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Senate Pages: 3429-3467

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House Pages: 6196-6349

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Senator Looney.

SENATOR LOONEY:

Yes, Mr. President, thank you.

Mr. President, I move all items on Senate Agenda Number 3, dated Thursday, May 21, 2009, to be acted upon as indicated and that the agenda be incorporated by reference into the Senate Journal and the Senate transcript.

THE CHAIR:

Seeing no objections, so ordered, sir.

SENATOR LOONEY:

Yes, Mr. President, thank you.

On Senate Agenda Number 3 under Emergency Certified Bill would move that we take up Senate Bill Number 1167, AN ACT CONCERNING THE STATE DEFICIT MITIGATION PLAN FOR THE FISCAL YEAR ENDING JUNE 30, 2009.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Calling from Senate Agenda Number 3, Emergency Certified Bill 1167, AN ACT CONCERNING A STATE DEFICIT MITIGATION PLAN FOR THE FISCAL YEAR ENDING JUNE 30, 2009. Bill is accompanied by Emergency Certification, signed Donald Lee Williams, Jr., President Pro Tempore

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of the Senate; Christopher G. Donovan, Speaker of the House of Representatives.

THE CHAIR:

Senator Harp.

SENATOR HARP:

Thank you very much, Mr. President.

I move the Emergency Certified Bill.

THE CHAIR:

Acting on approval and acceptance of that bill, ma'am, would remark further?

SENATOR HARP:

Yes, I would, thank you, sir.

This bill adjusts the fiscal year, 2009, budget. These adjustments amount to a \$153.8 million net reduction in the projected fiscal year 2009 General Fund deficit. The reductions are in the following categories: \$25.1 million in General Fund reductions; \$18.6 million in transfers from various other funds, and \$110.1 million in nonappropriated funds.

The bill also allows \$4.96 million in unused bond proceeds from transportation-related general obligation bonds to be used to pay General Fund debt service and it also repeals 3-17A of the General Statutes, which allows for the transfer of \$7.5 million in debt retirement.

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I urge your support of this bill.

THE CHAIR:

Will you remark further on the bill?

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

Mr. President, some questions, through you to my friend, Senator Harp.

THE CHAIR:

Senator Harp.

SENATOR DEBICELLA:

Through you, Mr. President, in looking at the mitigation package, what is the total amount of funds that we are sweeping from unappropriated accounts? Through you, Mr. President.

THE CHAIR:

Senator Harp.

SENATOR HARP:

Thank you.

We're sweeping \$110.1 million in the nonappropriated funds.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

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Mr. President, referring to the third deficit mitigation package, the law states that there was a need to have \$220 million in sweeps reported back to the General Assembly by March 25.

Question, through you, Mr. President, where is the other 110 million required by law?

THE CHAIR:

Senator Harp.

SENATOR HARP:

Thank you, Mr. President. Actually over \$345 million was reported back to the General Assembly and what is being used in this particular budget and was given to the leaders of all caucuses. And, through mutual -- how can I put it -- review of those funds that were available, what has been agreed upon by, at least the House and the Senate Democrats, as well as my understanding, the Governor is the \$110.1 million amount.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

Am I reading the third deficit mitigation package wrong then to say that we are required by law -- a law that we passed on February 25th to have \$220 million

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of sweeps. Am I incorrect in that? Through you, Mr. President.

THE CHAIR:

senator Harp.

SENATOR HARP:

Thank you.

I don't have it before me. I know that we've said that we projected that we would have \$220 million. Certainly, we found over that amount and this particular bill represents \$110.1 million of that amount.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

I do agree with Senator Boucher, that this amount is less than what was not only projected but then what is required by law. In fact, on February 25th, Senator Harp and I had a very similar discussion between us and at that point Senator Harp said, Conservatively, we believe there's 220 million that we can vet thought the unvetted amount. And, then following up on a follow up question, she said, we might be able to find even more resources that we can recommend back to the General Assembly that we can use

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to offset our budget problems.

And, through you, Mr. President, my question then is, is there any account that could be swept that is not being swept here tonight? Through you, Mr. President.

THE CHAIR:

Senator Harp.

SENATOR HARP:

Thank you, Mr. President. Through you, there are many accounts that could be swept that are not swept tonight, and there was a decision that the \$110.1 million amount would be an amount that would do no harm to any of the accounts, nor interfere with any of the overall -- how can I put it -- purposes of those accounts were set aside for.

So that is why I think there was general agreement from a policy perspective that that would be the amount that everyone could agree with as a minimum.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

And through you, one last question on the sweeps is it seems as if in the debate from February 25th,

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when our amendment to cut an additional \$132 million of spending was defeated on a party-line vote, part of the rationale given at that time was, we will come back to you with \$220 million of sweeps or more to close this deficit. That was three months ago. The deficit has only gotten bigger in the intervening three months. And through you, Mr. President, my question is simply, we haven't done spending cuts and we haven't done the sweeps that were promised by law, by the majority party, three months ago. Why haven't -- why hasn't the Majority party, with the two-thirds majority, closed the billion-dollar deficit we have? Through you, Mr. President

THE CHAIR:

Senator Harp.

SENATOR HARP:

Thank you, Mr. President.

There, I guess, is a provision in our law that says that the budget reserve fund, which is a rainy day fund, that has within it, as I understand, nearly \$1.4 billion could be used to close the -- whatever is left of the gap for this particular year. So that there is plenty in the rainy day fund, as I understand the fiscal note, it's clear that the Office of Fiscal Analysis believes that or projects that there will be

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a \$819.6 million deficit.

And if you accept that we have 1.4 billion in the rainy day fund, law provides that that amount will take care of that, should there be no other provisions made.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

I thank Senator Harp for the answers to those questions. I do, however, would just ask Senator Harp if she could explain Sections 4 or 5 of the bill for purpose of legislative intent, specifically, what those two sections do. They appear different than the other sections which are explicit sweeps or a few spending cuts, through you, Mr. President.

THE CHAIR:

Senator Harp.

SENATOR HARP:

Thank you very much.

Section 4 basically allows unused bond proceeds of \$4.96 million from transportation-related general fund -- general obligation bonds to be used to pay general fund debt service and so that there is a transfer that actually reduces the debt service and

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overall reduces our obligation for this fiscal year.

And the Section 5, basically, repeals Connecticut General Statutes 3-17, which allows then a transfer of \$7.5 million in a special litigation settlement fund that can then be used to, as well, retire debt.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

And I thank Senator Harp for her answers to those questions.

Mr. President, the bill we have before us is, quite frankly, too little, too late. The Majority has squandered the opportunity to present the time and time, again, to actually eliminate the deficit to avoid the situation that Senator Harp said where we are taking close to \$800 million of our rainy day fund to balance the deficit.

And that every single deficit mitigation package that we have gone through -- this being the fifth -- we have had an opportunity to actually cut spending. Lots of ideas on the table from the Governor, the Republicans, and from the Democrats, but none of them -- I shouldn't say none of them -- very few of them beyond in the millions have been enacted. The

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result of that is time and time again, this body has failed to lead. And, thus, we are left in a situation with about 35 days left in the fiscal year where we really can't cut spending now to have a significant impact.

And, on top of that, the sweeps that were promised as part of the solution turn out to be half when there are clearly funds left that could be swept. The Citizens Election Fund, for one, with \$50 million remaining in it. Even if you took part of that, it would help you towards that total. A dozen other funds we can go through many with just \$10 million or more, not being swept tonight.

And so, Mr. President, I will be introducing an amendment later in one last attempt at fiscal responsibility to actually sweep more funds and make cuts for the final month. But, Mr. President, I am disappointed that the Majority, again, has decided to let our deficit linger at a astronomical amount without making the hard choices to cut spending to get our deficit under control.

Thank you, Mr. President.

THE CHAIR:

Thank you, sir.

Will you remark further?

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Senator Meyer.

SENATOR MEYER:

Thank you, Mr. President.

I wonder if Senator Harp would yield for several questions.

THE CHAIR:

Senator Harp.

SENATOR MEYER:

Thank you, Senator Harp.

We have not caucused this bill and it just arrived on my desk an hour or two earlier this morning, and I just, in my capacity as chair of the Environment committee. I wanted to question you about -- about some sweeps of the environment funds of Connecticut that are shown on pages 6 and 7.

Indeed, it appears that this bill would sweep about \$45 million of the environment funds of Connecticut into the general treasury; is that a fair conclusion?

THE CHAIR:

Senator Harp.

SENATOR HARP:

Through you, yes, it is.

THE CHAIR:

Senator Meyer.

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SENATOR MEYER:

And through you, Mr. President, Senator Harp, are you aware of what these environmental funds, the purpose they serve?

THE CHAIR:

Senator Harp

SENATOR HARP:

Thank you very much.

Yes, I am and I just want to make it clear that in the case of almost every fund that we swept, we looked at a three- to four-year average to see whether or not funds have actually been expended out of these accounts. We also looked to see whether or not there were funds that would replenish these funds, and I believe that in the case of the environmental funds that, in fact, there had been static expenditure of the funds and that those funds would ultimately be replaced.

THE CHAIR:

Senator Meyer.

SENATOR MEYER :

Through you, Mr. President, again, Senator Harp, how would the money be replaced?

THE CHAIR:

Senator Harp.

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SENATOR MEYER:

I apologize for not understanding that process.

SENATOR HARP:

Thank you.

I believe that their funding mechanisms that actually replenish those dollars, and I think they come -- some of them come from fees.

THE CHAIR:

Senator Meyer.

SENATOR MEYER:

Through you, Mr. President, to Senator Harp. Senator Harp, are you able to make a representation to the best of your knowledge, these funds for the environment of Connecticut will be replaced, to the best of your knowledge?

THE CHAIR:

Senator Harp.

SENATOR HARP:

Through you, sir, to the best of my knowledge, I believe that they will be.

THE CHAIR:

Senator Meyer.

SENATOR MEYER:

Through you, Mr. President, again, to Senator Harp, just one other question.

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I notice that this bill transfers \$15 million of the Tobacco Health Fund to the General Treasury. Is there anything left in the Tobacco Health Fund for this cessation of tobacco use in Connecticut or is it all moved?

THE CHAIR:

Senator Harp

SENATOR HARP:

Thank you very much. We are still getting approximately \$134 million per year into our overall tobacco fund and so we will be getting another payment into that fund, as well, so that there will be funds available for those things that the overall committee has selected to work towards, and we didn't take any of the money that was used for tobacco cessation in this particular sweep.

THE CHAIR:

Senator Meyer.

SENATOR MEYER:

Just on the points I've made, Mr. President. I'm pleased to hear from Senator Harp that the environmental funds will be replaced. I did not know that we were going to have a bill taking away \$45 million of the environment funds of Connecticut. I thought that in prior drafts I've seen, I thought we

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were standing up to that and maintaining those very significant environment funds.

The environment is our quality of life in Connecticut and to strip these funds without a representation of replacement, I think is a very negative step, very deleterious step, but I am pleased with the Senator's representation that these funds will be replaced.

Thank you, Mr. President.

THE CHAIR:

will you remark further on the bill?

Senator Debicella for the second time.

SENATOR DEBICELLA:

For the second time, Mr. President. For purpose of an amendment, I'd ask the Clerk to call LCO 8128.

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO 8128, which will designated Senate Amendment Schedule A is offered by Senator McKinney of the 28th District.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. I move the amendment.

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THE CHAIR:

Motion's on moving the amendment. Would you like remark further, sir.

SENATOR DEBICELLA:

Thank you, Mr. President.

Mr. President, the amendment before us tonight is one last chance to try to cut spending and do additional sweeps in a more meaningful way. What we have before us tonight would increase the amount of the underlying bill. It has everything the underlying bill plus, approximately, an additional \$33 million in additional sweeps and additional spending cuts.

Many of these will be familiar to folks who have looked at these in sweeping additional monies from funds that we are already taking money from, such as the Banking Fund, where instead of 6 million, we are sweeping 11 million.

Others are actual spending cuts that have been proposed by the Governor, by the Republican legislators that we are pulling up. There were proposals from our biennium budget for '10 and '11, that we are now pulling up to June 1st. Other ones are straight cuts that are lapses. Such as \$3 million for legislative management of money that we believe is going to lapse, and \$2.8 million in slush funds that

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still remain in legislator control, specifically, with the Majority party.

These funds should be swept or the spending should be cut so that we can try and to get our deficit down as much as possible. Now, you'll notice that these are lower savings than what we offered back in February. At that point, it was 132 million. The reason these savings are naturally less is now we're only going to get one month of savings versus the four months that we would've gotten had we adopted many of these ideas when we last proposed them.

So, Mr. President, I ask the circle to join me in trying to do the fiscally responsible thing, trying to cut our deficit as much as possible so that the \$800 million that Senator Harp referenced that we are going to be taking from our rainy day fund can be as small as possible at this point.

Thank you, Mr. President, and I urge adoption of the amendment.

THE CHAIR:

Senator Harp.

SENATOR HARP:

Thank you very much, Mr. President.

I rise to oppose this amendment on a couple of grounds. One, the Speaker indicated that there was

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\$3.5 million in Legislative Management Funds, and my understanding is that those funds are not there and that's why we didn't actually have that in our overall mitigation package.

The other is that there are some policy changes that are in this bill. One is the policy change to eliminate all immigrants from the HUSKY plan, as well as, from our state, sort of, what I would call Medicaid Lite plan. These policies were rejected by the Appropriations Committee and are not in their budget. Also the Medicare, Part D, denying those drugs that are not on the Medicare Part D formulary was also another policy that we didn't adopt.

I know it was in the Governor's budget, but we went through extensive public hearings and made a decision not to adopt those policies, and, for those reasons and for the additional reductions that are here that were not agreed upon, I ask that we not approve this amendment. And I ask for a roll call vote.

THE CHAIR:

A roll call will be ordered.

