

Legislative History for Connecticut Act

SB 987	PA 533	FAY	1983
House 8856-8862			(7)
Senate 4328-4331, 4337-4345			(13)
G.A.E 459-464, 472, 478, 486-488, 492-493, 662-663, 676-677			(17)
(See also SB 1011 - Appropriations)			
LAW/LEGISLATIVE REFERENCE DO NOT REMOVE FROM LIBRARY			37

Transcripts from the Joint Standing Committee Public Hearing(s) and/or Senate and House of Representatives Proceedings

Connecticut State Library

Compiled 2013

H-358

CONNECTICUT
GEN. ASSEMBLY
HOUSE

PROCEEDINGS

1983

VOL. 26

PART 25

8718-9041

House of Representatives

Tuesday, June 7, 1983

REP. The Clerk will please announce the tally.

CLERK:

Senate Bill No. 645, as amended by Senate
Amendment Schedule "A" and House Amendment Schedules
"A", "B", and "C".

Total number Voting	144
Necessary for Passage	73
Those voting Yea	143
Those voting Nay	1
Those absent and not Voting	7

ACTING SPEAKER MARKHAM:

The bill as amended is adopted.

CLERK:

Page 12, Calendar No. 925, Substitute for Senate
Bill No. 987, AN ACT AMENDING THE STATE EMPLOYEES
RETIREMENT SYSTEM AND ESTABLISHING A TIER II PENSION
PLAN FOR NEW STATE PERSONNEL, as amended by Senate
Amendment Schedules "A" and "B", Favorable Report of the
Committee on Government Administration and Elections.

REP. ATKIN: (140th)

Mr. Speaker.

ACTING SPEAKER MARKHAM:

Rep. John Atkin.

House of Representatives

Tuesday, June 7, 1983

REP. ATKIN: (140th)

I move acceptance of the Joint Committee's Favorable Report and passage of the bill in concurrence with the Senate.

ACTING SPEAKER MARKHAM:

The question is on acceptance of the Joint Committee's Favorable Report in concurrence with the Senate. Will you remark?

REP. ATKIN: (140th)

Yes, Mr. Speaker. The Clerk has an amendment, LCO No. 6956. Could he please call and I be allowed to summarize?

ACTING SPEAKER MARKHAM:

The gentleman has called LCO No. 6956, previously designated Senate Amendment Schedule "A". Would the Clerk please call.

CLERK:

LCO No. 6956, previously designated Senate Amendment Schedule "A", offered by Sen. Daniels of the 10th District.

ACTING SPEAKER MARKHAM:

The gentleman has sought leave of the Chamber to summarize. Is there objection? Is there objection? If not, please proceed, Rep. Atkin.

House of Representatives

Tuesday, June 7, 1983

REP. ATKIN: (140th)

Yes, Mr. Speaker, what this amendment does is allow an employee to deduct -- or his retirement contributions are deducted from his salary by the Controller. This is if contributions by a participant are in an alternate retirement program, they can be deducted for that reason, too. And I would move adoption of the amendment.

ACTING SPEAKER MARKHAM:

The question is on adoption. Will you remark? Will you remark further on the adoption of Senate Amendment Schedule "A"? Will you remark further? If not, those in favor of Senate Amendment Schedule "A", please signify by saying aye.

REPRESENTATIVES:

Aye.

ACTING SPEAKER MARKHAM:

Opposed? The ayes have it. The amendment is adopted.

REP. ATKIN: (140th)

Mr. Speaker.

ACTING SPEAKER MARKHAM:

Rep. Atkin.

REP. ATKIN: (140th)

The Clerk has an amendment, LCO No. 7534. Could

House of Representatives

Tuesday, June 7, 1983

he please call and I be allowed to summarize?

ACTING SPEAKER MARKHAM:

The gentleman has called LCO No. 7534, previously designated Senate Amendment Schedule "B". Will the Clerk please call.

CLERK:

LCO No. 7534, previously designated Senate Amendment Schedule "B", offered by Sen. Schneller of the 20th District.

ACTING SPEAKER MARKHAM:

The gentleman has sought leave of the Chamber to summarize. Is there objection? Is there objection? If not, please proceed, Rep. Atkin.

REP. ATKIN: (140th)

Thank you, Mr. Speaker. What this amendment does is say that any bargaining unit that has not accepted the Tier II pension agreement yet, this dispute shall go to arbitration. I would move the amendment.

ACTING SPEAKER MARKHAM:

The question is on adoption of Senate Amendment Schedule "B". Will you remark? Will you remark?

REP. BELDEN: (113th)

Mr. Speaker.

House of Representatives

Tuesday, June 7, 1983

ACTING SPEAKER MARKHAM:

Rep. Richard Belden.

REP. BELDEN: (113th)

Through you, Mr. Speaker, a question to the proponent of the amendment.

ACTING SPEAKER MARKHAM:

Frame your question, sir.

REP. BELDEN: (113th)

Would Senate "B" be applied to the current state police pension, if passed?

ACTING SPEAKER MARKHAM:

Rep. Atkin.

REP. ATKIN: (140th)

Mr. Speaker, through you, I believe it would if it is adopted.

REP. BELDEN: (113th)

Thank you.

ACTING SPEAKER MARKHAM:

Will you remark further on the amendment? Will you remark further? If not, those in favor of Senate Amendment Schedule "B", please signify by saying aye.

REPRESENTATIVES:

Aye.

House of Representatives

Tuesday, June 7, 1983

ACTING SPEAKER MARKHAM:

Opposed? The ayes have it. The amendment is adopted.

Will you remark further on the bill as amended?

REP. ATKIN: (140th)

Mr. Speaker.

ACTING SPEAKER MARKHAM:

Rep. Atkin.

