT OF BUSINESS REGULATION AND REORGANIZE THE DIVISIONS OF SAID DEPARTMENT. Favorable Report of the Committee on Appropriations.

REP. WRIGHT: (77th)

Mr. Speaker.

SPEAKER ABATE:

Rep. Gardner Wright.

REP. WRIGHT: (77th)

Mr. Speaker, I move for acceptance of the Joint Committee's Favorable Report and passage of the bill.

5055

SPEAKER ABATE:

The question is on acceptance of the Joint Committee's Favorable Report and passage of the bill. Will you remark, sir?

REP. WRIGHT: (77th)

Yes, Mr. Speaker. This is one of the bills which was generated from the list of options that Senator Schneller and I put forth earlier this year. It's a very large bill. The bulk of it is just the elimination of the Office of Business Regulations. So all of the references to that office in the statutes have had to be eliminated.

What the bill does, it eliminates the Office of Business Regulation and the secretary of Business Regulations at a savings of about \$80,000. It creates separate departments for the DPUC banks, insurance and it puts liquor control under the Office of Public Safety. It also requires that the Insurance Departments -- Insurance Companies in the state, pay 70% of the cost, including fringe benefits costs for the Department of Insurance generating between five and \$600,000 of additional revenue to the state.

Mr. Speaker, since the bill was drafted and put in file, there have been some minor and some major amendments suggested and at this time I would like to call two of those amendments. The first one is LCO 4216, which I would like called and request permission to summarize.

5056

SPEAKER ABATE:

The Clerk has in his possession an amendment. LCO No. 4216, designated House Amendment Schedule "A". Would the Clerk please call the amendment.

CLERK:

LCO No. 4216. Offered by Rep. Abate of the 148th District and others.

SPEAKER ABATE:

The gentleman has requested leave of the Chamber to summarize this amendment in lieu of Clerk's reading. Is there objection? Is there objection to summarization. Hearing none, you may proceed to summarize the amendment, Rep. Wright.

REP. WRIGHT: (77th)

Mr. Speaker. Just briefly. The file copy of the bill will eliminate the separate fund of the Department of the -- the Banking Department and would require that it be appropriated. After further consultation it was found that there were some problems with the way it was drafted and that perhaps we should leave, at least for this year the Banking Department with a separate fund until we can straighten out exactly what would happen with such things as fees and I move adoption of the amendment.

SPEAKER ABATE:

The question is on adoption of House Amendment Schedule "A".

Will you remark further on its adoption? Will you remark further on the adoption of House Amendment Schedule "A".

If not, all those in favor of its adoption, please indicate by saying, aye.

REPRESENTATIVES:

Aye.

SPEAKER ABATE:

All those opposed, nay.

The ayes have it. It is adopted and ruled technical.

House Amendment Schedule "A":

In lines 678 and 680, strike out "283 and insert in lieu thereof "281"

In line 8441, strike out "THIS SECTION SHALL BE EFFECTIVE"
Strike out line 8442 in its entirety

In line 8645, strike out "240" and insert in lieu thereof "239"

In line 8789, strike out "THIS SECTION SHALL BE"
Strike out lines 8790 and 8791 in their entirety

In line 8486, strike out "263" and insert in lieu thereof "261"

In line 10231, strike out "SECTIONS 236 and 237" and insert in lieu thereof "SECTION 236"

In line 10895, strike out "271" and insert in lieu thereof "269"

In line 11100, strike out "268" and insert in lieu thereof "266"

In lines 11197 and 11255, strike out "283" and insert in lieu thereof "281"

"277" In line 11246, strike out "279" and insert in lieu thereof

"278" In line 11247, strike out "280" and insert in lieu thereof

"279" In line 11260, strike out "281" and insert in lieu thereof

In line 11273 and 11328, strike out "343" and insert in lieu thereof "341"

In lines 11277, 11300, 11307 and 11316, strike out "282" and insert in lieu thereof "280"

"275" In line 13254, strike out "277" and insert in lieu thereof

Strike out sections 237 and 246 in their entirety and renumber the remaining sections accordingly.

Strike out section 349 in its entirety and insert in lieu thereof the following:

"Sec. 349. This act shall take effect from its passage, except that sections 1 to 280, inclusive, and sections 282 to 346, inclusive, shall take effect July 1, 1980"

SPEAKER ABATE:

Will you remark further on the bill as amended by House "A".

REP. WRIGHT: (77th)

Mr. Speaker.

SPEAKER ABATE:

Rep. Gardner Wright.

REP. WRIGHT: (77th)

Mr. Speaker, the Clerk has another amendment, LCO 4219,

which I would like to call and ask permission to summarize.

5059
5059

SPEAKER ABATE:

The Clerk has in his possession an amendment, LCO No. 4219, designated House Amendment Schedule "B". Would the Clerk please call and read the amendment.

CLERK:

LCO No. 4219, offered by Rep. Wright of the 77th District.

In line 13244, strike "2" and insert in lieu thereof "281"

In line 13258, after "hundred" insert "FIFTY"

SPEAKER ABATE:

The amendment is now in your possession, sir. What is your pleasure?

REP. WRIGHT: (77th)

Mr. Speaker, I move adoption of the amendment.

SPEAKER ABATE:

The question is on adoption of House Amendment Schedule "A". Will you remark now on its adoption?

REP. WRIGHT: (77th)

Yes, Mr. Speaker. This amendment clarifies a technical -- a typing error. In line 3244 in straight and clarifies that the \$100 million in line 13258 should be \$150 million.

SPEAKER ABATE:

Will you remark further on the adoption of House "B".

If not, all those in favor of its adoption, please indicate by saying, aye.

REPRESENTATIVES:

Aye.

SPEAKER ABATE:

All those opposed, nay.

The ayes have it. It is adopted and ruled technical.

Will you remark further on the bill as amended.

REP. GRANDE: (79th)

Mr. Speaker.

SPEAKER ABATE:

Rep. Andrew Grande.

REP. GRANDE: (79th)

Mr. Speaker, the Clerk has an amendment LCO 4217.

SPEAKER ABATE:

The Clerk has in his possession an amendment, LCO No. 4127, designated House Amendment Schedule "C".

REP. GRANDE: (79th)

Mr. Speaker.

SPEAKER ABATE:

Did the gentleman call No. 4217?

REP. GRANDE: (79th)

Yes, Mr. Speaker.

SPEAKER ABATE:

LCO No. 4217, is designated House Amendment Schedule "C".

Would the Clerk please call the amendment.

CLERK:

LCO No. 3217. Offered by Rep. Grande of the 79th District and others.

REP. GRANDE: (79th)

Mr. Speaker.

SPEAKER ABATE:

Rep. Grande.