Will you remark further?

Senator McLachlan.

SENATOR MCLACHLAN:

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Thank you, Mr. President.

And through you, Mr. President, to the proponent of the amendment.

THE CHAIR:

Senator Debicella.

SENATOR MCLACHLAN:

Thank you, Mr. President.

Senator Debicella, thank you for your amendment.

I am grateful for your leadership as the ranking member of the Appropriations Committee and all the hard work that you and your colleagues on the Appropriations Committee have dedicated to try to get a handle on this fiscal crisis that we face in the State of Connecticut.

I want to recall your memory of our session back on February 25h. It was actually the 26th. And I believe it was about 1:30 in the morning when we adjourned after voting for a mitigation package that at the time had some \$220 million in sweeps included. And my concern at the time was that the sweeps were unidentified, and I expressed sincere concerns that let us before sure that we're not postponing the agony.

And I wonder if you can share with the circle, what is your assessment of what your amendment will do

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in the efforts to make up for the \$220 million sweeps that have never occurred. Through you, Mr. President.

THE CHAIR:

Senator DeBicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

Mr. President, first off, my perspective on that evening -- I thank Senator McLachlan for the questions -- at that time there was extensive debate about whether the 220 actually existed or not. And I believe the Republicans voted no, not only because there was not sufficient spending cuts but because there was no faith that the 220 million was there based on the preliminary analysis that we had conducted. That is why when we introduced our budget alternative, we only claimed \$140 million in that bill.

This tonight moves us up to that level. We could, if the circle wanted to, take additional sweeps to get closer to the 220 from areas like the Citizens Election Fund. This amendment does not do that. We go to the 140 that we said we believed was there, mostly, because we had already gotten pushed back several times from the Majority party about sweeping additional funds from the Citizens Election Fund. So

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my belief is that the proposal before us tonight deals with areas, such as the Banking Fund, that I believe are less sensitive to the Majority in terms of sweeping additional funds, and my hope is that they will agree to it tonight in the spirit of trying to get serious about closing our FY09 deficit, through you, Mr. President.

THE CHAIR:

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Mr. President.

And, Senator Debicella, thank you for your answers, and I, too, join with you in hoping that our colleagues will agree to support this amendment. I believe it is very productive for us to be more aggressive in our fiscal responsibility here in the State Senate, and I do believe that we still have a long way to go if, in fact, we are going to look to the rainy day fund now to cover the deficit that is looming in this fiscal year.

What shall we do about the \$9 billion tsunami that is yet to arrive? And so I urge my colleagues to support this amendment.

And, thank you, Mr. President.

THE CHAIR:

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Thank you.

Will you remark further on Senate A?

Senate McKinney.

SENATOR MCKINNEY:

Thank you, Mr. President.

Mr. President, I rise in support of the amendment. And clearly -- and I want to thank Senator Harp for her candor.

Clearly, these are proposed cuts and sweeps that we have offered before, as Republicans in this circle to mitigate our 2009 budget deficit. These are offers that Governor Rell has made, as well, and they are cuts and sweeps that the Majority does not accept, does not like, that is their -- obviously, their choice and that they're not willing to take.

And so I respect Senator Harp and her candor in acknowledging that these are not cuts that they agreed to. If they did, obviously, they would be in your package. So why are we offering them? We're offering them for the same reason that we've been offering to reduce our budget deficit since last March. We stood as a Senate Republican Caucus, united with our colleagues in the House in March of 2008 and said the storm clouds are coming for the State of Connecticut. We need to get down and adjust our budgets, reduce our

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spending and prepare for what might be very tough fiscal times ahead.

In September and October and November and December and January and February, we repeated those claims. And we said that we would not stand in this circle and simply vote no, or object or speak against Democrat budget plans or deficit mitigation plans but that we would offer our own plans and have our plan stand next to your plan. That I believe is the responsible role of the Minority party. To say to the Majority party, we understand that you've put a deficit mitigation package out there, that you've put a sweeps package out there. We believe we can and should do more to achieve greater savings and that we believe we have a better way to do it. That's why we're offering this.

On February 25th, this body passed what they called a \$1.2 billion deficit mitigation package. The Senate Republican Caucus voted no. We voted no because we believed that we weren't going to realize that \$1.2 billion. As we stand here this morning -- and this may be tough for some to take -- but as we stand here this morning the facts are that we were right. We did not realize the \$1.2 billion.

As we stand here this morning, the \$220 million

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in sweeps, which we were promised on February 25th, I think at that night, during the debate, we were told that we already identified 167 million out of 760 million. There's 1.6 billion. We'll get there. Didn't realize.

Now I don't -- I'm not happy about that so we have a sweeps package of about 109. Let's round it up and let's call 110 million, about half of what we were told we would have. And I understand that to get from 110 to 220 would be very difficult. I had the very same questions Senator Meyer had, and I asked those questions of Commissioner McCarthy several months ago about these DEP programs, and I still have some concern about removing the DEP off budget accounts and bringing it in under the General Fund because I am fearful that the DEP will be lower on the priority totem pole, but I say that to demonstrate that these are not easy to do.

These are not easy to do and whether it's your package of 110 or our package of, I think, it's 132. There's no standing up and cheering either package, but, as we stand here tonight or this morning, this will probably be the last deficit mitigation package we do for 2009, and we will

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close our books in 2009 with somewhere around a 700 to a 900 million dollar budget deficit. That means that we are in horrible economic times, but it also means we didn't do our job because we knew this was coming at least a year ago, and we did not work hard enough to get the job done.

We have offered a series of deficit mitigation packages. The Governor has offered a series of deficit mitigation package. The Majority has chosen not to accept of all those deficit mitigation packages. And, as a consequence, we are left with a huge budget deficit at the end of the fiscal year.

Mr. President, that's why we've offered this amendment. The cuts in it are tough. The extra sweeps we've put in, we understand are difficult, but I would argue that the additional tens of millions of dollars that we can shave off our 2009 budget deficit is critical and the fiscally responsible and prudent thing to do for the State of Connecticut.

And, with that, I would ask my colleagues to reconsider their opposition to the cuts in here. We know you don't like them. We know they're tough. Guess what? We don't like them either,

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but we're going to have to do them. I've said that before in the circle. Every single one of us is going to have to vote for things we don't like if we're going to solve our budget deficit. And every single one of us knows it, but the more we continue to put it off, the worse it's going to get. The harder the decisions are going to be.

So I would ask you to reconsider your opposition to the cuts in here. You've seen these cuts for months. I know you don't like them, but if we don't like these cuts, I'm fearful that we're never going to be able to solve our budget deficit at the end of the day. Because as bad as these cuts are, these are actually, in the relative scheme of things, easier than some of the other things we're going to have to do to balance an 8 or 9 billion dollar budget deficit.

Thank you, Mr. President.

THE CHAIR:

Thank you, sir.

Will you remark?

Senator Prague.

SENATOR PRAGUE:

Thank you, Mr. President.

Through you, Mr. President, I'd like to ask

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Senator Debicella a question?

THE CHAIR:

Senator Debicella.

Go ahead, ma'am.

SENATOR PRAGUE:

Thank you, Mr. President.

Senator Debicella, under the Department of Social Services, you're cutting out \$1.700 million out of Medicaid, and then you're cutting a million dollars out of the State Administered General Assistance?

Through you, Mr. President. Senator Debicella, we go over to line 106 and you talk about qualified aliens. Is this the group that your cuts in Medicaid and general assistance is directed towards?

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

Through you, Mr. President, partially, so you've quoted two different sections. The first eliminates the payment of nonformulary drugs --

SENATOR PRAGUE:

No --

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SENATOR DEBICELLA:

I'm sorry --

SENATOR PRAGUE:

No, no, no. I didn't say that -- excuse me -- Mr. President, through you.

THE CHAIR:

Through the Chair, please. Thank you.

SENATOR PRAGUE:

Yes, thank you.

I mentioned the Medicaid cut 1.700 -- 1,700,000 and the State Administered General Assistance \$1 million. I didn't talk about the Medicare Part D, Supplemental Needs, which is the wraparound or the disproportionate share.

I'm specifically, Mr. President, asking Senator Debicella about the Medicaid cut and the General Assistance cut because there are 24 legal immigrants who have not been in this country for five years in nursing homes and their funding has been cut. There are ten legal immigrants who have not been here five years who are on the home care program and their funding has been cut.

That funding, Senator, through you, Mr. President, comes under Medicaid. And I -- I know that your side of the aisle is looking for more

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cuts. I also know -- know that you are not cruel. But not funding those 24 people in nursing homes and the ten on home care would be cruel and if your cuts are going to do that to these people, I would ask you to take another look at that.

THE CHAIR:

Senator DeBicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

And I thank Senator Prague for the clarification of what she's looking at Section 4 of the bill.

Mr. President, in response to Senator Prague, first off, these are real cuts. The cuts that the majority has offered so far have been the low hanging fruit of painless cuts. If you are going to solve this deficit without raising every single tax in the State of Connecticut, which is what the Majority has proposed but doesn't seem to want to actually vote on, we need to make real cuts and we need to start making them now.

You characterized this cut as cruel. I would characterize this cut as moderate, and I will tell you why because the philosophy behind this cut, although nobody would like to make it, is that

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people who are not citizens of this country, who have come here and are enjoying our social services, should not have the same priority as citizens who are enjoying our social services.

Now, my mother-in-law is an immigrant, a legal immigrant, and when she first came here, she came on her green card, and she eventually got her US citizenship. But, when she first came here, if she immediately went into a nursing home and asked for assistance, if she immediately went on Medicaid and asked for assistance then that is what we are proposing that we cut. Because to come here on a green card and to ask immediately for assistance is something that is nice to have. It is, of course, something we'd like to offer, but, as we're looking to make cuts, this is a moderate, rational cut, that will not only save us \$1.2 million this year but \$24 million next year and \$24 million the year after that.

So, Mr. President, I appreciate Senator Prague's good heart, but we need to start to prioritize where we are going to put our social services dollars. And, for me, at least, in these times when we need to make cuts, my priority would be maintaining our Medicaid funding for citizens

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or immigrants on green cards who have been here for five years and not people who have been here for six months and are asking for government assistance, through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Thank you, Mr. President.

Just to clarify the situation, these people are legal immigrants. They have not yet been here for a full five years. They're sick. There's 24 in nursing homes. They could be here for four years. Whatever length of time they're here, what are we going to do with these 24 people and the ten on home care, put them out on the street?

Is that the kind of State we have become? There is a limit, Mr. President, to what I consider appropriate in these cuts, and it is, in my opinion, not the way the State of Connecticut treats human beings.

I strongly, strongly ask the other side of the aisle to reconsider any cuts that would be cruel, such as this one to human beings.

Thank you.

THE CHAIR:

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Thank you.

Will you remark further on Senate A?

Senator LeBeau.

SENATOR LEBEAU:

Thank you, Mr. President.

A question to the -- I guess, Senator
Debicella.

THE CHAIR:

Senator Debicella.

SENATOR LEBEAU:

Through you, Mr. President, I actually just
heard the minority leader talking a few minutes
ago regarding the fact that we are in an economic
crisis.

Would agree that that's true, Senator
Debicella?

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

I would, through you, Mr. President.

THE CHAIR:

Senator LeBeau.

SENATOR LEBEAU:

And through you, Mr. President, would you --
would you agree that it's true one of the most

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important priorities we should have is to try to get out of this economic crisis?

THE CHAIR:

Senator DeBicella.

SENATOR DEBICELLA:

Through you, Mr. President, I would.

SENATOR LEBEAU:

Thank you.

THE CHAIR:

Senator LeBeau.

SENATOR LEBEAU:

Thank you.

I don't want to engage in a whole series of rhetorical questions so, I'll stop there, Mr. President, and just make my point.

On the first page of this amendment, you're cutting \$800,000 from the CCANT Connecticut manufacturing supply chain and integration that -- that's a program that has saved thousands of jobs in the State of Connecticut, not jobs we had to go out and search for. Not jobs that we -- they're jobs that were grown here. They're jobs that were here. They're jobs that were kept here and did not leave because the -- the supply chain manufacturing program was able to help these

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companies that are part of the supply chain, particularly, for our defense industries.

They were able to lean themselves out, to become more efficient, more effective, more productive and in the process keep them here in the State of Connecticut.

Now, I find it really ironic that the Republican party -- the Republicans at leadership here is -- is coming up with a program to cut one of the most -- is coming an amendment to cut one of the most effective programs we've got going in the State.

When we're in a time when we are trying to protect every single job that we have, we're cutting a program that's saving jobs. I -- I find it -- I -- I almost -- I -- I have to give -- I just have say, it must be a mistake. That there -- you had to look at this and perhaps were not aware of what exactly what you're doing. Same with the small business incubator program. There's the -- at the University of Connecticut, we're growing jobs, new industries, tomorrow's jobs.

And I noticed further on you've cut money for culture and tourism for statewide marketing. I

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think, there's about a 10 to 1 of every dollar we spend on marketing, we get about \$10 back in the State. The Center for Manufacturing Network at CCSU -- there's more -- I haven't had a chance to check the entire -- the entire document.

I am really quite surprised that this amendment is in front of us at this time with those kinds of cuts in it and disappointed in the minority for making those cuts.

Thank you, Mr. President.

THE CHAIR:

Thank you, sir.

Senator DeBicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

And just to respond to those before wrapping up, Mr. President.

I thank both Senator Prague and Senator LeBeau for their passion around the respective spending they wish to keep.

And I think, Mr. President, this debate has been endemic of why we have failed as a legislature to do anything. The obvious choice in front of us, as we face both this year's deficit and the next two years because we are going to

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have to cut spending or raise taxes. And we have seen what raising taxes looks like. It is raising every single tax in the state and raising taxes by 750 to 1000 dollars on middle-class families.