REP. ATKIN: (140th)

Thank you, Mr. Speaker. What this bill would do, as amended, it would codify into the statutes all the changes to the current law that have resulted from the pension agreement negotiated between the state and the 20 collective bargaining units. And it was approved through resolution by this assembly a year ago and became effective last year. I would urge adoption of this bill.

ACTING SPEAKER MARKHAM:

The question is on adoption -- passage of the bill as amended. Will you remark? Will you remark?

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

The House of Representatives is now voting by roll.

House of Representatives

Tuesday, June 7, 1983

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

Have all members voted? Have all members voted?
Please check the roll call machine to see that your vote is properly cast. The machine will be locked and the Clerk will please take a tally.

The Clerk will announce the tally.

CLERK:

Senate Bill No. 987, as amended by Senate Amendment Schedules "A" and "B".

Total number Voting	143
Necessary for Passage	72
Those voting Yea	142
Those voting Nay	1
Those absent and not Voting	8

ACTING SPEAKER MARKHAM:

The bill as amended is adopted.

CLERK:

Calendar Page 16, Calendar No. 953, File No. 991,
Senate Bill No. 1157, AN ACT DEFERRING DATE FOR MANDATORY
ADOPTION OF UNIFORM FISCAL YEAR BY TOWNS UNTIL 1990 AND
ELIMINATING TAX LEVY REQUIRED FOR SUCH ADOPTION UNTIL
AFTER 1983, as amended by Senate Amendment Schedule "A",

S-215

CONNECTICUT
GEN. ASSEMBLY
SENATE

PROCEEDINGS
1983

VOL. 26
PART 12
3996-4360

SENATE

THURSDAY
JUNE 2, 1983

200
ROC

THE CLERK:

Page 1, Cal. 277, File 391. Substitute for Senate Bill No. 987. AN ACT AMENDING THE STATE EMPLOYEES RETIREMENT SYSTEM AND ESTABLISHING A TIER II PENSION PLAN FOR NEW STATE PERSONNEL. Favorable report of the Committee on Government Administration and Elections.

The Clerk has amendments.

THE PRESIDENT:

Senator Daniels.

SENATOR DANIELS: (10th)

Mr. President, I move acceptance of the Committee's favorable report and passage of the bill.

THE PRESIDENT:

The Clerk please call the amendment.

THE CLERK:

Senate Amendment Schedule A. LCO No. 6956.

THE PRESIDENT:

Senator Daniels.

SENATOR DANIELS:

Mr. President, I move the adoption of the amendment and ask that the reading be waived and permission to summarize.

1983 GENERAL ASSEMBLY

SENATE

THURSDAY
JUNE 2, 1983

201
roc

THE PRESIDENT:

You may proceed.

SENATOR DANIELS:

Mr. President, this amendment will allow those who are in the alternate retirement plan, which is (next words inaudible), a tax shelter entitlement which is consistent with others who are participating in public universities.

This amendment has no fiscal impact on the state nor cities and I ask for its adoption.

THE PRESIDENT:

Do you wish to remark further on the amendment? If not, all those in favor signify by saying Aye. Those opposed Nay. The Ayes have it. SENATE AMENDMENT A IS ADOPTED.

THE CLERK:

The Clerk has Senate Amendment Schedule B.
LCO No. 7534, offered by Senator Schneller.

THE PRESIDENT:

Senator Schneller.

1983 GENERAL ASSEMBLY

SENATE

THURSDAY
JUNE 2, 1983

202
roc

SENATOR SCHNELLER: (20th)

Mr. President, I move adoption of the amendment and request the reading be waived.

THE PRESIDENT:

You may proceed, without objection.

SENATOR SCHNELLER:

Yes, Mr. President. What this does is amend the State Employees Retirement System regarding the Tier II pension to state that all unresolved pension agreements amongst bargaining units, as of the date of passage of this act, will go to arbitration through the procedure of the American Arbitration Association.

THE PRESIDENT:

Will you remark further on the amendment? If not, all those in favor signify by saying Aye. Those opposed Nay. The ayes have it. SENATE AMENDMENT B
IS ADOPTED.

Senator Daniels.

SENATOR DANIELS:

Mr. President, the bill, as amended. This bill

1983 GENERAL ASSEMBLY

4331

SENATE

THURSDAY
JUNE 2, 1983

203
roc

will codify into statutes all the changes of current law that resulted from the pension agreement negotiated between the state and twenty of its collective bargaining units, which was also approved by this General Assembly in June of 1982.

In general, Mr. President, this pension agreement establishes a new tier of benefits for new employees hired after January 1, 1984. These benefits are less than those for current employees and further, this new tier agreement is a noncontributory pension plan.

Mr. President, this agreement will take effect, ah, it is contracted for six years, and if there is no objection, I move that it be placed on the Consent Calendar.

THE PRESIDENT:

Hearing no objection, so ordered.

THE CLERK:

Page 3, Cal. 737, File 991. Senate Bill No. 1157. AN ACT DEFERRING DATE FOR MANDATORY ADOPTION OF

1983 GENERAL ASSEMBLY

SENATE

THURSDAY
JUNE 2, 1983

209
roc

THE PRESIDENT:

Senator Skelley.

SENATOR SKELLEY:

Thank you, Mr. President. I would just like to announce that tomorrow morning at nine o'clock the Finance Committee will be meeting.

THE PRESIDENT:

Any other announcements before a roll call is ordered.

Senator Matthews.

SENATOR MATTHEWS: (26th)

Mr. President, I don't know if this is an appropriate time, but I would not wish to have Cal. 277, File 391 on the Consent Calendar. I would like to have it removed.

SB987

THE PRESIDENT:

On what page please?

SENATOR MATTHEWS:

Page 1 of the Calendar.

THE PRESIDENT:

Cal. 277. That will be a separate roll call.