REP. GRANDE: (79th)

If I could have permission to summarize?

SPEAKER ABATE:

Is there objection to summarization? Hearing none, you may proceed to summarize the amendment.

REP. GRANDE: (79th)

Yes, Mr. Speaker. This amendment would eliminate the provision of the bill which placed the Division of Liquor Control in the Department of Public Safety for administrative purposes, and establish it as a separate agency called the Department of Liquor Control. I move for its adoption.

SPEAKER ABATE:

The question is on adoption of House Amendment Schedule "C". Will you remark on its adoption?

REP. VAN NORSTRAND: (141st)

Mr. Speaker.

SPEAKER ABATE:

Rep. VanNorstrand.

REP. VAN NORSTRAND: (141st)

Through you, a question to Rep. Wright.

SPEAKER ABATE:

State your question please, sir.

REP. VAN NORSTRAND: (141st)

Rep. Wright, was there any discussion in terms of this particular issue that is encompassed in the amendment Rep. Grande's offered, in your Committee?

SPEAKER ABATE:

Rep. Wright, will you respond to that question please, sir.

REP. WRIGHT: (77th)

Through you, Mr. Speaker. There was a considerable amount of discussion regarding liquor control in the Appropriations Committee. There was also a discussion of whether it should be put in Consumer Protection because some people thought it should go there. Some people thought it should be put in Public Safety and some people thought it should be separate.

We opted for Public Safety, but there was considerable discussion on liquor control in the Committee.

REP. VAN NORSTRAND: (141st)

Through you, Mr. Speaker. Does the file copy in terms of the contents of the amendment proposed representative the file came to you from GAE?

SPEAKER ABATE:

Rep. Wright.

REP. WRIGHT: (77th)

Mr. Speaker. This bill orginated in the Appropriations Committee and was not in GAE.

SPEAKER ABATE:

Rep. VanNorstrand you still have the floor, sir.

REP. VAN NORSTRAND: (141st)

Mr. Speaker, I raise a point of order.

SPEAKER ABATE:

What is your point, sir?

REP. VAN NORSTRAND: (141st)

This matter is a substantial reorganization of certain portions of the Division of Business Regulations and I'm advising the floor here that it has never been to the Committee having cognizance over such matters.

SPEAKER ABATE:

The Chair will consider your point, sir. Would the Chamber please stand at ease momentarily.

REP. VAN NORSTRAND: (141st)

Mr. Speaker.

SPEAKER ABATE:

Rep. Van Norstrand.

REP. VAN NORSTRAND: (141st)

Mr. Speaker, since we are discussing the amendment proposed by Rep. Grande, I would withdraw my point of order, since I suspect it lies better against the bill.

SPEAKER ABATE:

The point of order has been withdrawn. The matter pending for action before the Chamber at this time is the adoption of House Amendment Schedule "C".

REP. VAN NORSTRAND: (141st)

Mr. Speaker, I would, however, ask that a roll call be taken on this amendment.

SPEAKER ABATE:

The question is on a roll call vote. All those in favor, please indicate by saying, aye.

REPRESENTATIVES:

Aye.

SPEAKER ABATE:

In the opinion of the Chair, the requisite 20% having been satisfied, when the vote is taken, it will be taken by roll.

Will you remark further on the adoption of House Amendment Schedule "C".

REP. OSLER: (150th)

Mr. Speaker.

SPEAKER ABATE:

Will you remark further on the adoption of House Amendment Schedule "C". Rep. Dorothy Osler.

REP. OSLER: (150th)

May I ask again, to make absolutely clear what this amendment does to the Division of Liquor Control.

SPEAKER ABATE:

Rep. Grande, will you respond to the question please, sir.

REP. GRANDE: (79th)

Through you, Mr. Speaker. Yes, Mr. Speaker. What this is, is it reverts it back to its original status as an agency.

REP. OSLER: (150th)

Thank you, Mr. Speaker. Through you, Mr. Speaker, may I ask another question of the proponent. In the file copy where does liquor control rest?

SPEAKER ABATE:

Rep. Grande.

REP. GRANDE: (79th)

It rests with the Public Safety for administrative purposes only. Through you, Mr. Speaker.

5066

REP. OSLER: (150th)

Could you reference the lines on that please?

REP. GRANDE: (79th)

Through you, Mr. Speaker.

SPEAKER ABATE:

Rep. Grande.

REP. GRANDE: (79th)

In line 6919 of the file copy. Line 32 of the amendment.

REP. OSLER: (150th)

Thank you, Mr. Speaker. Why -- may I ask another question, through you to the proponent, Mr. Speaker.

When the bill is doing away with the Department of Business Regulations, why is it necessary to go into a completely different department which we are not doing away with, nor anything else with, to draw out from it the Liquor Control and make it a separate agency?

REP. GRANDE: (79th)

Through you, Mr. Speaker.

SPEAKER ABATE:

Rep. Grande.

REP. GRANDE: (79th)

That's exactly what I'm trying to do by form of this amendment. We did do away with the Business Regulations and

we are going to put it under its own agency status, rather than through the Public Safety. This puts it under the Public Safety for administrative purposes only. They did take other divisions and put them under the Division of Public Safety such as the military, state police and civil preparedness which is rightfully so under this, but I don't see the compatibility with the Liquor Control Commission under the Public Safety, the Division of Public Safety, through you, Mr. Speaker.

SPEAKER ABATE:

Rep. Osler, you still have the floor, madam.

REP. OSLER: (150th)

Thank you, Mr. Speaker. I just don't believe I can go along at all with this amendment. It seems to me at the time that the Government, Administration and Policy Committee did its government reorganization, a couple of years ago, we were very careful where we put the Liquor Control business and if it is not going to be in Business Regulations, I think it should not stand alone and I would suggest that having it in Public Safety is a much better place, than having it as a completely unrelated agency with all its own powers and problems.

REP. ZAJAC: (83rd)

Mr. Speaker.

SPEAKER ABATE:

Will you remark further on the adoption of House Amendment Schedule "C". Rep. John Zajac.

REP. ZAJAC: (83rd)

Mr. Speaker. Mr. Speaker, I rise to support the amendment and hate to disagree with the distinguished minor leader and other members on this side of the aisle. But as Rep. Grande has pointed out, the Liquor Committee, the Liquor Commission does belong and is not compatible with Public Safety. All one has to do is really look at the liquor statutes and all its regulations, many of which we debate here each and every year, whether we agree with some and disagree with others, we would have to all admit that it's all encompassing under one Commission and one Regulatory Agency.

It's a heavy regulated business, and therefore, it was in the Business Regulations Committee before. Putting it with Public Safety with military and police and civil preparedness, it just doesn't -- the shoe just does not fit the -- the foot just does not fit the shoe and we don't even know at this point whether Commissioner Long would accept it there or has any favorable attitudes towards leaving it there.