Mr. President, these are moderate cuts. The cuts Senator LeBeau references is \$800,000 to CCAT and \$350,000 from marketing. The cuts Senator Prague references is \$1.2 million. Mr. President, we have an \$8 billion deficit in the next two years. How are we ever going to close it?

Senator Prague likes to use the word "cruel," and Senator LeBeau says -- and I agree with him -- we're in an economic crisis. It is not only cruel but irresponsible of us not to cut spending and to balance this budget on the backs of the middle class with a thousand dollar tax cut proposed by the majority party that they won't even vote on.

So, Mr. President, I appreciate the passion that the defenders of State spending, but if we don't serious about cutting this, we are going to kill the middle class in Connecticut, as I agree, with Senator LeBeau, in the worse economic crisis of modern times.

I thank you, Mr. President.

THE CHAIR:

Thank you, sir.

Senator Williams.

SENATOR WILLIAMS:

Thank you, Mr. President.

I rise to thank the minority for bringing out this amendment. Even though we may disagree on some of the policy, we may disagree on some of the philosophy, I believe that going forward today, if we continue to work together and put our ideas together, I believe that we can solve even this great financial crisis that is before us.

I also rise to note that it's almost 5 o'clock, and I'm hoping that this is the final comment on this amendment.

Thank you, Mr. President.

THE CHAIR:

I agree also with you, Senator Williams.

Will you remark further on Senate A? If not, Mr. Clerk, please call for a roll call vote.

The machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate. Will all senators please return to the chamber? Immediate roll call has been ordered in the Senate. Will all senators please return to

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the chamber?

THE CHAIR:

Have all senators voted? If all senators have voted, please check your vote. The machine will be locked. The clerk will call the tally.

THE CLERK:

Motion is on adoption of Senate amendment
Schedule A

Total number of voting	35
Those voting yea	12
Those voting nay	23
Those absent not voting	1

THE CHAIR:

Senate Amendment A fails.

Will you remark further on Senate Bill 1167?
If not, Mr. Clerk, please call for roll call vote.
The machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate. Will all Senators please return to the chamber. Immediate roll call has been ordered in the Senate. Will all Senators please return to the chamber.

THE CHAIR:

Have all senators voted? If all Senators

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have voted, please check your vote. The machine will be closed. The Clerk will call the tally.

THE CLERK:

Motion is on passage of Emergency Certified Bill 1167

Total number of voting	35
Those voting yea	23
Those voting nay	12
Those absent not voting	1

THE CHAIR:

The bill passes.

Senator Looney.

SENATOR LOONEY:

Mr. President -- Mr. President, move for an immediate transmittal to the House of Representatives of Emergency Certified Senate Bill 1167.

THE CHAIR:

Motion on the floor for immediate transmittal? Seeing no objections, so ordered, sir.

SENATOR LOONEY:

Thank you, Mr. President.

And additional item to mark "go" and to call, appears on Calendar page 30, Calendar Number 425,

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Absent and not voting 25

DEPUTY SPEAKER ALTOBELLO:

The bill as amended is passed.

Representative Bartlett, for what purpose do you
rise, sir?

REP. BARTLETT (2nd):

I rise to have my vote cast in the affirmative,
if possible. Or notated.

DEPUTY SPEAKER ALTOBELLO:

The transcript will so note. Thank you.

REP. BARTLETT (2nd):

Thank you.

DEPUTY SPEAKER ALTOBELLO:

Representative Merrill.

REP. MERRILL (54th):

Thank you, Mr. Speaker. I would move for the
suspension of our rules for the immediate
consideration of emergency certified Senate Bill 1167.

DEPUTY SPEAKER ALTOBELLO:

(Inaudible) with respect to the rules for
immediate consideration of Emergency Certified Bill
1167, is there any objection? Any objection? Hearing
none, the rules are suspended for immediate
consideration, Bill Number 1167.

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Will the Clerk please call Emergency Certified
Bill 1167?

THE CLERK:

Emergency certified Bill 1167, AN ACT CONCERNING
A STATE DEFICIT MITIGATION PLAN FOR THE FISCAL YEAR
ENDING JUNE 30, 2009, LCO 8112.

Speaker Donovan in the Chair.

SPEAKER DONOVAN:

The Chair of the Appropriations Committee from
New Britain, John Geragosian. You have the floor,
sir.

REP. GERAGOSIAN (21st):

Good afternoon, Mr. Speaker. I move acceptance
and passage of the emergency certified bill.

SPEAKER DONOVAN:

Question is on passage of the emergency certified
bill. Remark, sir.

REP. GERAGOSIAN (21st):

Thank you, Mr. Speaker. This bill is a
compilation of a few things. First of all, the fifth
deficit mitigation plan and our dealing with it -- it
was proposed by the Governor in the amount of

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\$43 million, approximately. Also, \$110 million in nonappropriated funds, for a total of \$153 million, approximately.

And the issue of the nonappropriated funds is something that came out I believe it was deficit mitigation three or four. Where there have been so many, that I kind of lose track.

And the committee underwent an overview of all the different accounts that were out there and held public hearings and vetted them with OPM and other entities, and the State Treasurer, and this is what we've agreed to do at this point.

All four caucuses have worked on this, but especially the OPM and the House and Senate leadership, and many -- we found out through the process, for instance, that many of the agencies thought that monies that were available were not actually available through talking with the Treasurer and other entities, that there was a good learning process for everybody, and I think we should go back and look at some of those accounts and deal with them.

If there's money that appears there, it's only on paper. For instance, bonding projects that might have cost \$10 million are allocated \$10 million that only

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cost eight, the \$2 million is not -- in those accounts is not actually available for sweep. So we should deal with that in the -- in the process of moving forward

So I urge the chamber to approve this. It will go a long way towards reducing our deficit for this year. Approximately \$153 million in deficit mitigation for this year is a very good thing for us as we deal with the '09, '10 and '11 budgets and as we negotiate the final passage of the budgets.

So I'll answer any questions that the members have and urge members to support it.

SPEAKER DONOVAN:

Thank you, Representative.

Would you care to remark further? Representative Cafero.

REP. CAFERO (142nd):

Thank you, Mr. Speaker. Thank you, Representative Geragosian. Ladies and gentlemen, you might recall several months ago we as a chamber met to do the last deficit mitigation plan.

And as Representative Geragosian said, I forget, was it three or four, whatever; but at one point, and I believe it was January, we were trying to close the

deficit gap for this fiscal year. And we had gone back and forth on various ideas on how to do that.

Some of the ideas that came from this side of the aisle consisted of cuts. Line item cuts. Program or operating expense cuts, et cetera. They were enumerated.

And it was felt by the other side of the aisle that that was not a good way to close the budget deficit, that maybe there is a better way that would allow us at that time to avoid making those hard cuts.

It was at a time when I think the public -- and I believe they still are -- were looking to us for leadership. They were tired of the partisanship. They were tired of the bickering. They were scared. They were frightened. And they looked to their leaders, regardless of party, and said help.

During that time, it was brought to all our attention that there exists these funds out there, that many of our agencies and programs have accumulated funds. Energy Conservation Fund, Citizens Election Fund, et cetera.

An inquiry was made, and it was found that, in fact, there was approximately, based on OFA, \$1.6 billion of these funds out there. And the suggestion

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was made that before we cut programs, if, in fact, we have these funds out there that might not ever be used, that might lapse, that maybe are not necessary to carry out the mission of the program or agency, let's take those first before we cut programs.

Some of us on this side of the aisle said, little uncomfortable with that, because we're trying to close a budget deficit, and we need to be specific as to where we're actually cutting.

If you say there's funds out there, and we'll work hard to identify them, we said, what if we can't find them? What if they're not there? Then we have gone through this exercise and assumed we've closed the budget deficit when in actuality we didn't.

It was said, well, with \$1.6 billion of these funds out there, maybe it is a safe guess that we could find 220 million of them, dollars that we could use.

We had some concerns, because, again, it wasn't specifically enumerated. But we felt, hey, if we work together, we analyze these things, we feel confident we can find them, let's work hard, and let's find them.

And we actually set up a mechanism that said the

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Appropriations Committee will look into this together. Both sides of the aisle. And that they would report by March 25th to the Speaker of the House, the President Pro Tem of the Senate, the House Republican leader and the Senate Republican leader, to see what we came up with.

Here's what we find -- found. We scrutinized \$1.6 billion worth of these funds, and we feel here's the 220 million we can take safely without destroying programs, et cetera.

And the concept was -- as actually written by the bill, that once leadership got it, we would say, okay, General Assembly, House and Senate, let's vote to effectuate those sweeps, take those funds so we can as soon as possible mitigate our deficit.

A little uncomfortable with it, but I stood right where I stand now. If you remember, it was a solemn day, because we had paid our respects to a member of our family, our departed Faith McMahon, and I said at that time, if you recall, this is the time to take a leap of faith for our Faith McMahon. Let's work together and try to close this budget deficit in this manner.

Yes, we have problems with it, but I looked at

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the speaker, the Majority Leader, Chairman of the Appropriations Committee, and said let's take that leap of faith together.

Now, I've got to tell you as an aside, I have now had the pleasure of working as Minority Leader with Speaker Donovan, Majority Leader Merrill, Chairman Geragosian for the past -- well, since January. And I have found them to be people of their word, honest and sincere and sure as heck hardworking.

And we set about passing the bill that I just referred to. We had a little trouble getting started with this analysis process. Some said it was a lack of information. But long story short, we were unable to meet our March 25th deadline.

Chairman Geragosian and Chairman -- Senator Harp from upstairs said we need another week. So we extended it to April 6th, and that was nerve-wracking, because remember, we only have till June 30th, folks.

Well, a week turned into two. There were several meetings held for members of the Appropriations Committee to understand and have reported to them what these funds were all about.

So there was a bipartisan process of understanding what these funds were all about. All

along, there was concern voiced by the Governor's office and by us. We're not so sure we could find 220. We think that a lot of these funds need to be left in, because they're either necessary to programs or what have you, so we're -- we're telling the public we're going to close our budget deficit with at least \$220 million of these funds.

We're not so sure they're there, but we'll listen, we'll work. Let's make sure it happens.

Well, as it turns out, there wasn't \$220 million to use to close our budget deficit. There was far less. And I'm not going to say there was far less than the Democrats wanted to use and the Republicans didn't. No.

We share the concerns -- when Chairman Geragosian says there was bipartisan discussion and agreement on, we can't use that fund and we really can't sweep that fund, he's right.

The issue is, however, from the time we initially decided to take that leap of faith to the time we landed, which is today, a lot of time has passed. Our deficit has increased, and by virtue of our exercise, we find ourselves maybe not even halfway to where we thought we would be.

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And that gives us great pause and concern. You see, it was our feeling from the beginning that the safest way to do this is to get together and literally lift the items that you want to cut, to shrink that deficit. To spend less. Be specific. Let it happen. It was not to be.

So I guess I bring this up not only for the edification of the chamber, but we have to realize that when we leave here today, if this plan passes or subsequent amendment passes, with all due respect to all of us, let us not beat our chests or be proud that we've done our duty and the people's business, because we fell short of our goal, and now it's March 22nd -- May 22nd. The fiscal year ends in about 38 days.

Don't even count this step we're taking today as doing our part to further mitigate the deficit, because you can't count something twice.

See, back when I mentioned, we had every right to say we worked together and we cut the deficit by X amount, or anticipate to do so. Today, I'm not so sure we could say those things.

And you can't double-count what we already said we were cutting.

So I, along with you, will be interested in

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hearing debate, but I think it's important for the chamber and for those watching at home and in the gallery that they know exactly how we conduct our business at this very crucial time.

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker. And good afternoon.

SPEAKER DONOVAN:

Good afternoon, sir.

REP. MINER (66th):

Mr. Speaker, I just have a couple of questions through you to the proponent of the bill, please.

SPEAKER DONOVAN:

Please proceed.

REP. MINER (66th):

Thank you, Mr. Speaker. Mr. Speaker, as the Minority Leader mentioned some time ago, we began the process of reviewing sweeps, and I know that's a process that I participated in and many people here in the chamber that served in the Appropriations Committee participated in in one way or the other; but

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just to be sure we understand, the subcommittees, as I recall, were charged with going through that \$1.6 billion worth of special revenue funds.

So through you, to the Chairman of the Appropriations Committee, does the list before us today represent the work of those subcommittees?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I was -- many of those items were work of the subcommittee. Many -- some of them probably were not.

I would also add Representative Cafero talked about the deadlines in the previous deficit mitigation plan; the other deadline that existed was the March 11th deadline, which was for the agencies to get all the information into the Appropriations Committee

And to this date, some agencies still haven't reported all those accounts.

So to the extent that we've looked at all 1.6 billion, I'm not sure what we had as a total, that 1.6 billion, to -- to look at, because to this date, some of the agencies have not reported.

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SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker.

And I recall being a party to some of those subcommittee meetings. I think one of the subcommittee meetings might have actually been chaired by Representative Lewis, and we did have a great couple of sessions where we had an opportunity to discuss with the agencies each of their specific accounts.

And so through you, Mr. Speaker, the ones that we have before us, in all cases did these at least go through that process? Is there anything on this list that wasn't recommended by a subcommittee co-chair?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

The answer to that question is I'm not sure, through you, Mr. Speaker, because between the sub -- the subcommittees vetting it and others in the committee looking through it and working with OFA and OPM looking at it and our leaders looking at it, I

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can't answer that question to 100 percent certainty level.

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker.

Just to make sure that my question was clear, I'm not trying to find out whether or not there were things that might have been on the subcommittee chairs' list that didn't get into this list. The question is really whether or not all of these were vetted through the subcommittee process.

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you. To my knowledge, all the subcommittees or almost all the subcommittees have had hearings on the vast \$1.6 billion that we thought was available. But to the extent that every line item was talked about in those hearings, every agency talked about all the available line items that were available in their agencies, I can't answer that -- that that's true. I don't know.