1983 GENERAL ASSEMBLY

SENATE

THURSDAY
JUNE 2, 1983

210
roc

SENATOR MATTHEWS:

Now, Mr. President, I would like to ask for Reconsideration of the amendment that was placed on that bill.

THE PRESIDENT:

Which amendment are you referring to?

SENATOR MATTHEWS:

7 5 3 4. I was on the prevailing side.

THE PRESIDENT:

Your motion is in order. The motion is for Reconsideration. Is there any objection to Reconsideration?

SENATOR SCHNELLER:

Mr. President. Through you, what is the bill, Senator Daniels?

SENATOR MATTHEWS:

This is the amendment which you presented, Senator Schneller, relative to the requirement for binding arbitration for those contracts on the pension program which have not been settled, and that they will be involved with binding arbitration for those which have not been settled.

1983 GENERAL ASSEMBLY

SENATE

THURSDAY
JUNE 2, 1983

211
roc

SENATOR SCHNELLER:

Through you, Mr. President, for what purpose do you wish reconsideration?

THE PRESIDENT:

We identified the subject matter. It is the third matter on Page 1. Senator Matthews first objected to placing it on the Consent Calender, which is his right. He now moved for consideration of Senate Amendment Schedule "B", which was adopted by a voice vote. The presumption is that he was on the prevailing side and he so states that he was. Therefore, it is his privilege to move for reconsideration.

Senator Schneller.

SENATOR SCHNELLER:

Mr. President, I would urge a vote against reconsideration. The purpose of this amendment is to take three remaining bargaining units that have not agreed to the Tier II of the pension program and to take the matter to binding arbitration through the process of the American Arbitration Association.

SENATE

THURSDAY
JUNE 2, 1983

212
roc

Initially, there was consideration of passing legislation in this General Assembly that would have required these three units to adopt the Tier II pension program. I think this is a fair and equitable solution to the problem. I think we have acted upon it, and therefore, I would urge members to vote against reconsideration.

THE PRESIDENT:

The motion is for reconsideration. There is opposition. We will have a roll call. Is there a roll call requested?

SENATOR MATTHEWS:

Yes, sir.

THE PRESIDENT:

Senator Matthews, do you wish to debate further?

SENATOR MATTHEWS:

Yes, sir. I do.

THE PRESIDENT:

Proceed.

SENATOR MATTHEWS:

Thank you, Mr. President, The reason that

1983 GENERAL ASSEMBLY

SENATE

THURSDAY
JUNE 2, 1983

213
roc

I am asking for this is that if this matter goes to binding arbitration and the decisions of the binding arbitrator are different from the ones that are now settled there can be a very severe difficult situation arise because there may be three or four different pension programs which the state will have if the arbitrator decides each one of these contracts shall have a different pension program from the one which is established by those which are now set. That is the reason for my request that this be reconsidered and voted down, because it seems to me that by opening the door to several different potential contracts that we are having a situation develop which is out of the norm and one which we have been striving to accommodate.

My suggestion is that the people sit down at the negotiating table and continue to try to work this out rather than having it go to binding arbitration at this time and placing the state and the pension programs in several different situations whereby we cannot have a final settlement as to what kind of

1983 GENERAL ASSEMBLY

SENATE

THURSDAY
JUNE 2, 1983

214
roc

PENSION program all members of the state employees shall have or as near that as possible. Thank you.

THE PRESIDENT:

The Clerk please make an announcement for an immediate roll call.

THE CLERK:

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

THE PRESIDENT:

Senator Skelley, do you wish to be heard?

SENATOR SKELLEY: (35th)

Mr. President, just briefly. We still maintain, under constitutional guidelines, the power of the purse which means that a true binding arbitration bill really cannot be instituted as we have on a teacher level or on a municipal employee level. The situation is that the arbitrator's finding still comes back to approval of this Legislature. These three bargaining groups, to the best of my knowledge, have

1983 GENERAL ASSEMBLY

SENATE

THURSDAY
JUNE 2, 1983

215
roc

been outside a coalition of groups that have collectively bargained the pension negotiation. I think it is crucial that at some point in time we deal with the issue expediting a finality of negotiations and I would hope that the circle would support the Majority Leader.

THE PRESIDENT:

The question before the chamber is a motion for reconsideration of Amendment Schedule "B". LCO No. 7534. The motion is made by Senator Matthews who was on the prevailing side. If you wish to vote for reconsideration, you vote Yea. Contrary-minded, Nay. THE MACHINE is open. Please record your vote. Has everyone voted? The machine is closed. the Clerk please tally the vote.

Result of the Vote: 14 Yea. 22 Nay. THE MOTION FOR RECONSIDERATION IS DEFEATED.

Senator Schneller.

SENATOR SCHNELLER:

Mr. President, I move adoption of the bill, and request a roll call vote.

1983 GENERAL ASSEMBLY

4344

SENATE

THURSDAY
JUNE 2, 1983

216
roc

THE PRESIDENT:

The Clerk please make an announcement for an immediate roll call.

THE CLERK:

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

THE PRESIDENT:

The question before the chamber is a motion to adopt CAL. 277, Substitute for Senate Bill No. 987, File 391, as amended by Senate A and B. The machine is open. Please record your vote. Has everyone voted? The machine is closed. The Clerk will please tally the vote.

RESULT OF THE VOTE: 22 Yea. 14 Nay. THE BILL IS ADOPTED.

Senator Schneller.

SENATOR SCHNELLER:

Mr. President, I move for suspension of the rules for immediate transmittal to the House of Substitute

1983 GENERAL ASSEMBLY

SENATE

THURSDAY
JUNE 2, 1983

217
roc

for Senate Bill No. 987.

THE PRESIDENT:

Without objection, the rules are suspended
for immediate transmittal.

Are we through with the business?

SENATOR SCHNELLER:

Mr. President, I guess the business is the
Consent Calendar.

THE PRESIDENT:

The Clerk will call the items on the Consent
Calendar. First of all, announce an immediate roll
call.