Liquor Commission has always been a separate agency and has done a good job regulating the industry in this state and I would favor the amendment.

SPEAKER ABATE:

Will you remark further on the adoption of House Amendment Schedule "C".

REP. MANNIX: (142nd)

Mr. Speaker.

SPEAKER ABATE:

Rep. John Mannix.

REP. MANNIX: (142nd)

Mr. Speaker, at one point, in the deliberations of the Appropriations Committee we took a vote and that was to do away with the Liquor Control Commission and then over the ensuing evening, the phone started to ring and it was reconsidered the following day and reinstated.

Now, we're doing a form of reorganization and it was through appropriate to put the Liquor Control under Public Safety. Now there is some very negative things about putting, there's no question about that, there's some very negative things about putting Liquor Control under Public Safety and breaking it away from a really autonomous group. Let me say the negative things in my opinion is, that it's going to be more difficult for the political parties, both Republican and Democrat to sell tables to the Liquor Industry if we put it under Public Safety.

Now, that's a consideration, because this is a political year. It's an extremely negative thing. In fact, the evening that I referred to earlier, one of the members of the Appropriations Committee indicated, you're going to lose contributions if you

do away with Liquor Control. I was just interviewed by a young college student here, about what goes on here. She lived overseas for awhile and from Maryland, originally, and goes to a college here in the state, a university and she asked some very probing questions. And frankly, I was hard put to answer why certain things happen up here.

Hard put because there really wasn't any justification other than, self-interest, of the individuals here. And I'm one of them. I'm part of this group but I'm not saying I don't look after my own self-interest. But at some point, collectively, we've got to look out for the interest of the people in the state, particularly in an election year.

We seem to forget that. And I'm one of you. And I believe that this isn't a major item, this amendment. But one of the reasons, really, why we're objecting to or supporting this amendment, if we are, if we will do that, shortly, is because you know and I know, it's going to somewhat diminish the importance of some of the people who have access to us, here in the General Assembly.

I think it's a mistake. We've got to turn politics around in the state and in this country. We can't do it individually, we've got to do it together as a group. I think we have to start somewhere. We tried it in the Appropriations Committee and failed.

5071

Let's start with this, in killing this amendment.

SPEAKER ABATE:

Will you remark further on the adoption of House Amendment Schedule "C".

If not, would all the members please be seated. Staff and guests, all staff and guests, please come to the well of the House. The machine will be opened.

The House of Representatives is voting by roll at this time. Would the members please return to the Chamber immediately. The House of Representatives is voting by roll at this time. Would the members please return to the Chamber immediately.

Have all the members voted? Have all the members voted? Would the members please check the roll call machine. Would the members please check the roll call machine to determine if their vote is properly recorded. The machine will be locked. The Clerk will take the tally.

Would the Clerk please announce the tally.

CLERK:

House Amendment Schedule "C" to House Bill No. 6033..

| | |
|-----------------------------|-----|
| Total number voting | 143 |
| Necessary for adoption | 72 |
| Those voting yea | 75 |
| Those voting nay | 68 |
| Those absent and not voting | 8 |

SPEAKER ABATE:

5072

The amendment is adopted and ruled technical.

House Amendment Schedule "C":

In line 105 after "labor," insert "LIQUOR CONTROL COMMISSION,"

In line 128 after "labor," insert "DEPARTMENT OF LIQUOR CONTROL,"

Strike out section 170 and insert in lieu thereof the following:

"Sec. 170. Wherever the term "division of liquor control" or "division of liquor control within the department of public safety" is used or referred to in this act, it shall be deemed to mean or refer to the department of liquor control."

In line 6917, strike out "DIVISION" and insert in lieu thereof "DEPARTMENT"

Strike out line 6918

In line 6919, strike out "ADMINISTRATIVE PURPOSES ONLY"; bracket "division" and insert "DEPARTMENT" after the closing bracket.

In lines, 6948, 6958, 6961 and 6966, bracket "division"; insert "DEPARTMENT" after the closing bracket.

SPEAKER ABATE:

Will you remark further on this bill as amended. Will you remark further on the bill as amended by House Amendment Schedules "A", "B" and "C".

REP. NIEDERMEIER: (134th)

Mr. Speaker.

SPEAKER ABATE:

Rep. Christine Niedermeier.

REP. NIEDERMEIER: (134th)

Mr. Speaker, the Clerk has in his possession an amendment designated LCO No. 4519. Would the Clerk please call the amendment and may I be permitted to summarize.

SPEAKER ABATE:

Would the House please come to order. Would the House please come to order. The Clerk has in his possession an amendment. LCO No. 4519, designated House Amendment Schedule "D". Would the Clerk please call the amendment.

CLERK:

LCO No. 4519. Offered by Rep. Lavine of the 100th District.

SPEAKER ABATE:

The lady has requested leave of the Chamber to summarize the amendment in lieu of Clerk's reading. Is there objection? Hearing none, it is so ordered. You may proceed with summarization, Rep. Niedermeier.

REP. NIEDERMEIER: (134th)

Thank you, Mr. Speaker. Very briefly, this amendment would have a twofold effect. First, it would clarify an inconsistency in that the Commissioners of Public Utility Control Authority are currently appointed by the Governor for fixed terms under existing statutes.

Inadvertently, Section 3 of this bill designates the PUCA collective head of a new department and this amendment would clarify that they would maintain their existing terms.

Secondly, it would preserve the independence of the Office of Consumer Council by providing that the office would be within the Department of Public Utilities control but only for administrative purposes. I move adoption of the amendment.

SPEAKER ABATE:

The question on adoption of House Amendment Schedule "D". Will you remark further on its adoption?

If not, all those in favor of its adoption, please indicate by saying, aye.

Rep. Leonard, I'm sorry, madam. Did you want to address this question.

REP. LEONARD: (111th)

Yes, thank you, sir. Very briefly.

SPEAKER ABATE:

House Amendment Schedule "D". Yes?

REP. LEONARD: (111th)

Thank you, sir. I would like to state that while I do appreciate that the intent behind this amendment, I will reluctantly have to vote against it, for the simple reason that these are matters I think that ought to have been considered after testimony,

after deliberation, after weighing of the evidence by the Committee of Cognizance. I will not pursue the question that was raised before, in so far as whether a point of order should be taken, but I will say that I think that the Chairman of the say, Appropriations Committee would be on his feet protesting if a bill came out of GAE dealing with the budget.

And so therefore, reluctantly, I would have to vote against all of these amendments, whatever their merit may be and against the bill. Thank you, Mr. Speaker.