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The vast majority I'm sure was the product of listening at hearings, and subsequent discussions between agencies and the leadership of our committees and of our House and Senate.

So --

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker.

And to the extent that subcommittee chairs made recommendations, then, to the committee chairs, it would appear that there was a process by which some of their recommendations, especially if there were more items on their list than appear here today, may have dropped out.

Could the gentleman explain how that would have occurred, what internal process took place?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Well, as a vetting process, our three subcommittee vice chairs of the Appropriations Committee sat with OFA and worked with the agencies

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and went through every single item to try to get -- the best to get an explanation of what the -- what those items were.

Now, for instance, I said in my opening remarks that there were tens, if not hundreds, of millions of dollars that were proposed from agencies that they thought from their standpoint could be swept. But we found out, many of them bonding funds, that it was only money on paper that never really existed that couldn't be swept.

So that was a lot of the vetting process that went into reducing the amount.

Obviously, there's other items like the Soldiers', Sailors' and Marine's Fund I think we all agree -- that was a big item that we didn't want to touch.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker.

And I do agree with the Chairman, that that is the kind of process that I remember. That this wasn't really as easy as just sitting down and looking at a

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list of numbers.

And to that point, when we started talking about bonding, my recollection was that there -- that there was a process by which OPM could have taken a look at some of those items that were -- that showed up on our list, but the dollars were there because we actually borrowed the money to do a capital project.

And through you, to the extent that the gentleman is aware, is there anything in this list today, to his knowledge, that we would have borrowed money for and not actually be able to use?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker.

To my knowledge, all this -- the funds on these lists have been vetted, and we believe we can use, albeit some of the language in the bill includes the appropriate statutory change in order to effectuate that.

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Miner.

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REP. MINER (66th):

Thank you, Mr. Speaker. And to that point, when Representative Cafero was talking about that much larger number, included in that larger number were a significant number of accounts that we actually borrowed money for.

We borrowed money in anticipation of doing something, and there may have been balances in some of those accounts. In fact, there may have been some of those projects that we've yet to do or a department agency may have determined at this point that we weren't ready to move forward.

And so with respect to the timing, am I correct that -- that going through all that process is not only deliberative in terms of whether we think we want to take it, it actually gets to the -- to the meat of whether we can legally take it.

Because if we borrow the money to put an addition on the Capitol, for instance, there are bond covenants that you have to go back and take a look at.

So through you, this list really doesn't have any of that money on it. This is really kind of cash money that has been in accounts over a period of time that we could be fairly sure, very secure that these

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dollars would be available to mitigate the shortfall that we're currently experiencing.

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Yes, and there were very many meetings on these issues, and we sat down with the Treasurer's Office to find out exactly what could be done, what was appropriate, what the money could be applied to, and we don't believe there's anything in this -- in this particular bill that is not -- we can't sweep at this time.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Chairman. On line 338 of the amendment, I was actually kind of surprised, as my -- part of this process that I've participated in when we were reviewing some of these funds, there's a dollar amount here of \$668,963 to be transferred from the low-level radioactive waste management account, and the reason why this one's actually -- kind of stuck

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out in my mind was because some years before I ran for office in the Legislature, I believe, a constituent of mine was appointed to the commission that was charged with locating a low-level radioactive waste management site in the State of Connecticut.

So knowing that I've been here now over eight years, this money has been in an account during a period of time when we've had no one really even looking for a location for a low-level radioactive waste site.

So through you, Mr. Speaker, I know that within that big list that the Chairman has in his hand now, there probably are some other ones of these and -- that we couldn't reach agreement on as to whether we would be taking it this time.

Is it anticipated that this process will continue, knowing that we have a budget discussion going on and knowing that we have future deficits I think that we're going to continue to have to deal with?

So through you, is the big list, the master list, kind of a foregone conclusion, or is there going to be ongoing discussion about some of those in an attempt to see if there's any more money in there?

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Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I think there's always -- there's ongoing discussion. As you know, we sit in a room together almost every day these days, and there are items on that master list that either the Republicans or OPM or the Democrats or the Senate or the House did not want on the list.

I can name some that I'd like on the list that aren't on the list, in the tens of millions. You can do the same, obviously. So obviously, as we go through the budget negotiations, every item is discussable. And I'm sure we'll look.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker. And if I can kind of just switch gears quickly and briefly, we had made a request at the time the Governor's office approached us with regard to a deficit mitigation package, and that was can you kind of give us the short list.

And we had an opportunity to talk about internally which of those items we felt were going to be easy decisions and which were going to be more difficult.

And I think if the chamber takes a look at what is in that list reflected in the bill that's before us, there will be some common themes, some items that we have looked at previously and would look at in an attempt to deal with this deficit mitigation package, one of which is the account for farmland preservation.

And through you, my understanding is that we discussed and have discussed in the past taking money out of that reserve fund. Under the current proposal, is there any money being taken from that fund to balance the deficit?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Thank you, Mr. Speaker. No.

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker..

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And through you, the justification for that,
please?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Obviously the
(inaudible) Community Investment Act, and it funds a
lot of things, including open space, farmland
preservation, historic preservation and housing, so it
was one of the areas that I don't know which entity
pulled it off the table, but it was one of those
things that for one reason or another was not agreed
to at this point.

And on top of that, I know there's an issue of
dairy -- the dairy -- preserving the dairy industry in
this state that's being talked about, and I know that
there are some members in the building talking about
this as a possible source of revenue for that
particular industry.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker.

And so with regard to that item, because it is something that is funded, I would say not necessarily by tax dollars, but generally by a fee through a filing, as we agreed to do in statute, collectively we've kind of made a determination in the past that we would rather not take these dollars at this time from that area.

I believe that's correct.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

As of now, through you, Mr. Speaker, that's our decision.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker.

When the gentleman says as of now, we're not going to have something that's going to come up hours from now that's going to suggest that we actually sweep these funds?

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Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I hope not, but, you know, you and I, as I said, have been in that room talking about the very difficult decisions we're going to make in this biennial budget coming up.

So most items, if not every item, is on the table and subject to review again as we go through this process. So I can't make any guaranties to the future, but as of now, we did not decide to touch that account.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker.

So I think that one topic, just because I know most of us are familiar with it, and most of us have been so far able to balance taking the dollars out of this fund and balancing it against the deficit that we have that's ongoing.

And as the Chairman says, that deficit is only

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one piece of the problem that we face. And it may very well be that while we don't take these dollars today, the pressure of what we're facing may be great enough in the future where we feel that that, balanced against some other choice, it may be a fund we take at that point. Is that correct?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker.

I suppose that we will look at everything again as we, you know, we've been through this process when the deficit has changed month by month and revenues have fallen.

So we're looking at every contingency in every account and that's how -- unfortunately how we're going to have to proceed for the next couple of years, I'm afraid.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker.

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And with regard to some of these smaller accounts, I know in the past there was an effort is probably not the right word, but at least a proposal to take money out of a fund which was intended to help people who were somehow disadvantaged by an attorney in the case of some misrepresentation or what have you.

There's nothing in this deficit mitigation package right now that sweeps money out of any of those funds?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I believe you're referring to the Client Security Fund. We did not take money out of that account. And there were other such funds that were proposed, but we did not decide to take money out of it, as far as I know.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker.

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When the gentleman says proposed, the proposed funds didn't rise to that level, however, in terms of -- I know -- I believe the attorneys brought a court action to try and protect those funds, because they pay them in individually.

There was nothing on the original list that would have reached that level of protection. We may have decided, one party or another, that we didn't want to take some of these other funds at this time, but didn't go through that kind of evaluation.

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Thank you, Mr. Speaker.

Specifically with the Client Security Fund, we decided to restore that money and did so subsequently in another piece of legislation.

There are other funds that were looked at. I'm a realtor in my other life, albeit not too much these days, and there's a similar fund that's a Client Security Fund for folks that have been wrongfully treated by realtors.

There was another one that dealt with health club

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memberships, for instance, that we did not decide to -- to touch.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker.

Mr. Speaker, I, too, want to thank Representative Geragosian for his efforts on behalf of the chamber, not only for this, but through prior mitigation packages and also the subcommittee process by which he and the other members of the Appropriations Committee have worked over a period of time to try and reach some consensus on the small list, the smaller list than the 220 million.

As he knows, I have said in the past that that process has not always appeared to me to be completely bipartisan, that there certainly is a level of decision-making that occurs beyond the subcommittee list. But I certainly have said in the past, and I want to say it again, that my experience with the subcommittee chairs as we began to ask these questions and delve into the information was quite a bipartisan process.

And so I know at least to the extent that the information was provided on the front end, I think our members and yours were able to participate kind of hand in hand.

It may very well be that we have disagreements about what's on the list and what's not on the list. Some of it may have to do with who our constituents are, some of it may have to do with what our passions are. But at least to the extent that we are where we are today because of those efforts, I do thank him for his work and will listen as the rest of the debate goes on.

Thank you.

SPEAKER DONOVAN:

Thank you, Representative. Representative Ritter.

REP. RITTER (38th):

Thank you, Mr. Speaker. And good afternoon.

SPEAKER DONOVAN:

Good afternoon, madam.

REP. RITTER (38th):

Mr. Speaker, I have two questions for clarifications by the proponent of the bill.

SPEAKER DONOVAN:

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Please proceed, madam.

REP. RITTER (38th):

Thank you, Mr. Speaker. I've lost -- thank you.

Representative Geragosian, I have a question first on line 247, that is sub 58, lines 247 through 249. The bill states that a sum of \$10 million shall be transferred from the Tobacco and Health Trust Fund of the Department of Public Health and accredited to the resources of the General Fund.

My question is the following: It's my understanding this fund actually does not reside with the Department of Public Health but resides with the Office of Policy and Management. And I am questioning that I want to be sure that this does not have a different effect on any other operation of the Department of Public Health.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Thank you, Mr. Speaker. I believe your answer is true. And that that same issue was brought up in the Senate at 5:00 this morning. And for legislative intent, I would acknowledge that that fund is within OPM and not DPH.

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Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Ritter.

REP. RITTER (38th):

Through you, Mr. Speaker. Thank you very much for your answer. The second question refers to sub 68 on lines 284 through 287. In that section it calls for a sum of \$200,000 to be transferred from the brain injury prevention and services account.

I was hoping you could clarify for me whether that leaves a balance in that account or whether that effectively reduces that account to zero.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. To my knowledge, there's a balance remaining in that account of approximately \$26,000.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Ritter.

REP. RITTER (38th):

Through you, Mr. Speaker. Thank you very much. I appreciate the clarity on these questions.

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Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. Good morning.

SPEAKER DONOVAN:

Good afternoon, sir.

REP. CANDELORA (86th):

Good afternoon. Thank you, yes.

SPEAKER DONOVAN:

He just woke up a little bit ago.

REP. CANDELORA (86th):

Yes. It's tough without the windows. We're kind of losing track of time.

If I may, just a couple of questions to the proponent of the amendment.

SPEAKER DONOVAN:

Please proceed, sir.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. In lines 384 through 403, we are making the technical change to the Special Transportation Funds to allow money to go into the General Funds, and further up, I guess in lines 12

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through 14, we're actually taking about 6.5 million and transferring it.

I know the other day that we had acted on a bill that was making a technical change to enable us, and I just wanted to confirm that the language at the end of the bill is really a carbon copy of the provision that was passed by the House a couple of days ago that was not acted on in the Senate, and we're merely just duplicating it in order to enable us to take that money in this mitigation package.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Thank you, Mr. Speaker. Well, I'm not -- I can't answer whether that's the mirror language to the legislation we passed the other day.

What I can answer, that would be the appropriate language to effectuate that change.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. I think in the

introduction, there was a reference that was made that certain accounts that aren't in the deficit mitigation package may necessarily lapse.

Did I hear that correctly? Are there some accounts that we may not have included here with the intent that they may lapse on June 30th?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Some -- if it's true that some accounts in the state budget might lapse, but also -- it's also true that we're facing a sizable deficiency that we have to address, and, of course, through the FAC process, we need to transfer money around almost every month, too.

So the administration, you know, works on the funds in each of the accounts and has been -- we've been transferring money as we move along.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. And I guess I'm asking

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that question because I understand there's kind of two things going on here for 2009. We're looking at cash flow and the effects that sweeps and cuts may have on that cash flow.

And I guess my question is, a lot of these sweeps that we're doing, we're certainly going to be zeroing out accounts. Some of the money isn't needed. It might be leftover program money that will not be spent. And some of the money we may find that just hasn't been used. So we're sweeping them.

Is there I guess an intent here that there may be other accounts in 2009 that may be able to be swept later, and that's why they may not be on this list?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. There are various reasons why certain accounts may have been -- may not have been swept. There's current legislation pending that they might have an effect on and we might decide -- we talked about the Community Investment Act dollars, for instance. There's interest in using those funds, maybe -- I've heard rumors of increasing

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the fees to include other such -- other items under the auspices of that fund.

Things, you know, like emergency mortgage assistance, ground fuel remediation, so some of those instances, some of, you know, we have time to sweep these funds that are not being touched as we move forward in the next month or so and even if in the next fiscal year, or as part of budget process.

If we don't take it today, doesn't mean it necessarily gets spent. Maybe these funds will be there to address further, you know, issues that we have to deal with.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. I appreciate that answer. And I think part of the reason why or maybe the reasoning behind that is because these accounts, by sweeping them, does not necessarily help our cash flow. But rather it creates more of a -- an accounting adjustment that ultimately would reduce the deficit but may not improve cash flow.

Am I correct in that?

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Through you, Mr. Speaker.

REP. GERAGOSIAN (21st):

That's true. Through you, Mr. Speaker.

Before I answer that question, I could get confirmation that the language in section 4 is the same language that is in another piece of legislation.