THE CLERK:

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

THE PRESIDENT:

Senator Skowronski.

SENATOR SKOWRONSKI: (17th)

Mr. President, I rise on a point of order
to ask the Chair to ask the members of the Senate to

**JOINT
STANDING
COMMITTEE
HEARINGS**

**GOVERNMENT
ADMINISTRATION
& ELECTIONS**

PART 2

274-541

1983

31
klu

GAE

March 18, 1983

MR. DON POGUE: We will do this together if it's all right. My name is Don Pogue and I'm a Hartford attorney. I represent six state employee unions through an organization called the Pension Coordinating Committee. That organization is made up of District 1199 which represents the Health Care Workers in this state, AFSCME, the American Federation of state, county and Municipal employees which also represents about 12,000 state employees, the Connecticut State Federation of Teachers which represents about 6,000 state employees, the American Association of University Professors which represents the faculty at UConn and the State colleges, the Congress of Connecticut Community Colleges which is a community college staff union and the Federation of School Administrators. Those six unions make up the Pension Coordinating Committee which bargained with the state on behalf of approximately three quarters of the State employees over pension issues during the last three years.

We have before you today, a supplemental pension agreement for your approval. As you probably know, last summer, the General Assembly approved a comprehensive pension agreement between the state and the union pension coordinating committee. That agreement is embodied in Senate Bill 987 and we'll comment about that just briefly. But the--we discovered that the original agreement had in it some drafting errors and we knew that we left a few minor issues open that we just hadn't gotten time to deal with. So the supplemental pension agreement which is before you in the form of Senate Resolution 28 and House Resolution 23, addresses almost all of those minor issues that were left open or that were the drafting errors which we made.

There are also, of course, some things that we would still like to change in this agreement, speaking for the unions. We, for example, would like to have the state agree to maintain plan C for all state employees, new and old. The state has rejected that proposal. That reflects the fact that in this supplemental agreement, as in the original agreement, there are some very hard compromises for both sides. Nonetheless, I want to emphasize that the unions, state employee unions, in the Pension Coordinating Committee strongly supports the integrity of the bargaining process, strongly supports the contents of these resolutions and

32
klu

GAE

March 18, 1983

MR. POGUE: (continued)

of Senate Bill 987. As hard as it has been to make some of the compromises involved, we think that with the help of some very intelligent arbitrators who were functioning as factfinders, we were able to structure sensible and rational approaches to our future efforts.

I'd like, if I might, to just draw your attention to one particular point in the overall agreement, which I think is a good example of how this process can produce a mutually beneficial result. That is the competitive selection process for employee health and life insurance. The parties agreed that there should be more incentive for insurance carriers to limit the uncontrolled costs or to limit uncontrolled increases in medical charges and medical rates so through a committee to select insurance carriers, we hope that we will be able to see both improvements in coverage for employees and a savings to the state at the same time and I think that that kind of approach in particular, should be supported by the Committee.

Belt 6

Senate Bill 987, as I said, is a technical Bill in the sense that it incorporates the changes approved by the General Assembly when it approved the original pension agreement. It also incorporates the changes we're now asking you, minor changes, we're asking you approve in the supplemental pension agreement. There are a few minor typographical errors that Bob I think, will draw your attention to in that legislation. But let me just emphasize one point. This is an agreement which applies only to the three quarters of the state employees that we represent and to non-represented state employees. It does not apply to the bargaining units that have not been part of the pension coordinating committee.

MR. ROBERT FINDER: My name is Robert Finder. I'm the Director of Labor Relations for the State of Connecticut. Don has indicated that I will talk to you just briefly about some of the typographical errors contained in Raised Committee Bill 987. On line 68, there is a bracket that should be deleted. The bracket between the words "the" and "recommendations". There's a double bracket there. On line 981, the bracket before the beginning of the sentence, which starts line 981 and on line 987, the bracket at the end of the sentence which ends with the word "earnings" should also be deleted. And finally, on line 2174, the

33
klu

GAE

March 18, 1983

MR. FINDER: (continued)

phrase "is repealed" should be deleted as it follows the words "are repealed". It's just that somehow or other the computer, the words "is repealed" got picked up.

As Don did, I would like to draw your attention to lines 546 through lines 556. What that portion of the Bill clearly delineates is the fact that the Bill applies only to those people for whom collective bargaining agreements are in place and it does not apply to others unless they are either managerial or confidential and the Commissioner of Administrative Services and the Secretary of OPM have extended the provisions of the negotiated agreement to those folks.

REP. ATKIN: Thank you gentlemen. Questions from the Committee? I do have a quick question. First of all, in that second set of brackets, perhaps you could discuss it later, I think you gave the wrong line but I'm not worried about that right now. Assuming this passes and with the agreements that the Assembly approved last summer, if there were indeed a large number of Viet Nam Veterans and perhaps a large number of out of state people coming in and suddenly being hired by the state and maybe in Tier 2, do you see any possibility of it being a more expensive process than you perhaps earlier indicated?

MR. FINDER: The veterans in Tier 2 is carefully worded so that we are just extending war service. When people qualify for a pension it does not count towards time towards a pension. We anticipate and I'll talk to our actuaries, under \$100,000 cost to that and when you're talking about a system that costs \$200 million on an annual basis, that's a very small cost. Yes, there is some cost, but it's absolutely at the minimus.

REP. ATKIN: Even though there are, obviously, a number of Viet Nam veterans and again, I know you're saying active duty or however it was.

MR. FINDER: We are assuming, Representative Atkin, that since war services is over 7 years ago, most of the folks who have--who served during that period of time, probably have jobs which they will now be preparing careers and we don't think we'll be hiring that many Viet Nam veterans

34
klu

GAE

March 18, 1983

MR. FINDER: (continued)

in the future, particularly given our hiring freeze at the moment.