SPEAKER ABATE:

Will you remark further on the adoption of House Amendment Schedule "D".

REP. NIEDERMEIER: (134th)

Mr. Speaker.

SPEAKER ABATE:

Rep. Niedermeier.

REP. NIEDERMEIER: (134th)

Mr. Speaker, I would only comment that this amendment would retain the existing situation and I would hope that since the fixed terms were previously set by Committee, we're just basically ensuring that the existing system would be retained and that the Consumer Council which has been independent on its own, it would be integrated but only for administrative purposes.

and so I don't see the amendment really makes a significant change from the status quo.

REP. RITTER: (6th)

Mr. Speaker.

SPEAKER ABATE:

Will you remark further on the adoption of House Amendment Schedule "D". Rep. George Ritter.

REP. RITTER: (6th)

Thank you, Mr. Speaker. I rise to support this amendment. This Legislature fought hard and well and successfully to have an independent Consumer Council. I think it would be a shame because of procedural or possible procedural defects to lose that independence regardless of what else one thinks, I hope he or she will at least support this amendment.

SPEAKER ABATE:

Will you remark further on the adoption of House Amendment Schedule "D".

If not, all those in favor of its adoption, please indicate by saying, aye.

REPRESENTATIVES:

Aye.

SPEAKER ABATE:

All those opposed, nay.

REPRESENTATIVES:

No.

SPEAKER ABATE:

The eyes have it. The amendment is adopted and ruled
technical.

House Amendment Schedule "D":

In line 13198, after the word "counsel" insert " , "

In line 13199, after the word "CONTROL" insert the words
"FOR ADMINISTRATIVE PURPOSES ONLY,"

After line 13376, insert a new section 349 as follows and
renumber the remaining section accordingly:

"Sec. 349. Section 4-6 of the general statutes is repealed
and the following is substituted in lieu thereof:

EXCEPT AS OTHERWISE PROVIDED BY STATUTE, (On) ON or before
March 1, 1975, and quadrennially thereafter, the governor shall,
with the advice and consent of either house of the general
assembly, appoint each department head in the manner prescribed by
section 4-7 and section 4-8, to serve at the pleasure of the
governor but no longer than four years from the first day of March
in the year of his appointment, unless reappointed under the
provisions of said sections.

In lines 13381, delete the number "348" and substitute the
number "349" in lieu thereof.

SPEAKER ABATE:

Will you remark further on the bill as amended by House
Amendment Schedules "A" through "D".

REP. VAN NORSTRAND: (141st)

Mr. Speaker.

SPEAKER ABATE:

Rep. VanNorstrand.

REP. VAN NORSTRAND (141st)

I will now raise a point of order, Mr. Speaker, specifically as this bill has now been amended, it makes it all the more important and I would cite the benefit of Joint Rule 3H that the matters before us are clearly within the sole cognizance of the GAE.

This bill not only has never been there, it originated elsewhere.

SPEAKER ABATE:

The Chair has had an opportunity to, in the very brief period of time that has elapsed since Rep. VanNorstrand first indicated that he might, in fact, raise this point of order, to contemplate its ruling relative to the questions raised by Rep. VanNorstrand in his point of order.

The Chair has in the course of its contemplation and in the course of its deliberations on this question considered the provisions extant in the Joint Rules and has further consider the provisions extant in the General Statutes of the State of Connecticut, more particularly cited in Section 2-35 of the General Statutes.

Section 2-35 of the General Statutes clearly indicates in describing the jurisdiction of the Committee on Appropriations, that said Committee may originate and report any bill which it deems necessary and shall from time to time report such appropriations bills.

Appropriations bills within the context of that statute specifically relate to the budget. The earlier part of the provision when it talks about any bill which it deems necessary relates to bills other than the appropriations bill or the budget bill.

The Appropriations Committee, in the opinion of the Chair, has very broad powers in this connection. It has powers that it needs in order to implement the budget document.

Those of you who have been attendant during this session will realize that the Committee on Appropriations has taken action in the budget relative to the elimination of the Department of Business Regulation. The bill presently pending for action before this Chamber, in fact, implements the elimination of that Department.

The money to carry on the functions of that Department has already been eliminated from the budget document. In the opinion of the Chair, the Committee on Appropriations does indeed have the authority to raise and as the statute indicates, report any bill which it deems necessary in order to implement the budget.

The Chair will say at this time that it does feel that the language of the statute is broader than, in fact, it need be. But nonetheless, the fact remains, that the language in the statute as it presently exists is broad enough to allow the Committee on Appropriations the authority to, in fact, report bills, such as the bill pending before us for action, Substitute House Bill No. 6033.

So I am compelled to rule your point of order not well taken.

REP. VAN NORSTRAND: (141st)

Mr. Speaker, I appeal the ruling of the Chair.

SPEAKER ABATE:

Is there a second?

REP. HANLON: (70th)

Mr. Speaker, I second the appeal.

SPEAKER ABATE:

There is an appeal. It has been seconded.

REP. VAN NORSTRAND: (141st)

Mr. Speaker, speaking just to the appeal, as I understand the Constitution of this State, this legislature is a separate magistracy and its rules will supersede any statute extant in the State of Connecticut. And our rules, and either we are to remain a body of rules or we are not and prior speakers have so ruled, we are, would say that this rule would override that statute.

Therefore, I claim the benefit of it.

SPEAKER ABATE:

Will you remark further on the appeal?

REP. JAEKLE: (122nd)

Mr. Speaker.

SPEAKER ABATE:

Rep. Jaekle.

REP. JAEKLE: (122nd)

Thank you, Mr. Speaker. I've only been here two sessions but I do seem to recall that not only does our Constitution provide for the superiority of our legislative rules over the statute, but in my brief two term experience here, I am well aware of a precedent and a prior ruling from a prior speaker to that very effect when ruling on a point of order, that our rules were indeed superior to the statutes governing our procedure.

And I'm afraid that if your ruling, Sir, will stand, that we will be reversing a precedent established through a prior speaker. Indeed, a ruling that at the time was contrary to the outcome that that speaker wished his ruling would take. But a ruling, if I recall, and I'm sorry I do not have his transcript, was one that he indicated had to be made, indeed to insure that our rules are indeed superior to the statute. That we, as a separate branch of government, have that power to adopt the rules and that our rules are, indeed, superior. And frankly, Mr. Speaker, while I didn't

like the effect of his ruling at that time, I had to agree, with the principals that he was espousing at that time as a member of the legislature, I had to agree with that. And, frankly, I am very disturbed that we may now, if your ruling stands, will be reversing that precedent and undermining our own power as a separate branch of government. Our own power as a legislature, to adopt rules to govern our proceedings and have those rules stand through other points of order.