Well, I mean, there are a lot of things going forward in the budget process. The federal stimulus dollars, for instance, the Rainy Day Fund, for sure, that are one-shot, one-time dollars that don't necessarily bring our revenues back, which is the cause of this situation for the most part that we find ourselves in.

So some of these funds will replenish. Some of them will not. And, as I said, there may be changes in the future as to how some of these funds are used.

So there are a lot of --

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Candelora.

REP. CANDELORA (86th):

Thank you. And through you, Mr. Speaker. I know we've -- we're hearing a little bit in this debate, and I think we've heard around the building, that

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there are some of thee accounts that will be around. Maybe in 2010 we could sweep them, or maybe next week we could sweep them.

Do we have -- are there assurances that this money will not be spent?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. No. But I could also add that, you know, it's possible that we can decide as a General Assembly to tie up some of the funds in these accounts and try to hold them, you know, for a while to -- if we do want to look at them down the road, to possibly look at that.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. And through you, Mr. Speaker, I know the Governor has made great efforts to make rescissions and to free spending. Would you know as part of any executive order or resolution or even by letter, has it been the intent to make sure that

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this money will be frozen so that if we didn't take a whack at it today, it may be there in the future?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I -- I'm not aware of any specific executive order that does such a thing. I -- the Governor's -- it's been -- what we've seen in the agencies is the Governor's tried to hold back any unnecessary spending, and the hiring freeze has helped hold the line on many accounts and other things.

However, it's ultimately up to the discretion of the agencies and the executive branch in many of these funds, as ultimately happens. We haven't precluded the money being spent in any case.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. And I know you and the members of the Appropriations Committee have taken a great deal of time to interview a lot of the different members of the executive branch and people who are

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custodians of these accounts or have knowledge about these accounts, and through I guess those public hearings process, was it indicated that many of these individuals would be refraining from spending money in these accounts or did the committee at least make their intentions clear during those debates?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Not to my -- in terms of the administration saying they wouldn't touch the money in the accounts, I'm not sure there's any agreement or what level of discussion went on in the subcommittee hearings.

Unfortunately, I was behind a door trying to work on the budget for the committee, which came out on or about April 2nd. So during the time many of these hearings were going on, I was working on the budgets.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. And I thank the Chairman

of the Appropriations Committee for his answers to my questions. I guess that was just one of my driving concerns about this mitigation package I've heard. I know it is our intent to look at every nickel under every cushion. And as time goes by, what opportunities do we lose by not taking money from certain accounts?

And just from my experience, on the local level, and I think many of you have heard, certain times of the year, especially the last month of June, we hear about the spend-downs that the municipal departments or the Board of Education may go through.

I have not heard that that practice is occurring here, but I guess it would be nice for us to have assurances in crafting this mitigation package and setting forth a policy that these accounts, while they may not be touched today or swept today, it's not to mean that they might not be significant for the budget process going forward.

And so that maybe if there's a way that we could assure that those accounts have remained intact, that we will not lose the opportunity to be able to sweep them, I think I would have some more comfort -- some comfort in this mitigation proposal.

But I just do get a little bit concerned as June 30th comes what the effect would be, what authority the agencies would have to spend the money, what the effect would be of lapses, who would have the authority to sweep those funds after June 30th.

And so hopefully, moving forward we could have that assurance. Thank you, Mr. Speaker.

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Remark further? Care to remark further? Care to remark further? Representative Hetherington.

REP. HETHERINGTON (125th):

Thank you, Mr. Speaker. A question or two to the proponent.

SPEAKER DONOVAN:

Please proceed, sir.

REP. HETHERINGTON (125th):

Thank you. These transfers that are proposed in the bill before us, they represent appropriated but not expended funds as of this date; is that correct?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

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REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I assume the Representative is referring to the deficit mitigation portion of the bill, and there are three different classifications, essentially.

There are revenue fund transfers, essentially sweeps, lapses, and de-appropriations.

SPEAKER DONOVAN:

Representative Hetherington.

REP. HETHERINGTON (125th):

Well, section 1, for example, what category does that fall into?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Well, the first section of section 1 is the de-appropriations, starting with the Contracting Standards Board on line T4.

REP. HETHERINGTON (125th):

Yes, yes, that's de-appropriations. That is -- that's money that's actually been transferred into these accounts and would be brought back by this bill?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Yes. These were monies that most often were left over and we were able to take towards the deficit mitigation.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Hetherington.

REP. HETHERINGTON (125th):

Now, is that a -- is that a changing picture? In other words, presumably, some of these appropriations are still being spent, so if you look at this next week, would these numbers change?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Well, as of right now, left over. And in the case of many of them, some of them have to do with fuel assistance, for instance, they would not, since the winter's over, they would not necessarily be needed.

And so those items have been swept to the degree

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it would not affect the demands of the program.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Hetherington.

REP. HETHERINGTON (125th):

Well, I guess that's right, because it's 85 out, but there are other things that I suppose that might be subject to continuing expenditure. For example, the Workforce Investment Act, I mean, would that be something the Labor Department can continue to spend?

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Our best information from the Labor Department is that was an overappropriation. That's money that would not be expended this year.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Hetherington.

REP. HETHERINGTON (125th):

You know, my -- I guess my simplistic version of my question is, could these -- some of these funds be rushed out in the -- in these remaining days and

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therefore be devoted for purposes who the custodians wanted to use it for but just didn't?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Of course these items were vetted and actually presented by OPM and the Governor. So I assume they spoke to the agency, in this case, the Labor Department, and those are funds that were deemed we could sweep.

Albeit going forward in the future, this particular area might be an area where there's a -- with the federal stimulus dollars we might supplant some of the money or there might be a lot of extra money in the biennium.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Hetherington.

REP. HETHERINGTON (125th):

Through you, Mr. Speaker. Now, section 2, this is not a de-appropriation. This is a capture of revenue.

Is that -- would that accurately describe it?

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Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. That's true.

REP. HETHERINGTON (125th):

Okay.

SPEAKER DONOVAN:

Representative Hetherington.

REP. HETHERINGTON (125th):

And that's true of the balance of all of these items?

SPEAKER DONOVAN:

Representative Geragosian.

REP. HETHERINGTON (125th):

Well, that's not very specific. I beg your pardon, Mr. Speaker. If you continue that with the recitation of items through the balance of the bill, they all fall within what was it, section 2 and section 3.

And what's the difference? I mean, how -- if the first are de-appropriations, section 2 and section 3, what do they deal with?

REP. GERAGOSIAN (21st):

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Well, actually, section 2 essentially are fund transfers, and except -- including, even, the reserve for salaries accounts that the Department of Transportation has a Special Transportation Fund. But essentially sweeps from accounts.

REP. HETHERINGTON (125th):

I understand.

REP. GERAGOSIAN (21st):

And there are many sweeps from accounts, and I -- in section 3, which is the funds -- the non-appropriated funds, too. So there kind of -- it could be like accounts in either of those lists.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Hetherington.

REP. HETHERINGTON (125th):

I thank the Representative for his (inaudible) explanation of that. And thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Representative Rowe.

REP. ROWE (123rd):

Thank you. Briefly. Good afternoon,
Mr. Speaker.

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SPEAKER DONOVAN:

Good afternoon, sir.

REP. ROWE (123rd):

Good afternoon, Representative Geragosian.

Just a couple things. Are we -- is this mitigation plan based upon an assumption of a \$1.3 billion deficit?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. In terms of the deficit for this year, the Governor and OPM are relatively close. Their estimate -- the Governor's estimate was a billion 56 million. OFA -- excuse me, OFA's estimate is a billion 43 million.

So they're within 13 million, essentially. And based on the numbers I have in front of me, if you account for the deficit mitigation in this bill, the nonappropriated funds in this bill, and the savings achieved by the SEBAC agreement that we ratified the other day or put our imprimatur on, the deficit would be approximately \$819 million going forward.

Through you, Mr. Speaker.

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SPEAKER DONOVAN:

Representative Rowe.

REP. ROWE (123rd):

Thank you. Was that -- and I just didn't hear the end. Eight hundred nineteen million?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Yes.

SPEAKER DONOVAN:

Representative Rowe.

REP. ROWE (123rd):

Thank you.

And do we anticipate that this will be the fifth and final deficit mitigation measure that we take up prior to the end of the fiscal year on June 30th? Or how does that work?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. If not for nothing else than the date on the calendar, I would assume

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this would be the last deficit mitigation plan.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Rowe.

REP. ROWE (123rd):

Thank you. And I betray some ignorance in this question, but that \$819 million, the deficit that we will presumably be left with, and I understand that that's -- may not be a figure set in stone. It may go down and more likely will go up a little bit. Will that be made up through the Rainy Day Fund, through bonding?

What would you anticipate in that regard?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Those are all items that are part of discussions with the different parties, the four caucuses and the Governor, at this point.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Rowe.

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REP. ROWE (123rd):

Thank you. And through you, since I'm not going to be in those discussions, can you tell the people that you're discussing this with that I'd rather not we bond and that, you know, we -- I know we need to be creative, but I think if we put ourselves in a box where we end up bonding the deficit, it's -- I know no one wants to do that, but I think there's a way around it.

So I would ask the Chairman if he can -- I'm not asking for a commitment, but he can indicate that he would agree that bonding a deficit and a deficit in a realm of 800-plus million dollars is not sound fiscal policy.

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Well, first of all, we'd love to have you in the room. It's actually quite fun up there, but I would just -- we are discussing every possible scenario to deal with the deficit this year and a deficit going forward in '10 and '11, and we're looking at what would be deemed

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from the Treasurer and other entities as the most fiscally prudent way to go about it.

But I don't know how it's going to end up. I wish I could tell you.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Rowe.

REP. ROWE (123rd):

Thank you. And I thank the Chairman for his -- his responses. I wish him well, and ask that if he goes away with anything from this colloquy, it's please don't bond it.

Thank you.

SPEAKER DONOVAN:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. -- thank you, Mr. Speaker. I don't know what I would do without Representative Rowe giving me my instructions.

Mr. Speaker, through you, I have a few questions to the Chairman of the Appropriations Committee.

SPEAKER DONOVAN:

Please proceed, madam.

REP. KLARIDES (114th):

Thank you, Mr. Speaker. Throughout this conversation today, we've discussed many -- many of the ways in which we are attempting to get money to fill this deficit, and we've discussed -- we've had extensive discussion on sweeping of funds.

Through you, Mr. Speaker, if the Chairman can just give me a little bit of an idea as to how we prioritize which funds should be swept and which funds should not.

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Well, through you, Mr. Speaker. There was a lot of reasons why funds were swept or not swept. Obviously the easiest ones were the ones that there were plenty of money in them and there was no reason to use the money.

The other -- I mean other, there was, as I mentioned before, there were -- there's legislation pending or bigger policy changes that might happen as a result of the budget or tax package or to achieve some different goals. And obviously concerns of the four caucuses of the administration as it relates to

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what -- you know, what could be touched and what
couldn't be touched and the like.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker. And I certainly
appreciate that answer; but, through you, I guess, to
the Chairman, clearly essential services and things
that we deem to be essential for the operation of the
state, for the health and welfare, the safety of
people of the state are things that we need to
maintain to the extent we can.

But -- and I know this is part of negotiations,
and there are many people, many hours put in in
deciding which categories were swept.

But through you, Mr. Speaker, if the Chairman can
just give me a little idea if -- maybe we can talk
about what were some of the reasons why some funds
were not swept besides being essential services.

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I can give you one concrete example. In the Department of Public Health, there was a line item for rape crisis services. It was \$126,000 that we decided not to take. It looked like money we could take initially.

Come to find out, we found out from the rape crisis centers across the state that it would affect their leveraging money of federal funds. My own YWCA, for instance, would lose about \$30,000 in funding if we swept this account.

Those are the kinds of things that we found out as we -- and I'm happy that we did thoroughly vet each of these items, to not make any mistakes, like we kind of did with the Client Security Fund last time around.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker. I think that that's a perfect example that the Chairman gave, and I thank him for that, a rape crisis center. Different groups and issues that we feel are very important to the operation of this state, victims' groups, such as the rape crisis center, as you mentioned, the Client

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Security Fund, that was something that we looked at and then upon further contemplation decided that was something we really couldn't live without.

If there's any other examples that he could give, it would be appreciated.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Well, I mean, through you, Mr. Speaker, just -- and I think it's important that we took our time with this, quite frankly, because we did do that extra level of vetting, and I can't guarantee that there are not things that we're proposing to be swept today that might not affect some entity out there for sure.

But I think the fact that we took our time and tried to the best of our ability to vet these things, it was a good thing. I can't necessarily -- obviously there are many items that are the issue of debate here; and as I've said a few times during this debate, that there are items that all four caucuses and -- would like to either have in or out, are issues that -- entities and items the Governor's office would like to have in that many of us would not like to

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have -- it was all a process of negotiations, and that's where we find ourselves today.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker.

If I may ask a few questions on some of the possible items that we have that are potentially looked at or be looked at.

I am aware that there is a -- one of our items which is a fund, is the contingency funds. Was that looked at in the negotiations of what items might be swept?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. My understanding is that that would be a deficit mitigation item, not one of the nonappropriated funds.

Was that the gentlelady's question?

SPEAKER DONOVAN:

Representative Klarides.

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REP. KLARIDES (114th):

Yes, Mr. Speaker, I'm referring to, to be more specific, the caucus contingency funds.

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. That's not a nonappropriated fund. Were you just referring to the deficit mitigation items or were you referring to nonappropriated funds?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker. It is my understanding that whether we're talking about the caucus contingency funds or any other items that were interested to be swept, we're talking or looking first at items that have not been spent, that may have been put into a certain category but have not been spent.