REP. ATKIN: Okay. Can I get a reaction from the other side on that?

MR. POGUE: I think I'd agree on what Bob said on that. I don't think that the likely hiring pattern is all that great. I would also point out that the existing plan does provide for a very similar purchase of service provision for war service and for service with other states, where we have reciprocity agreements so that in terms of increased liabilities, I don't think that there is a noticeable difference.

May I just add one thing? Let me just confirm what I thought Bob said with regard to the typographical errors. The double bracket was on--in line 68. There are two closing brackets. The first one shouldn't be there. The matter on line 981 through 986, we originally wrote this document as a contract and in making the transposition from contractual language to statutory language, there were given the staggered dates of a number of provisions in the contract. There were times when they were just not very effective mechanisms for reflecting in the statutes what the staggered dates were so I think when the brackets were picked up they didn't recognize that they were staggered effective dates and then line 2174, it's obvious.

REP. ATKIN: Representative Schmidle.

REP. SCHMIDLE: Thank you. Representative Schmidle, 106th. I just have a very quick question about the difference that the new language makes in the husband-wife options that's in this program. You terminated one, are wiping out one group and offering them another option. What does that mean to the state?

MR. POGUE: Well, when we begin negotiations, we discovered that only 7 percent of the members of the retirement system had in effect, spouse options, and 93 percent obviously did not, and this was because there was a very clumsy mechanism for obtaining a spouse option. And what

35
klu

GAE

March 18, 1983

MR. POGUE: (continued)

we did was we adopted, we followed the federal ARISA standards for automatic spouse options. We did not wipe out the options that the 7 percent of people had and I think that they--I think most of them will find that the options available here are much more efficiently structured and that they will take them. But if you meant to imply that we wiped them out, we didn't do that.

REP. SCHMIDLE: A poor choice of language. What kind of an impact does this have on the state, this contract, or could it have?

MR. POGUE: That was one of the provisions of the agreement which does increase cost. Bob--each side has their own actuaries so he can probably speak to theirs, but the overall estimates were provided last summer as part of the pension agreement itself and those pieces, each of them, were costed in those estimates. The provision here in the supplemental agreement does not change those overall estimates.

MR. FINDER: To agree with what Don says, the spousal option is one of the less expensive improvements in the Tier 1 pension for current employees. The two biggest expenses were the ability of employees to switch from Plan C which was a 5 percent plan to Plan B which was a 2 percent plan. That cost the state around--that's 5 million of the \$7 million of cost we had identified and the other major financial impact was that when people who contribute money, the 2 or the 5 percent, whichever plan they were in, were leaving state service and withdrawing their money from the Retirement Fund prior to the agreement, they did not receive any interest on their funds which were in there and we now are going to be paying a five percent interest if you withdraw the funds prior to retirement and that amounted to about a million so all the other little sprinkles, they really didn't add up a lot to the cost of the pensions. Those two items were the two biggest.

REP. SCHMIDLE: And this is a sprinkle?

MR. FINDER: Yes.

REP. ATKIN: Any other questions? Thank you. I've been advised by our staff attorney that we're potentially in violation of rules by alternating public and agency people so I will continue on now just with the public. There are six agency and legislators that still would like to testify. We'll read their names and they can notify staff back here and we will notify you ten or fifteen minutes before the end of the public sector so they will have ample time to testify.

They are Representative Conn, Dawn Maddox, Nicholas Wayne, Representative Casey, Major Everett Kandarian and Dick Schrieber. If you'll notify the staff and tell them where you are, you'll be notified within ten minutes at the end of the public sector and given ample time to come and testify.

We'll now continue with the public section, Ruth Tencza to be followed by Antonina Moran.

MS. RUTH TENCZA: I'm Ruth Tencza, representing District 1199, the New England Health Care Employees Union. As a member of the Pension Coordinating Committee, we wish you to report favorably on Resolution 23 and 28 with regard to approving supplementary changes to the pension agreement. We also support Bill 987, An Act Amending the State Employees Retirement System and Establishing a Tier Two Pension Plan for New State Personnel and we hope you will vote favorably on the Bill. Thank you.

REP. ATKIN: Thank you Ruth. Any questions? Thank you. Tony Moran, followed by Walter Widgus. Is Tony Moran here? Walter Widgus, followed by Mitchell Sorensen.

MR. WALTER WIDGUS: Members of the Government Administration and Elections Committee, my name is Wally Widgus and I'm here today as President of the Subcontractors Association of the State of Connecticut, representing subcontractors in all segment of the industry. I am also here today as a concerned citizen and president of Thermal Acoustics Incorporated of West Haven which is a subcontracting firm.

I would like to speak briefly on several issues which directly impact our industry, namely the construction industry. In order to save time, we have broken our

44
klu

GAE

March 18, 1983

MS. MORAN: (continued)

where you have no intention of reeking havoc through this piece of legislation.

Secondly, I have been elected as a representative of the State Employee Unions to serve on the State Employees Retirement Commission, implementing the pension agreement which you have before you. I would like to urge you to move quickly on technical legislation which will implement the pension agreement and to approve the supplemental agreement which is a clarification of some of the issues as were in the original agreement.

Belt 8

I know that this language has been worked on line by line, comma by comma, number by number and letter by letter and although there are parts of it, of course, which our people were very--found it very difficult to swallow in the original agreement, we have committed ourselves to this settlement. We had to swallow pretty hard, but we have committed ourselves to it at this point and we ask for your support. Thank you.

REP. LYONS: Thank you Tony. Are there any questions from the Committee? Okay, thank you. Next speaker on the list is David Mann from the Planning--sorry.

MS. JOYCE WOTJAS: Good afternoon members of the Committee, my name is Joyce Wotjas and I am Director of Legislative Relations for the Connecticut Construction Industry Association. My members are made up of general contractors, subcontractors, material suppliers and equipment dealers, mostly related to the heavy highway soil utility work in the state of Connecticut.