And, frankly, Mr. Speaker, I am so disturbed about this, that when we vote on the question of sustaining or overruling your decision, your point of order on this appeal, I'd like to request that the vote be taken by roll call.

SPEAKER ABATE:

The question is on a roll call vote. All those in favor, please indicate by saying Aye.

REPRESENTATIVES:

Aye.

SPEAKER ABATE:

In the opinion of the Chair, the requisite 20% having been satisfied when the vote is taken, it will be taken by roll. Members of the Chamber should realize that the Chair is in a particularly awkward position at this point, because the Chair is not entitled to debate the points being raised by the opposition. Rest assured, Ladies and Gentlemen, that the Chair has arguments in opposition. That's all that I need say at this point in time.

Will you remark further on the appeal? Will you remark further on this appeal? If not, would all the members please be seated. Staff and guests please come to the well of the House. The machine will be opened.

The question, Ladies and Gentlemen, before the Chamber at this time is whether or not the decision of the Chair ought to be sustained. Will you sustain the ruling of the Chair?

The House of Representatives is voting by roll at this time. Would all the members return to the Chamber immediately. The House of Representatives is voting by roll at this time. Would the members please return to the Chamber immediately.

DEPUTY SPEAKER FRANKEL:

Have all the members voted? And, is your vote properly cast? If so, the machine will be locked and the Clerk will please take the tally.

Would the Clerk please announce the tally.

CLERK:

Motion to sustain ruling of the Chair.

| | |
|-----------------------------|-----|
| Total number voting | 142 |
| Necessary for adoption | 72 |
| Those voting yea | 96 |
| Those voting nay | 46 |
| Those absent and not voting | 9 |

DEPUTY SPEAKER FRANKEL:

The ruling of the Chair is sustained.

Will you remark further on this bill as amended by House "A", "B", "C" and "D". Will you remark further.

REP. OSLER: (150th)

Mr. Speaker.

DEPUTY SPEAKER FRANKEL:

Rep. Osler.

REP. OSLER: (150th)

May I ask please, I have not seen a fiscal note on this bill. I presume there must be one floating around somewhere. I'd just really like to know if we're taking all these -- all the sub-departments of the large Department of Business Regulation and moving them to other agencies wherein lies the savings. Could someone from the Appropriations Committee please inform me as to what is contemplated being saved by moving these things around?

DEPUTY SPEAKER FRANKEL:

Rep. Wright will you respond?

REP. WRIGHT: (77th)

Yes, Mr. Speaker, through you. What we have done, is eliminate the Office of the Secretary of Business Regulations and the staff that went with that office for a savings of \$80,000,

because the business -- the secretary did not have operational authority over any of the sub-agencies anyway. The Banking Commissioner was independent. The Insurance Commissioner was independent. The DPUC was independent. There was no real functional authority for the Office of Secretary of Business Regulations.

So we've eliminated that whole office at a savings of \$80,000 and in doing that, eliminating the department, we had to create -- we had to somehow refer to the Departments of Banking and Public Utilities and Insurance. And so we went back to what previously was the situation when they were independent departments in the government.

DEPUTY SPEAKER FRANKEL:

Rep. Osler, you have the floor.

REP. OSLER: (150th)

Thank you, Mr. Speaker. May I ask through you again, of the proponent of the bill, if all of these positions were filled positions or if some of them were on paper only?

DEPUTY SPEAKER FRANKEL:

Rep. Wright, will you respond?

REP. WRIGHT: (77th)

Mr. Speaker, we reduced the budget by \$80,000. There was three positions which were filled. I believe they was one that was vacant.

REP. OSLER: (150th)

Through you, Mr. Speaker.

DEPUTY SPEAKER FRANKEL:

Rep. Osler.

REP. OSLER: (150th)

To the proponent. You mean that just three positions are \$80,000 worth?

DEPUTY SPEAKER FRANKEL:

Rep. Wright.

REP. WRIGHT: (77th)

No. There's also the other expenses and the staff and the automobiles that go with the department. There was -- but there was four positions in the budget.

DEPUTY SPEAKER FRANKEL:

Rep. Osler.

REP. OSLER: (150th)

Thank you, very much. I'm not particularly opposed to moving departments around. I do think that this bill should certainly have gone to the Government Administration and Policy Committee. We spent a whole year reorganizing the state and now gradually it's all being undone; which is what some of us said in the first place. You know, what -- that it probably wasn't going to save as much money to do it and in fact it probably cost us more to do it, but I just wish there had been a summary

of this bill from the Office of Legislative Research for us to look at before we had to debate it on the floor.

REP. LEONARD: (111th)

Mr. Speaker.

DEPUTY SPEAKER FRANKEL:

Will you remark further on this bill as amended. Will you remark further. Rep. Leonard.

REP. LEONARD: (111th)

Thank you, Mr. Speaker. In response to the overwhelming chorus calling for more debate on the bill, I'd like to just comment that we sell ourselves very cheaply. As I understood it, Rep. Wright said we can anticipate a savings of approximately \$80,000.

And so that means for the sum of \$80,000, perhaps a few dollars more or less, we have violated our own rules.

We have limited our rights to adopt our rules.

We have violated the Committee system.

We have violated the principles enunciated and believe me, I defended very vigorously, when we adopted the reorganization bill.

We established a Committee of Cognizance.

We were determined at that time, there were many amendments offered to the reorganization bill and at each instance we presented or the Chamber was presented with the argument that we must not create additional agencies. We must not create additional departments. We must not do this, do that or the other thing because it violated the principle of reorganization.

And we swallowed hard to accept that. We also swallowed very hard when we realized that henceforth matters dealing with reorganization should be dealt with by a Committee that was familiar with the reorganization concept, principle, and result. Ladies and gentlemen, I conclude my remarks with the opening statement. We're selling ourselves pretty cheaply.

DEPUTY SPEAKER FRANKEL:

Will you remark further on this bill? Will you remark further?

REP. WRIGHT: (77th)

Mr. Speaker.

DEPUTY SPEAKER FRANKEL:

Rep. Wright.

REP. WRIGHT: (77th)

Mr. Speaker, just briefly, there were \$80,000 savings in the elimination of the department was a suggestion of the Secretary because he recognized that it was a failure and that that part of reorganization did not work and was not working.

The major savings in this bill, Mr. Speaker, is that we have made the insurance companies responsibly for paying for the operation of the department that regulates them on the basis similar to the banks and the public utilities and that will generate somewhere in the neighborhood of six to eight hundred thousand dollars. And I think it's important that we use this money since its already been accounted for in our budget.

DEPUTY SPEAKER FRANKEL:

Will you remark further on this bill as amended? Will you remark further? If not, would the staff and guests please come to the well of the House. Would the members please take their seats. Staff and guests to the well of the House.