And it is my understanding -- and I would ask for some clarification on behalf of the Chairman of the Appropriations Committee if there is money in the four

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caucuses that has been put towards contingency funds for the four caucuses in this building that has not been spent.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I'm not really aware of the status of those funds.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker. Just to follow up on that, has -- is the Chairman aware at all whether that -- those funds have been looked at all?

Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I think that those funds were proposed in deficit mitigation plans 3 and 4, if my memory serves me correctly. But they have been items that have been proposed by the

administration and not been agreed to in the past.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker. Mr. Speaker, we have not only today and in the prior deficit mitigation packages, in committees, in public hearings, every day probably each one of us has some conversation with somebody about the fact that we have a deficit in this state that is upwards of \$9 billion.

Clearly, I know our responsibilities as a state insofar as protecting our citizenry, their health, their safety, protecting victims' groups, as the Chairman has mentioned, and those things are certainly foremost in our minds, but there are things that are not essential by the pure definition of the word.

And, Mr. Chairman, the Clerk is in possession of LCO Number 8135. I ask that he please call and I be allowed to summarize.

SPEAKER DONOVAN:

Will the Clerk please stand at ease? The House is not in possession of the amendment.

Will the Clerk please call LCO 8135, which will

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be designated House Amendment Schedule A?

THE CLERK:

LCO Number 8135, House A, offered by
Representative Cafero (inaudible) Klarides.

SPEAKER DONOVAN:

Representative seeks leave of the chamber to summarize the amendment. Is there an objection to summarization?

Hearing none, Representative Klarides may proceed with summarization.

REP. KLARIDES (114th):

Thank you, Mr. Speaker.

As I mentioned before, we were talking about the contingency fees, the contingencies funds that each caucus possesses, and what this bill will do is take the unexpended balance of those funds and transfer and credit it to their -- the resources of the General Fund for fiscal year ending June 30th, 2009.

I move adoption.

SPEAKER DONOVAN:

Question is on the chamber's adoption of House Amendment Schedule A. Remark on the amendment?

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker. This amendment very simply transfers the unexpended amounts in those funds which in the Office of Fiscal Analysis we are of the belief it is \$3,000,763 -- \$3,763,453.

I don't think anybody in this building, in this chamber, disagrees with the fact that we have to take care of the people of this state, but those are essential needs.

And I don't believe that, even though we have done many good things with our caucus contingency funds, they're certainly not essential. And I don't know anybody who can argue that.

Every one of us can come up with something we would like for our district. Gazebos, lights for fields, any one of a number of things that are great for the people of our towns and this state, but they're certainly not essential.

And with the amount of money that we are looking to find and the amount of days we are in this building trying to find that money and now it is almost June 1st and we're nowhere near there, money like this is certainly money that can go to better use by going to the General Fund and helping us with the problem we have in this state.

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Thank you, Mr. Speaker. Mr. Speaker, can a roll be taken? I ask to be taken by roll.

SPEAKER DONOVAN:

Question before the chamber is a roll call vote. All those in favor of a roll call vote, please signify by saying, aye.

REPRESENTATIVES:

Ayes.

SPEAKER DONOVAN:

The requisite 20 percent has been met. When a vote is taken, it will be taken by roll.

Remark further on the amendment? Representative Cafero.

REP. CAFERO (142nd):

Thank you, Mr. Speaker. Ladies and gentlemen of the chamber, I stand in strong support of this amendment. What we are trying to do is mitigate our deficit. We have about 38 days to do so and not many resources in which to look to.

Even the deficit mitigation package that is proposed before us, if adopted in its entirety, would leave us with a deficit in excess of a half a billion dollars for this fiscal year, which ends in approximately 38 days.

One of the exercises that's included in the deficit mitigation package before us, as I described earlier, was an analysis of the funds that are out there that have been appropriated but not yet spent.

Representative Geragosian indicated that there was a bipartisan -- and he is right -- analysis to understand these funds that have not been spent yet, what are they being used for?

Well, we all know -- and it is no secret -- that when we passed our budget, the budget we currently live under, in June of 2007, for fiscal years '07 and '08, or '08 and '09, I forgot how that works, that ends June 30th, there's a line item that says, "contingency funds."

The Governor got \$2 million. The House Democrats got \$2 million, and the Senate Democrats got \$2 million. Those were good times then.

The Governor did not spend any of hers. Or very little, if at all. The House Democrats spent theirs for good projects around the districts, around the state.

These funds are otherwise known as slush funds, and I mean this very sincerely, I don't call them that, because I believe they are good projects.

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They're contingency funds that are used at the discretion of the leaders of the Democratic caucuses, helping reps help their constituents with things that are not otherwise appropriated.

As we sit here today, we learn that there are some of these funds that haven't been spent yet. For instance, it's my understanding the Senate Democratic caucus has about \$900,000 of this contingency fund that they have that they have not yet spent and, to my knowledge, have about 38 days to spend it in.

Now, I don't know about you, but it's going to be pretty tough to spend 900,000 bucks in 38 days. And I'm not so sure how responsible it would be to spend \$900,000 in 38 days when we are faced with the fiscal crisis we're faced with.

So it's going to be very difficult for all of us to go home, if we do, on this Memorial Day weekend and look at our constituents and say, We tried to mitigate the budget for this fiscal year. We've got about 35 days to go. We're still a half a billion dollars in the hole for this fiscal year, but the Senate Democratic caucus has about 900,000 bucks they haven't spent yet, and we didn't use that to mitigate our budget deficit.

This amendment allows us to do that, to add to the fund sweeps as described by Representative Geragosian. It will close our deficit an additional \$3.7-plus million.

Does it get us all the way home? No. But it gets us a little closer. And we're doing this in lieu of \$3,700,000 worth of cuts or taxes or borrowing or program elimination. Unlike the things that Representative Geragosian represented -- indicated, the funds that are out there that are still full, rape crisis accounts, things that are there to help programs that are ongoing and help people, this particular fund has thus far not helped anyone and is sitting there.

I think it is our responsibility to use those funds to mitigate our deficit.

Whatever the Governor has left in her contingency fund, whatever the Senate Democrats have in their contingency fund, whatever the House Democrats -- and I understand it's not much -- have in their contingency fund, I think it's about \$15,000, we don't have one, nor do the Senate Republicans. See, we would have to ask the Governor for it, and the Governor decided in these fiscal time it wasn't

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appropriate to spend it, so we don't have a contingency fund. And the Senate Republicans don't have one.

Now, as I indicated before, the House Democrats appropriately used theirs in the better times. But now we're in tough times. The Senate Democrats haven't spent all of theirs. So let's use it to mitigate the deficit. We pick up 3.7 million bucks.

No-brainer. Easy pickings. No programs eliminated. Nobody loses their job. We'd be hard-pressed to spend it in 38 days anyway, because it has to be vetted through a process. So let's use it.

Let's use it to mitigate this deficit. Let's use it to avoid eliminating things like the Rape Crisis Fund or Energy Fund, et cetera.

Ladies and gentlemen, I ask for your support on this amendment.

SPEAKER DONOVAN:

Thank you, Representative.

Representative Shawn Johnston.

REP. JOHNSTON (51st):

Thank you, Mr. Speaker. Mr. Speaker, when I requested to speak and pressed my button, I was expecting to ask a question. Representative Cafero I

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think answered the question without it being asked.

I was trying to wrap my arms around what exactly are the contingency funds.

I thought that they were what many of us referred to in here as the slush funds. And that's what they are. If my memory serves me right, when that budget was passed there was one line item in there that said, contingency funds, and there was one dollar amount put in that line item.

I don't believe anywhere in that document it said what caucus, what Governor, what group was going to get what allotment of dollars. One line item. No language saying notwithstanding any statutes, this amount is going to go to this group.

So, quite frankly, when we did that budget, we voted on a pot of money that we had absolutely no idea what it was going to be spent on, no way for the public to know what the rules were going to be and how that money was going to be spent, no way for us to know how the process was going to go.

It -- it's the federal equivalent of earmarks. It's the federal equivalent of pure pork. If we had had a line item in that budget that spelled out X numbers of dollars, and further on in the budget

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document there was language that said of that money \$200,000 was going to go to the rape crisis center of Shelton and \$50,000 is going to go for a skate park in XYZ city, that's another thing.

You can make a determination if that's how the money is going to be best spent.

Mr. Speaker, this is not an unreasonable amendment. I think this makes sense. At the time it was allocated, quite frankly, it was extra. Maybe a lot of it went for a good cause, but when you're trying to close a deficit, when you're trying to protect programs, it seems like this money certainly should be put forth and used for deficit mitigation, and I think it's entirely reasonable.

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative. Remark further on the amendment? Remark further? Representative Geragosian.

REP. GERAGOSIAN (21st):

Thank you, Mr. Speaker. I urge the chamber to reject this amendment

As I said in my earlier remarks, this is the product of a lot of work and a lot of meetings and a

lot of talk between the various caucuses, the administration, and obviously came to us by way of the -- through the Senate, and it obviously was not the Senate's wishes to have these contingency funds pulled.

We have in the last deficit mitigation plan given back two and a half million dollars I know in (inaudible) accounts for voting machines and the like. We have the other day in our ratification of a SEBAC agreement had that apply to our employees here, to give back even more; and I would guess going forward that there will be quite a bit of reductions to the legislative budget in the next biennium.

And for the point of the unspent funds, if it's that late in the -- in the biennium and those funds have not been spent, they, of course, will lapse and could be used for the exact purposes Representative Cafero indicated, to reduce the deficit.

So I urge the members of this chamber to reject the amendment.

SPEAKER DONOVAN:

Thank you, Representative. Representative Hamzy.

REP. HAMZY (78th):

Thank you, Mr. Speaker. I rise in very strong

support of this amendment. And I do so for a couple of reasons.

First of all, this is an opportunity to sweep approximately \$3.7 million without hurting one person or one program in the State of Connecticut. You think about that for one second with regard to the merits of passing this amendment.

The second reason I support this amendment is that while there may have been various discussions amongst the caucuses and the administration, there certainly has not been any final agreement on the deficit mitigation package that is before us. And that's why we're discussing these various amendments.

You know, we talk a lot about the scope of our deficit and the problems with our economy and the magnitude of the budget problems that we have. And it's pretty easy to talk about and much more difficult to follow through and act upon.

This is an opportunity for us to sweep \$3.7 million to help resolve this problem without negatively impacting one person who relies on the State of Connecticut for any social service or for any assistance.

How on earth could we say no to this? Thank you,

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Mr. Speaker:

SPEAKER DONOVAN:

Representative Sawyer.

REP. SAWYER (55th):

Thank you, Mr. Speaker. We said we were going to look in the cushions for every coin, every nickel, every dime. And in this case, we're talking about a very large sum of money, Mr. Speaker.

The percentage that we heard just a month ago was that we were going to be in a deficit of more than seven percent. Almost eight percent deficit, the red ink. And we know that next year, there's a -- more than a 20 percent and the following year closer to a 24 percent deficit, we think.

We know that there's consumer interests in everything we do up here, Mr. Speaker. We're talking about money that is sitting quietly. We're talking about money that's not been allocated.

Back-of-the-budget money, money that at this point will go to pay the bills, will go to pay the salaries.

We have people within the state, Mr. Speaker, right now, they're on a furlough day today, taking no pay. We came in today to do the people's work because we have a deadline of June 3rd. But we have much of

the State of Connecticut out on a furlough day.

And I find it, Mr. Speaker, exceptionally uncomfortable to have a pot of money sitting quietly, unfettered, no specific goal to it right now, except maybe to go to someone's district for a project, maybe to go over here to help put out some little problem that someone thinks that they have in their district, but those are all maybes.

I would love to be able to have some money to go towards the sewer project in my district to help right now. Absolutely. And, Mr. Speaker, right now it's time to pay the state's bills, to take those people that need us the most and to have the money to be able to pay those bills.

Mr. Speaker, at this time I'll be supporting this amendment, and I think it's embarrassing not to support this amendment, Mr. Speaker, because we know that this is such a significant piece of paper money that was found in the cushions.

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Rebimbas.

REP. REBIMBAS (70th):

Good afternoon, Mr. Speaker.

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SPEAKER DONOVAN:

Good afternoon, Representative.

REP. REBIMBAS (70th):

Mr. Speaker, I rise in support of this amendment. It was stated earlier and acknowledged by the Chair of the Appropriations Committee that, in fact, if we were not to do what's stated in the amendment today and these accounts were to lapse, were we actually -- we may be applying it -- it will lapse and we'll be applying it to the same thing we can do now with this amendment.

To that acknowledgment, I think what we need to be thinking about is efficiency. Why are we telling the people that, well, this isn't important enough for us to deal with today. This is something we can deal with tomorrow.

Quite frankly, I think we have a sense of responsibility to do it today and not wait for tomorrow.

For that reason, Mr. Speaker, I support this amendment, and I would support that all my colleagues would also support this amendment, because we are here today, this can be done today, this is \$3.7 million. We have a sense of responsibility to the people, and

we're here to do the people's work today.

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker. I, too, rise in support of the amendment, and I understand to some degree the Chairman of the Appropriations Committee comments.

I think there was an effort put forth on the part of the Governor's office to come up with a list, and I think there was a process by which certainly the Democrat Party -- I think both the House and the Senate -- had an opportunity to look at that list and make a decision about what they felt they would agree to.

I don't recall any of us really having an opportunity to put new ideas on the table. And had this idea came to us, I think the decision was made that it would be wrong for us not to take advantage of an opportunity to wrap these dollars into the dollars that we think that the Legislature will approve today, the Senate has approved already, and try and sequester these dollars so that they don't get spent,

Mr. Speaker.

Mr. Speaker, I think the chamber knows that most of the people in the State of Connecticut that work for the State of Connecticut today have taken a furlough day in an effort to give something back to help us deal with the tough fiscal situation that we face not only this year but for the next biennium, giving three days in each of the next two years.