I would like to go on record in support of a Bill and I don't know which one to choose because it's on the retainage. Last year this Committee voted out favorably a Bill to eliminate retainage on all contracts other than buildings construction contracts. There seemed to be a problem with the building contractors because of the number of subcontractors involved in their projects versus a heavy highway or sewage utility job.

This year, we decided to push for interest on the retainage that is being withheld because last year the Bill was

50
klu

GAE

March 18, 1983

REP. ATKIN: Thank you sir. Questions from the Committee?
Thank you. Charles Casella, followed by Alan Kosloff.

MR. CHARLES CASELLA: Representative Atkin, members of the Government Administration and Elections Committee, my name is Charles Casella, President of the Connecticut State Employees Association and I'm here to offer testimony on Raised Committee Bill 987, An Act Amending the State Employees Retirement System and Establishing a Tier 2 Pension Plan for new State Personnel.

We at CSEA represent four bargaining units who at this time, are not a party to the pension coordinating committee agreement that's embodied in Raised Committee Bill 987. We are joined by at least two other unions that also are not a party to this. We are still in negotiation with the State and don't anticipate that we will be agreeing to the language herein. Our concerns are that the legislation, the propo-ed legislation that's before you under Raised Committee Bill 987 would effectively wipe out the retirement system as it is now. It would affect our retirement system and it would effect the retirement system perhaps of some of you legislators and others. We don't believe that this should occur nor perhaps is there the impetus for it to occur other than perhaps the unilateral imposition of the PTC agreement on those unions that have yet to come to terms with the state of Connecticut over this issue.

Belt 9

It wipes out the present retirement commission if you enact this legislation as it is before you. It wipes out the present Advisory Board, Investment Advisory Board as does it wipe out the rest of the statutes. It would be my suggestion that if it's necessary to embody the PTC agreement statutory language, that a whole new section be created but to deal only with those issues before the PTC parties and that the rest of the retirement language be left intact for those of us that are still under that retirement system, and that the retirement commission be left intact and the Advisory Council as well and I so urge.

REP. ATKIN: Thank you sir. Questions from the Committee?
Thank you for your testimony. Alan Kosloff, followed by Al Marotta.

58
klu

GAE

March 18, 1983

MR. MAROTTA: (continued)

of the CSEA Political Action Committee. I come before you today and ask that this Committee, on proposed Bill that's been raised by the Committee, 987, have the legal staff research this Bill. We are currently in court and have been to the Federal Court over pension reforms that were arbitrarily undertaken by the legislature.

The union that represents me as a state employee, CSEA, is one of the unions that has not agreed through negotiations, to these pension reforms. It states in here that current pension laws will be repealed and this will be put into place by January, 1984. I think that this Committee would do well to make sure that the six unions that have not agreed to the pension are not going to be forced to accept it arbitrarily because of the adoption of this Bill which would circumvent current laws concerning those employees' pensions.

The other concern that I have under this Bill is that this Bill has been with the supplement Senate and House resolution, has been amended quite severely which they say is only technical amendments. I think if you research it, it's extended the Bills which will cost the state many millions of dollars and the reason why it was amended and changed after it came before you the last year in the session was because of the other unions did not agree to it. That the other employee unions had to go back again and because there are certain changes that are bridging the conditions of employment of employees when they were hired. That they went in and came up with a supplement that changes the conditions of the pension and also adds additional cost to the state.

The other thing that I want to tell the Committee is that there are many state employees that never saw the supplemental agreement, never saw the original pension contract. There were given a collective bargaining contract with the cost of living raises and so forth and the raises in salary and the pension was not even included as part of it and there are many thousands of clerical employees that never even saw the pension or had a chance to vote on a change. I think that the state is buying legal suits. Also in the administrative end, those exempt from collective bargaining, arbitrarily this Bill was imposed

59
klu

GAE

March 18, 1983

MR. MAROTTA: (continued)

upon them by the administration without them even having a chance to express their favor of it or opposition to it.

Right now, currently, one section that really changes the pension from the day when employees were hired is that you can change from Plan B to Plan C, from the 2 percent contribution to 5 percent contribution up until a month before you retire. What they've done here is said that you have a period of time of one year to take that option and after that time, you cannot change it further. I believe that those employees that are going to be harmed by this change that have not voted on it or have not even proposed to accept it or had a chance to see the agreement, are going to be the ones that will bring a legal case, but the last thing I want to urge the Committee, I heard Mr. Finder say that this would not affect the unions that are currently negotiating and those that have not agreed with the agreement, my understanding and he has said this repeatedly at the bargaining table, that he doesn't care about mediators decisions or whatever, that he put the date of 1984, January, on the Bill because he's going to force all the unions, whether they accept it or not, to buy this. And what I'm saying is on behalf of the CSEA and I know the other unions feel the same, they do not want this shoved down their throats. I heard him say here today that it doesn't affect those that haven't agreed to this but I just want to make sure that precautions are taking that it's not going to be forced by 1984, on the other state employees that do not wish it and I would hope that the Committee would look at the legal angle of whether this is going to delete existing provisions of the retirement conditions for employees that have not accepted it. I thank the Committee very much.

REP. LYONS: Representative Lyons. I just had a question. You mentioned that six unions had not agreed to this particular plan. Have they not agreed to the plan because they oppose it or because they haven't even had an opportunity to review the plan?