Would members please take their seats. The machine will be opened.

The House of Representatives is now voting by roll. Would the members please return to the Chamber.

There is a roll call vote in progress in the Hall of the House. Would the members return to the Chamber immediately.

Have all the members voted? Have all the members voted and is your vote properly cast?

If so, the machine will be locked.

The Clerk will please take a tally.

Would the Clerk announce the tally.

CLERK:

House Bill 6033 as amended by House Amendments Schedules "A", "B", "C", and "D".

| | |
|-----------------------------|-----|
| Total Number Voting | 142 |
| Necessary for Passage | 72 |
| Those voting Yea | 93 |
| Those voting Nay | 49 |
| Those absent and not Voting | 9 |

DEPUTY SPEAKER FRANKEL:

The bill as amended passes.

CLERK:

Calendar page 7, Calendar No. 593, File 747, Substitute for House Bill No. 5876, AN ACT REQUIRING BIENNIAL REAPPLICATION BY HOMEOWNERS UNDER THE PROGRAM OF PROPERTY TAX RELIEF FOR ELDERLY. Favorable Report of the Committee on Finance, Revenue and Bonding.

REP. WOJTAS: (60th)

Mr. Speaker.

DEPUTY SPEAKER FRANKEL:

Rep. Wojtas.

REP. WOJTAS: (60th)

I move for acceptance of the joint committee's favorable report and passage of the bill.

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GEN. ASSEMBLY
SENATE

PROCEEDINGS
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THE CLERK:

Cal. 715. File 710. Substitute for House Bill 6033. AN ACT TO ELIMINATE THE DEPARTMENT OF BUSINESS REGULATION AND REORGANIZE THE DIVISIONS OF SAID DEPARTMENT, as amended by House Amendment Schedules A, B, C and D. Favorable report of the Committee on Appropriations.

THE PRESIDENT:

Senator Schneller.

SENATOR SCHNELLER: (20th)

Madame President, I move acceptance of the joint committee's favorable report and passage of the bill as amended by House A, B, C and D.

THE PRESIDENT:

The question is on acceptance and passage. Will you remark. Senator Schneller.

SENATOR SCHNELLER:

Madame President, this bill basically eliminates the Department of Business Regulations and reorganizes the, ah, some of the divisions that presently come under the Department of Business Regulation. It would create a separate department of banking, insurance, liquor control, office of consumer counsel in the department of utilities, the department of special revenue and the Gaming Policy Board. As I said, these would be reestablished as separate entities. The Division of Special Revenue and the Gaming

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Policy Board will be placed under the Department of Revenue Services for administrative purposes only. One major feature of the bill is that it provides a method of assessing the insurance industry for the operation of the insurance department whereas henceforth the insurance industry will contribute up to seventy percent of the cost of the operation of the department at a savings of approximately six hundred thousand dollars to the state. In addition, elimination of the Department of Business Regulation will mean a saving to the state in the future of approximately eighty thousand dollars annually.

If there are no objections, I would move this bill to the Consent Calendar.

THE PRESIDENT:

Is there objection to moving the item to the Consent Calendar? Hearing none, so ordered.

THE CLERK:

Cal. 719. File 776. Substitute for House Bill 5270. AN ACT CONCERNING AUTHORIZATION OF STATE BONDS FOR ELDERLY HOUSING PROJECTS AND EXPANDING THE USE OF CERTAIN URBAN ACTION BONDS. Favorable report of the Committee on Finance, Revenue and Bonding.

THE PRESIDENT:

Senator Ruggiero.

Will all senators please take their seats. An immediate roll call has been called for in the Senate. Will all senators please be seated.

THE PRESIDENT:

Have all senators voted? The machine is closed.

The Clerk will take a tally.

The vote is 31 Yea - 0 Nay. THE CONSENT CALENDAR
IS PASSED. Senator Barry. HB 5776, HB 5995, HB 6028, HB 6040, HB 6047,
HB 6050, HB 6051, HB 6033, HB 6041, HB 6043,
SENATOR BARRY: (4th) HB 6044, HB 6053, HB 5679, HB 5756, HB 6048,
HB 5720, HB 6049, HB 5185, HB 5012, SB 309,
SB 586, SB 124, SB 265, SB 508, SB 482, SB 565,

Mr. President, I move for suspension of the rules
for immediate transmittal to the House of all items
acted upon. SB 601, SB 643, SB 144, SB 701, SB 14, SB 616,
SB 507, HB 5022, HB 6022, HB 6062, HB 6063,
HB 5785

THE PRESIDENT:

All items needed to be transmitted to the House,
the rules are suspended with no objection, and they shall
be transmitted to the House. Senator Barry.

SENATOR BARRY:

May the Senate stand adjourned to the Call of the Chair.

THE PRESIDENT:

All those in favor indicate by saying Aye. Those
in opposition to. THE SENATE STANDS ADJOURNED to the Call of
the Chair.

Senator Barry.

SENATOR BARRY:

Mr. President, it is our intent to meet on Monday

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REP. C. PARKER: (continued)

I ask you leave the services where they are, keep our schools open and the state of Connecticut will indeed by saving money. Thank you very much.

SEN. SCHNELLER: Thank you, Rep. Parker. Senator Mary Martin. Senator Martin? All right. We'll now start with agency heads. I have 14, you have about 35 minutes, that allows you a maximum of about three minutes each. We would appreciate a short statement. If you have a written statement, please leave it with the clerk. First will be Barry Zitser, the Division of Consumer Counsel, followed by Stanley Pac, Commissioner of Environmental Protection.

BARRY ZITSER: Honorable Committee members. I'm here on behalf of the Division of Consumer Counsel in partial opposition to House Bill 6033, that portion which would eliminate the Division of Consumer Counsel.

I've already written to the members of the Appropriations Committee in regard to the justification for our office and I won't be duplicative here. I also asked others who have expressed the support of our office such as the Connecticut Citizens Action Group to write to the Committee.

Those of the Committee that I have had the opportunity to provide further documentation as to benefits of our office I've set forth some of the millions of dollars for savings which accrued in Connecticut utility consumers each year from our advocacy. Well, most recently, our successful opposition to the 1.6 million dollar interim rate request of the Connecticut Natural Gas Corporation.

On March 16, 1980, there was a lead editorial in the Hartford Courant entitled Meaning of the Hit List. With the elimination of our office was deemed "unthinkable". Nothing is unthinkable but we believe it would be most unwise to eliminate our office this year, most particularly in light of the fact that within a month from today, there will be an additional 2 rate petitions filed amounting to more than 200 million dollars of anticipated rate increases.