They're home today without a day's pay, and for us to not take these dollars and then allow them to be spent, I'm not sure that that's the right message for us to send, Mr. Speaker.

And so this is not an issue of who found the money, who appropriates the money, who suggests what we should save and what we shouldn't save. In my view, this is a very easy decision for us to make and one that we should make today.

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Representative Piscopo.

REP. PISCOPO (76th):

Thank you, Mr. Speaker.

Mr. Speaker, sometimes we get in this room and we

could pretty much talk ourselves into anything if sequestered in this room for so many months or so many hours and not trying to look out at what the public might think, the people we represent.

I can't imagine going to my parade tomorrow that I have to march in, if given an opportunity tomorrow, to march in the parade at 10:00 a.m., trying to explain to an average person, someone from the parade, that we had this fund that was in each caucus, it was kind of a pool of money that they could dole out to caucus members if they see a need, and I -- even my -- even the Minority Leader here, my Minority Leader even described, you know, these are good projects.

I -- I've even taken part in some of these projects. I helped the Town of (inaudible) opera house expedite their ticket reservation process. The Northfield Fire Department, helped them take steps to move into their new fire department.

And so we all have a need for some of this sometimes. That was years -- a couple of years ago when times were good. We had a little extra bonding money we were able to put aside for the various caucuses.

But the public's not buying this one. This

many -- turn on your radio or try and explain this at the coffee shop. This is a no-brainer. It should not be a party-line vote when it comes up either. Think hard before you cast your vote on this one. This is -- this one is really one we should pass.

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative. Representative Williams, 68th District.

REP. WILLIAMS (68th):

Thank you, Mr. Speaker, and good afternoon. Mr. Speaker, I rise in support of this amendment, and I can't even begin to imagine the amount of hard work and the number of hours that Representative Geragosian, Representative Staples and Representatives Miner and Candelora have put in on this issue and the creativity that they have had to come up with in order to come up with many of the cuts in this fiscal and of course their ongoing work for the biennial budget.

Mr. Speaker, I respectfully reject Representative Geragosian's assertion that we've come to this conclusion and spent a lot of hours working on this and so therefore we have a deal and we've got to pass it. Frankly, Mr. Speaker, it's time for us to make a

shared sacrifice.

And as Representative Piscopo indicated, this is not a -- should not be a party-line vote. We should be making a sacrifice that cuts across all four caucuses and something that we can go back to our constituents and be proud to say, folks, we're asking you to take some cuts and it's going to hurt a little bit, and we're doing the same.

So, Mr. Speaker, I urge adoption of the amendment. Thank you.

SPEAKER DONOVAN:

Thank you, Representative. Representative Coutu, 47th District.

REP. COUTU (47th):

Thank you, Mr. Speaker. Mr. Speaker, obviously recently I was elected, and I try to view everything as my towns and the city I'm from, and I know the cuts they're taking.

Senior centers being cut 20 percent, children's programs being cut, and here we are with \$3.7 million, 3.7 million. Every agency in this state is cutting thousands of dollars wherever they can find them.

The unions stepped up. They cut hundreds of millions potentially through rescissions. This is

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our fifth deficit mitigation package, and here we are today questioning should we as a legislative body keep 3.7 million that, for the most part, is in a slush fund.

I don't know how I can go back to my district and say I know you've cut your senior center budget 20 percent, and we're potentially not going to come through with the funding we promised you with the budgets that are currently on the table, and then say we have 3.7 million in Hartford sitting in a slush fund.

So when I think of one of our legislative members saying we've come to this conclusion, I really question we. Who? Because if it's we, the people, the people that I was elected to represent, I don't think they in their wildest dreams would believe that we'd have 3.7 million in an account -- I'm not saying it's going to the wrong causes or the wrong things, but in this dire situation, we're facing an \$8 billion deficit, when do we actually start making those tough decisions?

And if this is a tough decision, which I don't see how this can be a tough decision, we have to make it. So I ask everybody in this chamber to think deep

on this, because you're going to be explaining this to your constituents on why we're not going to do this today instead of what we've been doing, is punting this to the future.

So I will support this amendment. Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Representative Wood.

REP. WOOD (141st):

Thank you, Mr. Speaker. I also stand in very strong support of this amendment, and I also certainly respect the enormous amount of work that Co-chair Geragosian has put into this and giving up his real estate career in the meantime. Part time.

I think we are all here to do the right thing, and the right thing is to vote for this, because it does put a little more money into the deficit plan. And I think we all need to work together, and this is an opportunity to do that.

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative. Representative Hovey.

REP. HOVEY (112th):

Thank you, Mr. Speaker. Mr. Speaker, I know that in my community, there are a lot of families that are feeling the pinch; and, in fact, my own family is being very careful with its pennies as we are here and we're all dealing with this economic crisis across the state and across our country.

Just as recently as last weekend, I was out with my husband and just happened to put my hand in the pocket of the coat that I had, and I found some money in that pocket. And I was immediately excited about that and immediately put that money towards something that I considered a priority..

That money is -- finding that kind of, you know, little money in your pocket is a gift. It makes you feel elated. And just as we have found this money, \$3.7 million, that hasn't been spent, I think we should all be elated that we have found it, that it is not going to take away from some group that really has already prioritized one of their people or one of their programs to use this kind of money.

And we should all be excited and elated to find \$3.7 million that we can use to offset our deficit.

Thank you, sir.

SPEAKER DONOVAN:

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Thank you, Representative. Representative Fred Camillo.

REP. CAMILLO (151st):

Thank you. Good afternoon, Mr. Speaker. Mr. Speaker, we deal with a lot of issues in here that are -- some of them are pretty hard. Passions run deep on both sides of the issue. And I believe on this one, that this one just doesn't qualify as one of those tough decisions.

I would hate -- I think every -- I'm positive everybody has run for these seats in here for the right reasons, and I understand the game of politics, and I know that there can be some votes that we just take one for the team.

But, Mr. Speaker, this is a no-brainer. And I would just invoke the words of a once-famous Democrat, this was many years ago, from the neighboring state of Massachusetts, and it was John F. Kennedy who said, sometimes party loyalty demands too much.

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative. Representative Aman.

REP. AMAN (14th):

Thank you very much, Mr. Speaker. I also rise to

support the amendment of adding this \$3.7 million to the mitigation project bill. I realize how hard so many people worked to come up with the money here and how tough the choices were. And I look at that 3.7 million and how much harder people worked. I look at the fact that we got down to as little as \$5,972 being taken from a Birth to Three account, \$6,982 from a wetlands restoration account, \$23,494 transferred from a forest fire fighting equipment account.

I am sure every one of those agencies thought that that money was going to go to something very useful and very important. And I'm wondering if any of the agencies had a pot of \$3.7 million and when the Appropriations Committee and the Finance Committee was looking at money and they saw \$3.7 million in an account and the statement from the agency was, well, we're not sure what we're going to use it for in the next 39 days, but it's going to be for something very good, I can assure you, I've got to believe that at that point, that money would have been taken from the agency and put into this mitigation project -- budget.

Or if it wasn't going to be, I would sure think there would have been an explanation as to why we're not taking that amount of money that is allocated to

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good projects, however we don't know quite what they are going to be.

So because of that, I will be supporting the amendment. Thank you very much.

SPEAKER DONOVAN:

Thank you, Representative. Representative Miller.

REP. MILLER (122nd):

Thank you, Mr. Speaker. I rise in strong support of the amendment. Mr. Speaker, there's one thing that's not been said in this chamber. I always kid the girls from Greenwich, I'm talking about lower Fairfield County, the treasurer -- treasury of the State of Connecticut, about 45,000 -- 45 percent of our income tax revenues come from Fairfield County, from the finance people that live there.

And guess what? We're worrying about '09, '10 and '11. We better be worrying about '12, '13, '14 and '15, because these guys aren't coming back. They're not going to be getting the 100,000, 200,000, \$300,000 bonuses. Those days are gone. So our treasury, lower Fairfield County, is going to be hurt for at least five years, maybe more, and we're going to not see that money, and we're going to have to make

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it up someplace, and I don't know where, but we've got a problem, and it's not going away.

So this amendment should be an easy push on the green button. It's not a lot of money compared to what we have as a deficit, but it should help us, and I recommend that we do it.

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative. Remark further on the amendment before us? Remark further on the amendment? House Amendment A? If not, staff and guests come to the House well. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll call. Members to the chamber. The House is voting, the House Amendment Schedule A by roll call, members to the chamber, please.

SPEAKER DONOVAN:

Have all the members voted? Have all the members voted? Please check the roll call board to make sure your votes are properly cast. If all the members have voted, the machine will be locked and the Clerk will please take a tally.

Representative Tong.

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REP. TONG (147th):

Mr. Speaker, I'd like to vote in the negative,
please.

SPEAKER DONOVAN:

Representative Tong in the negative.

REP. TONG (147th):

Thank you.

Will the Clerk please announce the tally?

THE CLERK:

House Amendment A on E-Cert 1167.

Total number voting 134

Necessary for adoption 68

Those voting Yea 35

Those voting Nay 99

Absent and not voting 17

SPEAKER DONOVAN:

Amendment failed.

Remark further on the bill. Remark further on
the bill. Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker.

I can appreciate that we don't want to put in
additional sweeps and cuts because the Appropriation
Committee has worked long and hard on this particular

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bill.

But I think it's important that we address another area that we certainly should not forget as this deadline approaches quickly to June 3rd.

So with that, Mr. Speaker, the Clerk is in possession of LCO 8136, and I ask that it be called and I be allowed to summarize.

SPEAKER DONOVAN:

Chamber please stand at ease.

Chamber will come back to order. Will the Clerk please call LCO 8136, which will be designated House Amendment Schedule B?

THE CLERK:

LCO 8136, House B, offered by Representatives Cafero, Hamzy and Klarides.

SPEAKER DONOVAN:

Representative seeks leave of the chamber to summarize the amendment. Objection to the summarization? Hearing none, Representative Candelora, you may proceed with summarization.

REP. CANDELORA (86th):

Thank you, Mr. Speaker.

Mr. Speaker, as we've been reading in the newspapers lately, the towns are going through their

own budget process, and I think much of what we're experiencing up here they certainly are experiencing in their localities.

We're seeing budgets being proposed, referendums being held, and regularly those referendums are failing. Our first selectmen, our mayors, our councils and our town meetings are crying out for help from Hartford.

We've given them some of that relief by allowing them to delay (inaudible), but I think that we could go much further.

What this amendment seeks to do is in section 1, it adds services to the list by which municipalities can enter into cooperative purchasing agreements through DAS in order to achieve economies of scale in their purchasing.

Currently, that procedure is done for goods. However, this would allow the municipalities to share services and receive savings.

In section 2, we seek to delay the implementation of raising the age to July 2012.

It's an important provision, I think, to delay this implementation, and I know we're grappling with it in Hartford, with this very decision in our budget

process.

But municipalities are also grappling with this decision in a very significant way, because I know many of our communities are looking at their prisons or their holding cells in their police stations and realizing that they need to begin to retrofit their buildings in order to comply with this statutory change that we made last session.

And so while Connecticut's compliance has already been studied, is already being looked at, we've sort of ignored what the municipalities need to go through in order to comply with this act.

And as we all know, a capital expenditure or a capital project will take years in order to implement. So I think it's important that we allieve them here and now and tell them that they don't need to begin with the engineering costs, with the design costs, with the approval costs before they -- in order to avoid costs, in order for them to save any money.

In section 3, we're seeking to delay the implementation of the in-school suspension to July 2012. And I think while certainly the in-school suspension issue is something that's near and dear to many people here, and I appreciate the concerns that

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we all have, I know in my district, we've had to budget over \$100,000 in order to comply with this municipal mandate.

\$100,000 for small communities is not -- isn't any chump change. It's an expense that they could really do without. And I'm sure all of you have had those same pressures probably, and you've heard these same discussions back in your district. They just can't afford it.

So this would merely delay the implementation until we figure out a way maybe that they could better achieve the goals of the in-school suspension statute without being required to hire certified staff, which is costly, and which is, I know at least in my town, their interpretation of how that statute is read.

In section 4, we are seeking to delay the posting of the minutes and agendas on municipal websites to July 2012. I think that that was a provision that was put in our statutes frankly during a debate over an ethics provision, and many of us didn't even realize it was in there.

And while I appreciate the importance of openness of public documents and access to public documents again, there was another cost that we put onto

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municipalities without truly understanding --

SPEAKER DONOVAN:

Excuse me, Representative, if you could limit your remarks to summarization of the amendment, that would be preferable.

REP. CANDELORA (86th):

Sure, Mr. -- thank you, Mr. Speaker. And I will come back to these points later, then.

In section No. 5, we have -- requires a two-thirds vote of the Senate and the House in order to pass any municipal mandate.

In section Number 6, we're seeking to adopt the Governor's moratorium on binding arbitration for two years for towns. And with that, I move adoption.

SPEAKER DONOVAN:

Question is on adoption, House Amendment Schedule B.

REP. MERRILL (54th):

Mr. Speaker.

SPEAKER DONOVAN:

Representative Merrill.

REP. MERRILL (54th):

Yes, Mr. Speaker, for point of order?

SPEAKER DONOVAN:

Please proceed, madam.

REP. MERRILL (54th):

Yes, Mr. Speaker. I would question whether this amendment is germane to the underlying bill.

SPEAKER DONOVAN:

The chamber will stand at ease.

(Chamber at ease.)

SPEAKER DONOVAN:

Chamber will come back to order.

Question is on germaneness on the amendment before us. To determine whether an amendment is germane, Mason Section 402(2) provides that it be relevant, appropriate and in natural logical sequence to the subject matter of the original proposal.

The underlying bill reduces expenditures and implements cost savings for the General Fund of the State of Connecticut for the fiscal year 2009.