MR. MAROTTA: Okay. This has been going on for probably almost two years in negotiations. It went through mediation and certain unions joined the Pension Coordinating Committee

60
klu

GAE

March 18, 1983

MR. MAROTTA: (continued)

and those unions were together and we worked alongside with them, with a factfinder and so forth, and the CSEA hired their own actuarial firm and that actuarial firm had made certain recommendations to the state which would save the State millions of dollars and the state rejected because they had reached this agreement with the majority of the unions and they said, no, we're not going to accept it. This is what we got and you take it or leave it and so the other unions, the State Police union is one, CSEA which represents four bargaining units is another, the independent union which represents all the maintainers have not agreed and there's one other, that has not agreed and the reason why they haven't agreed is because really you are changing the condition of retirement for not only new people coming in, but also for those that are currently there even though they say there are improvements, long term condition, our actuary says is definite that there is going to be a lessening in the benefits to the employees and this is why our union has not agreed to it and we had a mediator make certain other recommendations and the office of collective bargaining of the state refused to accept those.

REP. LYONS: Thank you. Representative Schmidle.

REP. SCHMIDLE: Representative Schmidle from the 106th. You said earlier that you had a lot of research that your union had done on this and a lot of facts and a lot of documentation. Would that be available for us?

MR. MAROTTA: I think that the copies of the mediation report and our actuarial report could be made available to the Committee.

REP. SCHMIDLE: I'd be interested--I think we all would be interested.

MR. MAROTTA: Thank you very much.

REP. LYONS: Are there any more questions? Thank you. The next speaker is Mr. H. Kimball.

MR. HAL KIMBALL: Good afternoon, ladies and gentlemen of the Committee. My name is Hal Kimball. I am the Executive

64
klu

GAE

March 18, 1983

MR. SCHENCK: (continued)

introduced and it was very specific relating to this specific piece of property. At that time, we notified our legislative delegation, Representative Murdock, Senator Streeter who were unaware of the Bill at that time, and we're basically here today. This all transpired in the last several days.

There has been a history, we're aware of, of concern over the property and that's why we are sensitive to it.

REP. LYONS: Thank you. Are there any other questions of the Committee? Thank you very much. Mr. Leo Canty.

MR. LEO CANTY: My name is Leo Canty. I'm a Vice President of the Connecticut State Federation of Teachers and the Chairman of our union's state employee council. We represent about 3,000 state employees and I'm here to speak in favor of Senate Bill 987, House Bill 23 and Senate Bill 28 (H.R. 23, S.R. 28) which deal with the state employees retirement system, establishing a Tier 2 pension plan.

I'd also like to state that last month was my tenth anniversary as a state employee and I hope in about 35 years to be able to collect on my pension after I'm done working. But I would like you to do is just take a look at that pension plan and hopefully you'll come out with approval of it. We spent well over two years investigating and negotiating the pension agreement and I think much to the credit of our state's collective bargaining law, we did come to a resolution, a compromise that maybe the state wasn't happy with and definitely we see a lot of areas that we could improve on but the issue is that it is complete and it's before you and we'd like to see it approved and put into effect and so that we can go along with our business.

One other item that I'd like to mention about the issues are the pension negotiations and collective bargaining too is the fact that the state did save money on it and during our negotiations, when we were talking about the pension issue, the compromise in the long run, will save the state dollars and while we are negotiating, the topic of the unfair burden to the state about the pension plan and how the need to save money had come up extensively, and in the long run, it will save the state money and the problem

65
klu

GAE

March 18, 1983

MR. CANTY: (continued)

with negotiations as we see it now is that we hear the same story in negotiations again, about the state hasn't got money to pay for salaries and upgrading. Now, it was our intent to try to compromise and come up with an equitable solution then and I think that at this present time that we're justified and hopefully that you'll approve it. Thank you.

REP. LYONS: Thank you. Are there any questions from the Committee? Thank you very much. The next speaker is Jan Cunningham, followed by William Keuhn.

MS. JAN CUNNINGHAM: Good afternoon. I'm Jan Cunningham and I'm Executive Director of the Greater Middletown Preservation Trust. We're a private, non-profit, regional preservation organization serving the towns of Northern Middlesex County. As a representative of the Trust I'm here to speak in favor of House Bill 6664. We believe that a comprehensive inventory and evaluation of vacant state buildings is long overdue.

We have a particular interest in this Bill because of the presence of a major state owned facility in our community, the Connecticut Valley Hospital which contains a number of vacant buildings. The historic architecture of this complex was surveyed by the Trust as part of a comprehensive survey in Middletown in '78 and supported by a grant by the Department of Interior through the Connecticut Historical commission.

In 1980 we obtained another federal grant to do a feasibility study to determine if two of the vacant buildings at this facility, Weats Hall and Smith Home could be converted to housing, but we were refused access by the Department of Mental Health. At this time, these two buildings are placed on the State Registry of Historic Places by the State Historic Preservation Officer. He also has approved the entire complex for study for nomination to the National Register of Historic Places.

Of the 14 major buildings at the hospital, 8 are currently vacant or unutilized. As a safety precaution, they must be sprinkled and are heated at considerable expense to the state. Demolition has been considered by the

JOINT
STANDING
COMMITTEE
HEARINGS

GOVERNMENT
ADMINISTRATION
& ELECTIONS
PART 3
542-873

1983

8
ksg

GAE

March 28, 1983

- DR. DEWITT: (Continued)
deal of variability. There is a APTA, American Physical Therapy Association, but they do not have a nationally standard certification program as the occupational therapists do. There is variability from state to state as to their requirements. The passing scores on the exams and things of that sort.
- MR. Another area that I might point you to that would be comparable to what we are recommending would be physician assistants. There is a national certification program for physician assistants, it's standard across they country and to practice as a physician assistant in Connecticut, you need only have the national certification, and again, it insures competency without placing another burden upon state agencies.
- REP. BROULLIET: In one sentence, can you tell why you want to change the procedure?
- DR. DEWITT: Redundancy in effort. We are doing what the national body is already doing and to spin our sheels and waste our resources and time to do something that has already been done, I think is a legitimate question that needs to be discussed.
- REP. BROULLIET: You talk about the Health Department spinning her wheels, you won't get much sympathy from me, I'll tell you that right now. Thank you.
- SEN. DANIELS: Thank you. Any other questions from the members of the Committee. Thank you very much, Doctor. The next speaker is Robert Finder.
- ROBERT FINDER: Mr. Chairman, Members of the Committee, I am the Director of Labor Relations for the State of Connecticut. I am here to request that you not act favorably on Raised Committee Bill 7234, An Act Concerning the Continuation of the Investment Advisory Council and the Treasurer of the State of Connecticut. In 1981, the State Labor Board ruled that the Investment Advisory Committee was a subject for collective bargaining and as a result of that ruling, together with our collective bargaining agreement, we have reconstituted the Investment Advisory Council and is dealt with in Raised Committee Bill 987. There is inconsistencies between what you have already raised in 987 and this bill so we therefore would request that you not act favorably on this bill.