The two sections of the bill which effect our office are Section 421 of House Bill 6033 which eliminates our office

MR. ZITSER: (continued)
which is created under Section 16-2a of the General Statutes and also Section 82 which eliminates the funding for our office, 70% of which comes from the utility companies.

I would note that there is no alternative to eliminating the 59,000 dollar impact which our office does have on the state budget --

SEN. SCHNELLER: One minute.

MR. ZITSER: By simply providing for 100% reimbursement from the utility companies. This would involve a small amendment to Section 16-49 of the General Statutes. I also believe that the bill be referred to the Government Administration Elections Committee since this bill does effect a major reorganization as far as the delivery of government services. Thank you.

SEN. SCHNELLER: Thank you. Commissioner Stanley Pac, followed by Commissioner Mark Shedd, Department of Education.

COMMISSIONER STANLEY PAC: Chairmen Schneller and Wright and members of the Committee. My name is Stanley J. Pac, Commissioner of the Environmental Protection Department. And I'd like to address myself to a specific portion of Bill 691. The portion dealing with the elimination of the Indian Affairs Council.

I'll be very brief in my statement. I'll try to compress it into the four minutes or three minutes allotted to me. The last six years have seen a decided improvement in the relations between the indians and the state of Connecticut. This has been achieved through the mutual respect and cooperation between the Department of Environmental Protection and the five Connecticut Indian tribes.

Each tribe in turn has an active part in indian affairs at the state level through participation in the Connecticut Indian Affairs Council. The council has enabled each tribe to express its uniqueness in terms of history, location problems, while at the same time working toward goals common to all indians. While striving toward the goal of self-sufficiency, the council has been instrumental in tapping the resources of the state and federal systems to achieve that independence. Since the council form establishment

CAPT. WILLIAMS: (continued)

This applies to all sworn officers who are on call 24-hours a day and seven days a week - both administrative and field personnel. Since all sworn officers, union and management, have portal to portal within their 40-hour work week, taking away their vehicle would result in non-productive work time and an unfair labor practice for both union and management personnel. Also, an equal pay dispute would probably surface as a result of sworn personnel having a greater benefit than would the administrative personnel without vehicles.

The salaries that are costed out for state police officers take into account the use of vehicles ...

SEN. SCHNELLER: One minute, Captain.

CAPT. WILLIAMS: Yes, sir. And can only be taken away through the collective bargaining process. Since our budget statement in which the Commissioner indicated there were 236 administrative vehicles, we have pared that down to approximately 191 administrative vehicles now. If the traditional definition of administrative vehicle is used, it would mean that approximately 166 ...

SEN. SCHNELLER: Want to conclude your remarks, please?

CAPT. WILLIAMS: people now covered by collective bargaining would lose their vehicles and traditional management personnel who have no collective bargaining rights would only be in about 20 vehicles. We would urge rejection of this bill. Thank you. (Applause).

SEN. SCHNELLER: Thank you. Commissioner John Downey followed by Senator Mary Martin.

COMM. JOHN DOWNEY: Good morning, Senator. John Downey, Chairman of the Public Utilities Control Authority. I want to make comments on two aspects of raised Committee Bill 6033. The first has to do with the proposed elimination of the Office of Consumer Counsel. Since its creation in 1974 the Office and later the Division of Consumer Counsel has become an integral part of utility regulations in the state of Connecticut.

COMM. DOWNEY: (continued)

When the Authority is hearing a case in its quasi-judicial capacity, the Division of Consumer Counsel plays a valuable role in presenting information and opposing points of view and channeling input from consumers. Faced with technical and complex filings that may weigh as much as 15 pounds and unfamiliar with our proceedings, consumers may well be somewhat intimidated and certainly would not have the resources to present their views on the level and scale appropriate.

The Division of Consumer Counsel thus has become a mechanism for ensuring that the consumer's point of view is adequately presented before the Authority. The Authority is certainly sensitive to consumer interests, but we sit as judges and as judges cannot and should not replace the advocates role in our proceedings. Speaking for my fellow commissioners as well as myself, I believe the legislature would be ill-advised to eliminate the Office of Consumer Counsel.

The second aspect of raised Bill 6033 that I wish to address is the question of creation of a Department of Public Utility Control. We strongly support this move. We believe it's in the best interest of our operation and the people of Connecticut, however, we would like to draw your attention to one inconsistency in this bill which we believe should be clarified or redressed. Section 3 of the bill designates the PUCA collectively as the head of the new department. By virtue of Section 4-6 of the General Statutes, department heads serve at the pleasure of the Governor. However, under Section 16-2a commissioners of the PUCA are appointed for fixed and staggered terms. The statutory provision, we believe, should be maintained.

In order to clarify the legislative intent, we would suggest adding some sort of clarifying language to the bill confirming that PUCA commissioners are appointed by the Governor for fixed terms and do not serve at the pleasure of the Governor. Thank you, Senator.

SEN. SCHNELLER: Thank you. Senator Mary Martin and that will be the last speaker on the legislators or commissioners portion of the hearing.

Belt 5

MR. GERBER: Yes, sir. I'm finishing. You also not leave those currently training or about to start with uncertain futures. I caution one thing, however, and that is that if you do decide to charge us, that you better be certain that the training is both cost effective and worthwhile, or you'll find me back here as an irate customer of yours. Thank you. (Applause)

REP. WRIGHT: There are some tough decisions, aren't there, that we're going to have to face? After Mr. Day speaks we will have to break briefly for one minute while we hold a technical session. Everybody can stay in their seats, but we have to have a very quick session of the legislature so we can advance our calendar. Mr. Day.

JOHN DAY: Mr. Chairman, members of the Committee, my name is John Day and I represent the domestic insurance industry. My comments will be limited to raised Committee Bill 6033 which radically changes the existing method of funding the Insurance Department. Under this proposal, the domestic insurance companies would pay for the entire budget of the Department. We oppose this proposal. It ignores the fact that in addition to already reimbursing some \$600,000 to the General Fund for the cost of insurance company examinations, the insurance industry pays an additional \$600,000 in fees and some \$57 million dollars in premium taxes.

In addition, the domestic industry also pays a corporate income tax which amounted last year to some \$6.5 million dollars. At the same time we believe in effective and efficient state regulation, and we have been exploring ways for which we can improve regulation, not only in Connecticut but across the United States. We began this process several months ago. The review is not yet completed, but even so, it has become clear there are better ways to accomplish the objectives of your proposal, and I will suggest one such approach. Before I do I'd like to point out some of the more glaring substantive and technical errors in raised Committee Bill 6033.

MR. DAY: (continued)

The intent of the bill is to distribute the cost of regulation in the most equitable manner possible. The admitted assets formula achieves the opposite result, because it is not a meaningful index of how much regulatory resources are devoted to a particular company. It is for this reason and in those few states that use this unusual method of funding, the admitted assets test is not used. Clearly this provision needs to be reworked. Definitions need to be clarified and coordinated with other sections of the code. Clarification is needed on who is covered and who is not. For example, municipal risk pools which were authorized by the General Assembly last year, require a considerable regulatory oversight, yet they are not covered.

Timetables, in terms of implementing this, need to be thought out carefully. Clearly the concepts of all are complicated and the ramifications of a change like this in the insurance state dictate extra care be taken to ensure that whatever is done is done right. At the same time, we recognize your concern. It is in that spirit that we offer a sensible alternative that will meet some of your needs while permitting us to complete our on-going review. Our proposal is for fiscal 1980-81 only. Our one-year proposal will accomplish several objectives. It will obtain additional funds for the Insurance Department, it will do this in a way that minimizes the strain on general revenues and 3) it will not result in radical shifts in the existing funding mechanisms whose impact upon the domestic industry has not been analyzed or measured.

More specifically, we recommend increasing the Department's budget from \$1.473 million by \$125,000. This will provide for additional examiners in life actuary. This budget can be funded in the following manner: by increasing user charges by 10% which will fall primarily upon the domestic industry, and the remaining balance of \$278,000 would be assessed against all domestic companies. The advantages of this approach are as follows...

REP. WRIGHT: Sir, could you wind it up, please?

Belt 7
MR. DAY: Yes. It assures additional funding for the Insurance Department, it provides fiscal restraint by relying upon user charges specifically designed to pay for the cost of regulations, it provides some \$400,000 in additional revenues for the General Fund, and it does it by building upon the existing structure while our review continues.

Belt 8
REP. WRIGHT: Thank you very much. There will be a short break. Everybody please remain seated.
O.K. Go ahead.

CONNIE LAWRENCE: Good morning. My name is Connie Lawrence. I hold no public office but I am a concerned mother from Holy Cross School in New Britain. I am representing a group this morning who are asking for rejection of the Appropriations bill 726 eliminating health and welfare services to non-public school students provided under Section 10-217a of the General Statutes. We are asking this rejection on the basis of discrimination and injustice to a group of citizens who are already burdened by extra costs which alleviated education costs on the local and state levels.

We feel this proposal is totally unwarranted, unwanted move against health services and welfare funds which has been provided for years. Apparently these benefits are considered to be handouts. I stress this is a right to our children and this is something due in justice and fairness to our children. And while the state is increasing financial support for public schools, it seems contradictory in the name of budget cutting to decrease minimal existing services to our children in non-public schools. Thank you. (Applause).

REP. WRIGHT: Robinson Grover followed by Father Fanelli.

ROBINSON GROVER: Mr. Chairman, my name is Robinson Grover, I'm speaking for the Torrington Associates of the University of Connecticut at Torrington with respect to Bill 726, section 1, to eliminate the Torrington branch. To begin with, I'd like to thank the legislators who came over to Torrington last week. Your presence was appreciated. I only regret that so many other members of the Committee couldn't attend. But I also realize how heavy the legislative burden is at this time of year. If you had been able to come to Torrington you would have seen a graphic demonstration of how very much the Torrington campus means to the citizens of the city.

REP. WRIGHT: Thank you very much. Edward Dale followed by Ted Litwin.

EDWARD DALE: Mr. Chairman, members of the Committee, my name is Edward Dale. I'm a staff attorney with the Legal Services Legislative office and speaking in behalf of the Legal Services program in the state of Connecticut. I speak today in opposition of that portion of House Bill 6033 which would call for the elimination of the Office of Consumer Counsel within the Division of Public Utility Control. At the present time the Office of Consumer Council receives less than 30% of its budget, approximately \$60,000, from the state funds. The remainder of its budget comes by statute from the utility companies - charges imposed against utility companies.

It is difficult to gauge the true value to the state and the citizens of Connecticut that the office of Consumer Council has had through its opposition to the steady stream of rate increase requests from the utility companies. When the Division of Public Utilities Control, for example, issued its most recent Northeast Utilities rate increase decision, in which it granted only \$68 million out of over \$130 million of requests, it did not specify in that decision whether it disallowed \$5, 10, 20, or ever 40 million dollars as a result of the efforts of the Office of Consumer Council. So we don't really know in dollar amounts how much money that office has saved to the people of Connecticut or to the state, which is also a consumer.

We do know, however, that they are the only effective entity which is consistently acts as an advocate on behalf of utility consumers when a utility company goes in requesting a rate increase. We know that they're the only effective voice for the consumers and that they, with their meager resources, counter the hundreds of thousands of dollars spent by the utility companies in seeking these increases. We also know that without that voice the Division of Public Utility Control, acting as judge in these cases, will only hear one side of the story - that of the utility companies. It is likely that the elimination of the Office of Consumer Council will have a negative impact on all utility consumers because of rate increases that might not otherwise be granted. It will also have an impact on the state government. Clearly in the area of its own utility rates. As utility rates go up for all consumers, they go up for the state of Connecticut as well.

MR. DALE: (continued)

So elimination of this office is likely to be balanced strongly in the negative by increased utility costs for the state. It will also affect other programs. Right now the Office of Consumer Council handles hundreds of consumer complaints. Those complaints would otherwise have to be handled by a staff for the Division, and an increased allocation to the Division would be required to handle those complaints.

Last winter this legislature went into ...

REP. WRIGHT: One minute, sir.

MR. DALE: to provide emergency assistance to low income people, municipalities and housing authorities because of increased energy and utility costs. As rates go up because of an elimination of this office, so too will expenses in those areas. On this basis I submit the elimination of \$60,000 on this budget item will not only result in new expenses for Connecticut consumers, but also for state government far in excess of this amount. Accordingly, I would urge the Committee to reject the request for elimination of this office. If anything, additional funds should be appropriated to the office so that they can expand their staff and hire expert witnesses for future rate cases and therefore do a better job in their attempt to keep down utility costs for Connecticut and its consuming public. Thank you. (Applause.)

REP. WRIGHT: Thank you. Ted Litwin followed by John Lindell.

TED LITWIN: Mr. Chairman, I'm Dale Litwin, first selectman of the town of Litchfield and I wish to speak against House Bill 5978. The town of Litchfield utilizes the town and state aid department. To reduce the dollar amount to the towns at this time is to reduce maintenance of our town road system - something we must not do and we must maintain our roads at least at the present level. I'd like to give you some specific examples of how we've used this division. This summer we are preparing to improve a road in the western part of our town. This road was laid out in 1730 and we've done very little with it. However, as happens, people are moving out into the land and are buying property alongside the road.