9
ks9

GAE

March 28, 1983

REP. SWENSSON: I didn't hear you, 787 you want--

MR. FINDER: 7234 is the Raised Committee Bill that you're looking at today. The issue has already been dealt with in Raised Committee Bill 987.

REP. SWENSSON: 987.

MR. FINDER: Yes.

SEN. DANIELS: So you support the Committee Raised Bill.

MR. FINDER: 987, yeah, right and I am asking you that you not support 7234.

SEN. DANIELS: Questions. Thank you very much. Mary Goodhouse.

MARY GOODHOUSE: Good morning, Mr. Chairman, Members of the Committee, my name is Mary Goodhouse. I'm the Executive Assistant to Commissioner Earl Waterman of Agriculture and I'm here to represent the Department of Agriculture's views on Bill No. 1118, Sunset Review of the Milk Regulation Board, the Connecticut Market Authority and the Agriculture Experiment Station.

The Department wholeheartedly endorses the recommendations of the legislative program review and Investigations Committee with respect to the Milk Regulation Board. We believe it should be continued as presently structured and remain within the Department of Agriculture. We agree in most parts with the recommendations concerning the Connecticut Market Authority. We support study by the Department of Economic Development of feasibility of establishing regional markets throughout the state. There are many private efforts going on in this area and our Department is doing what we can to support them. We think it would be worthwhile to involve the regional market in this effort.

With respect to the Agriculture Experiment Station, we hope that you will give weight to the comments to be made by Dr. Paul Wagner, the Director of the Experiment Station, who will speak sometime after me. We believe that the Experiment Station work is in the area of environment, consumer protection and in agriculture. Our own department benefits greatly from their services and we support the

PAUL J. MCDONOUGH: Good morning, Mr. Chairman, Members of the Committee, Paul McDonough, Deputy State Treasurer representing Treasurer Henry Parker.

We're here to discuss Raised Committee Bill 7234 and in light of that we would like to do it against the backdrop of the Pension Agreement and also Bill No. 987.

It's the Treasurer's basic view that the Investment Advisory Committee is that it is an institution that has worked well for the state throughout its history, helping to make the state \$2 billion Pension System one of the best managed in the nation.

The Treasurer further continues, I have longed believed that there should be employee representation on the Investment Advisory Council. I supported the Pension Agreement that led to the realization of that goal and I support legislative ratification of it. Such ratification is contained in Bill No. 987, but not in Bill No. 7234. With respect to 7234, I oppose increasing the number of public members to seven supporting rather the Pension Agreement concept of a 50-50 relationship between public and employee representatives. Also, I support the current five-year term for public members but have no strong objections to the proposed four-year term.

At the same time, I support increasing the terms of the teacher and state employee representatives to four years from the current two. Two-year terms, especially for individuals without professional investment experience are just too short of a period for them to serve with maximum effectiveness.

I also oppose limiting council membership to two consecutive terms. It is difficult to get good, qualified individuals to serve as dedicated members of the Investment Advisory Council and I believe the need for continuity and experience among Investment Advisory Council Members is a paramount concern.

The Investment Advisory Council has not experienced, repeat not experienced, an attendance problem and should one develop, I believe it should be handled internally. Therefore, I oppose incorporation of the attendance

MR. MCDONOUGH: (continued)
requirements into state statutes.

I also oppose requiring the Investment Advisory Council to provide the General Assembly and the beneficiaries with reporting information, but not because I want to restrict the flow of information. Indeed, as treasurer I have been both open and candid with all interested parties. However, the Investment Advisory Council is an advisory panel which neither received compensation nor has a staff of its own. With that in mind, I believe it would be wrong to impose administrative duties of a non-advisory nature on the Investment Advisory Council.

Moreover, the treasurer's annual report, which is available to both the legislature and the representatives of the beneficiaries contains a full disclosure of investment performance. Thank you very much.

SEN. DANIELS: Any questions from the committee? Thank you very much, Paul. Will the committee also take note that we have been joined by Senator Lovegrove. Representative Jack Tiffany.

REP. TIFFANY: Good morning, Mr. Chairman, Members of the Committee, Jack Tiffany of the 36th District. You're running into the public portion, I'll attempt to be very brief. I would just like to add my bipartisan support for the comments made by the Chairman of the Environment Committee, Terry Bertinuson.

The Environment Committee did have an raise and hear separate bills on the 1118, the Marketing Authority Council On Environmental Quality, Etc., and I notice that Moira Lyons is on this committee, in addition, I am counting on her to carry out the wishes of the Environment Committee concerning these items.

I would like to make just a couple of comments concerning the Experiment Station in New Haven. As a farmer, I am very proud of the accomplishments of the station. It is, indeed, the first Agricultural Experiment Station in the U.S. Its accomplishments to those of you who are not familiar, are really world reknown. Hybrid Seed Corn was developed in the Experiment Station back in the 20's by Dr. Burt Jones, and I would like to also very briefly blow the horn of the current Director, Dr. Waggoner.