The amendment before us includes various provisions for potential savings for municipalities in the near future. It is not designed or related, relevant, appropriate or in natural logical sequence to the subject matter of the original proposal, which

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is to reduce the current state budget.

Consequently, madam, your point is well taken,
and LCO 8136 is not germane to the underlying bill.

REP. CAFERO (142nd):

Mr. Speaker.

SPEAKER DONOVAN:

Representative Cafero.

REP. CAFERO (142nd):

Mr. Speaker, I stand to respectfully appeal the
ruling of the Chair.

SPEAKER DONOVAN:

The ruling of the Chair is made and seconded.
Your remarks. What are your remarks, sir?

REP. CAFERO (142nd):

Thank you, Mr. Speaker. I believe the rule is
that you can only speak once and on the --

SPEAKER DONOVAN:

Correct.

REP. CAFERO (142nd):

And on the ruling made by the Chair.

SPEAKER DONOVAN:

On the ruling made by the Chair.

Ladies and gentlemen of the chamber, the -- our
distinguished Speaker has made a ruling that the

Majority Leader's point is well taken.

The Majority Leader's point is that as we discuss mitigating the deficit of the State of Connecticut for this fiscal year, the amendment that's before us, which deals with giving potential fiscal relief to the municipalities we fund through that budget by relieving them of the obligations of mandates, is not germane to the bill.

Mandating relief to our municipalities which we promised them is not germane to the bill. That was the ruling.

Ladies and gentlemen, I respectfully ask you if on May 22nd giving to our towns and municipalities is not germane to a bill discussing the deficit of the State of Connecticut, then nothing is.

I would ask that you join me in overturning the ruling of the Chair.

Thank you.

SPEAKER DONOVAN:

Thank you, Representative Cafero. Representative Merrill.

REP. MERRILL (54th):

Thank you, Mr. Speaker. I appeal -- I address the appeal to the Chair and would respectfully ask the

chamber to support the Chair's ruling -- the Speaker's ruling on this motion.

As section 402 states, that any amendment to be relevant must be relevant, appropriate, in a natural and logical sequence to the subject matter of the original proposal. This bill is about deficit mitigation for the state budget in the year 2008 and 2009.

Literally every provision of the amendment before us relates solely to municipalities and mandates relief of various sorts.

There is no direct relation to the state budget. These are individual municipal budgets. Various sections relate to things like fiscal impact of -- of mandates to various municipalities' budgets and have no relationship to the state budget or its deficit.

The bill before us, as you see, has line item by line item, various reductions made to issues in the state budget itself. None of these relate to any of those line items and are certainly not germane, because they do not relate to the same subject at all.

While interesting, this belongs on -- in some other bill at some other time and some other day.

So I would request that we all support the ruling

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of the Chair. Thank you.

SPEAKER DONOVAN:

Remark further? Remark further? If not, I would remind everyone that a yes vote is to uphold the ruling of the Chair and a "no" vote is to overturn the ruling of Chair.

Let me try your minds. All those in favor of upholding the ruling of the Chair, please signify by saying, aye.

REPRESENTATIVES:

Ayes.

SPEAKER DONOVAN:

All those voting to overturn say, nay.

REPRESENTATIVES:

Nay.

SPEAKER DONOVAN:

The ayes have it. The ruling is upheld.

Remark further on the bill? Remark further on the bill.

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker. Mr. Speaker, we've had a fairly long conversation today about items within the deficit mitigation package; and earlier today I had a

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conversation with the Chair of the Appropriations Committee here on the floor relative to some items that I would say probably by mutual consent, at least we certainly didn't disagree, that should be left off this list.

Items such as the farmland preservation money, which has been before this chamber time and time again. I think we're very much in agreement that those are dollars that at this time, weighed against the other issues that we face, that those are probably dollars that we don't want to have swept.

However, Mr. Speaker, the -- I believe the Clerk has LCO 8138, if he'd call it and I'd be allowed to summarize, please?

SPEAKER DONOVAN:

The chamber will stand at ease. Will the Clerk please call LCO 8138, which will be designated House Amendment Schedule C?

THE CLERK:

House Amendment Number 8138 LCO, offered by Representatives Cafero, Hamzy and Klarides.

SPEAKER DONOVAN:

Representative seeks leave of the chamber to summarize the amendment. Is there objection to

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summarization?

Hearing none, Representative Miner, you may proceed with summarization.

REP. MINER (66th):

Thank you, Mr. Speaker.

Mr. Speaker, the purpose of this amendment is to add back in some items which were part of an original list which we felt were worthy at this time of being swept.

Certainly these are not easy decisions for the chamber to make. We have had some very difficult decisions to make in the past. Sections 1, 2, 3, 4, 5, 6, 7 and 8 all deal with dollar amounts which are highlighted in the amendment having to do with General Fund appropriations, various transfers, social services, Medicare Part D and so on, and I move adoption.

SPEAKER DONOVAN:

Question for the chamber is adoption of House Amendment Schedule C.

Remark on the amendment? Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker.

As I said at the onset, we face some very

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difficult decisions here, ladies and gentlemen. This will not be the most difficult decision I believe we'll make in the next 30 days. I think most of us would agree that in an effort to cover what is probably going to be somewhere close to \$850 million in deficit this fiscal year, and while it's not before us right today, the looming biennial deficit, which is somewhere in excess of \$8 billion, certainly these are not easy decisions, but they will not be the most difficult.

We are actually going to have to face most of our constituents in one manner or another and say we cannot afford to do what we did last year. And in some cases we can't even afford to do what we did three years ago.

Those are not statements that come very easily from politicians' mouths, but I think historically we have been able to face difficult times like this in the past, and I think today is no different.

Mr. Speaker, these are additional dollars that we could sequester at this time to ensure that they're available at year's end for lapse. And that's really what this is all about, trying not to have the dollars get spent when we need to have them to cover the

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deficit that we face.

And I would ask, Mr. Speaker, that when the vote be taken, that it be taken by roll.

SPEAKER DONOVAN:

Question before the chamber is a roll call vote. All those in favor of a roll call vote, please signify by saying, aye.

REPRESENTATIVES:

Aye.

SPEAKER DONOVAN:

The requisite 20 percent has been met. When the vote is taken, it will be taken by roll.

Remark further on the amendment? Representative Geragosian.

REP. GERAGOSIAN (21st):

Thank you, Mr. Speaker. Briefly in opposition to this amendment, as I said throughout this debate, the underlying bill is a product of work of many folks in the chamber and talks between administration and other entities and I mean, there are items that I would like to put into this bill, some things that I know my friends on the other side of the aisle wouldn't like, essentially; but because of cooperation with the administration, other entities, we decided not to.

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So I would urge the chamber to reject this amendment.

SPEAKER DONOVAN:

Thank you, Representative. Care to remark further on the amendment before us? Care to remark further? If not, staff and guests come to the well. Members take your seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll call. Members to the chamber. The House is voting on House Amendment Schedule C by roll call. Members to the chamber, please.

SPEAKER DONOVAN:

Have all the members voted? Have all the members voted? Members, please check the roll call board to make sure your votes are properly cast.

If all the members have voted, the machine will be locked, and the Clerk will please take a tally.

Will the Clerk please announce the tally?

THE CLERK:

House Amendment C on E-Cert. 1167.

Total number of voting 133

Necessary for adoption 67

Yea 33

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Nay	100
Absent and not voting	18

SPEAKER DONOVAN:

Amendment failed.

Remark further on the bill as amended? Remark
further on the bill as amended?

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker. Mr. Speaker, we continue to face some very difficult times here in the State of Connecticut. This Legislature has before it an opportunity to consider other options to make this bill better, to expand on the savings.

I know the Chairman of the Appropriations Committee indicated that there have been some discussions that have occurred in the past, and I suspect that there will be some discussions that will occur in the future with regard to not only this deficit mitigation package but also the ongoing deficits that face us this year and in the upcoming year.

Mr. Speaker, I don't disagree that we have worked diligently to find savings. What I -- what I don't consider is these sweeps to be the kind of savings

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that will have any real long-term effect in terms of the state being able to deal with its deficit in the upcoming years.

We are making very small steps today to deal with very large numbers. And the problem is going to get bigger. We're going to be faced with more and more difficult decisions, more and more agencies, more and more nonprofit organizations that are subjects of some of these funds that we're talking about today that we just are not going to be able to continue to spend money on.

So, Mr. Speaker, I hope that as we continue this discussion, people consider why it is that we have swept certain dollars, why it is that we have not, and that, if possible, that we can offer some other ideas, both sides of the aisle, to try and deal with these problems that we face.

Thank you.

SPEAKER DONOVAN:

Thank you, Representative.

Representative Hetherington.

REP. HETHERINGTON (125th):

Thank you, Mr. Speaker. I would like to submit several questions to the proponent.

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Through you, Mr. Speaker.

SPEAKER DONOVAN:

Please proceed, sir.

REP. HETHERINGTON (125th):

Thank you.

Looking at the specific items in section 2, there are quite a variety of things, and I'm wondering about the consequences of these.

In lines 14 through 16, which are subparagraph (b), this is a removal from the Special Transportation Fund. Is that going to adversely impact the Metro-North improvements, including the purchase of the new equipment for Metro-North, or the repair shops to be completed in New Haven?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. To my knowledge, no.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Hetherington.

REP. HETHERINGTON (125th):

Thank you. Lines 29 through 31, there is a

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transfer from the OPEB Teacher Fund, which I think is Other Post Employment Benefit Teacher Fund, and credited to the Retirees Health Service (inaudible) Account.

Is this -- does this reverse the sanguine process that we had last year of fully funding the Teachers Retirement Fund?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. My understanding of this particular item is that those funds are supplanted by Medicare Part D dollars and they would not.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Hetherington.

REP. HETHERINGTON (125th):

I'm sorry, through Medicare --

REP. GERAGOSIAN (21st):

Part D.

REP. HETHERINGTON (125th):

I see. Which leads into my next question

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regarding Medicaid and Medicare. Does any of these changes imperil our opportunity to have federal matching funds? Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. We've asked OFA, to the extent that they know, whether this will affect federal funds of any kind or the deficit mitigation -- or the federal stimulus dollars, and for their -- it was their opinion that they did not.

REP. HETHERINGTON (125th):

They did not. I see.

SPEAKER DONOVAN:

Representative Hetherington.

REP. HETHERINGTON (125th):

The transfer of funds from the Birth to Three service coordination account, I know that there are a number of my constituents who rely heavily on this program. In fact, those who have the need use this extensively.

Is this going to restrict the amount of children who will be eligible to participate in the Birth to Three program?

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Through you, Mr. Speaker.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Not to our knowledge.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Hetherington.

REP. HETHERINGTON (125th):

Thank you. There was only one other question, if you'll bear with me for just a second. I don't find it, and therefore I thank the gentleman for his answers.

SPEAKER DONOVAN:

Thank you, Representative. Representative Rowe, Representative Rowe.

REP. ROWE (123rd):

This is for the second time, Mr. Speaker. But still, good afternoon.

If I can -- if I could just be indulged by Representative Geragosian briefly. Starting at line 382, the language which has to do with the Treasurer's determination on the general obligation bonds and such. It's a two-part question, I guess

The first part would be, can you explain why the need for that language was included in the package?

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I take it it's -- it's boilerplate, but I'm -- I want to make sure I have a clear understanding of that, please. Through you.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Are you referring to section 4, Representative Rowe?

Through you.

SPEAKER DONOVAN:

Representative Rowe.

REP. ROWE (123rd):

Through you. Yes.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I believe that this language enables us to take approximately \$5 million in bond funds that were transportation-related.

SPEAKER DONOVAN:

Representative Rowe.

REP. ROWE (123rd):

Thank you. Could you -- but I didn't -- and I don't know if it was in a different accent, but I

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didn't get that. Could you just repeat that, please?

No, I mean that complimentarily.

SPEAKER DONOVAN:

Representative Geragosian, from the great
Hardware City of New Britain. You may respond.

REP. GERAGOSIAN (21st):

Thank you.

Where we're holding our Greek festival this
weekend. We invite you all to come by.

I'm Greek and Armenian, Representative Rowe, but
perhaps that was that accent.

No, that section enables us to sweep
approximately \$5 million in bonding funds that were of
a transportation ilk.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Rowe.

REP. ROWE (123rd):

Thank you.

So where we are deleting in section 397 the
phrase "and provided further," and then adding "or to
the General Fund for transfers to either fund," that's
why that language was included?

Through you.

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SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. That language facilitates the transfer of those funds

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Rowe.

REP. ROWE (123rd):

Okay. I appreciate your indulgence and your answers. Thank you.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

Yes, thank you, Mr. Speaker.

In looking at the bill before us, section 5, there's a repeal of a section 317(a), which according to the fiscal note apparently is necessary to facilitate the transfer being accomplished in lines 349 through 351, which is, I guess, subsection 85.

And if I could just inquire, what was the source of the funds that are being transferred?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

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Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Those were -- that was the result of nursing home SCRF funds that were no longer needed or used -- in use and could be swept.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker. What was the original purpose of the funds that were put into this SCRF, or SCRF, account, if the Chairman of the Appropriations Committee knows?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. My understanding is they were protections against nursing home owners that kind of ran out on their bond obligations for bonds issued by the state.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

Oh, thank you, Mr. Speaker.

And are the obligations that these funds were designed to cover or protect, are those now fully paid off?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. To the best of our knowledge, they are. And this was money that was unencumbered.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian. Sorry, Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker.

And I guess I asked what was the source of the funds, and what -- how were these funds originally generated?

Was this bond money or was this money that was set aside from appropriated funds from normally generated tax monies or some sort of these?

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Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. My understanding is that was unexpended bond money, bond funds that were not used.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker.

And if section 317(a) were not repealed, what would be the ultimate fate of this seven and a half million dollar SCRF Fund?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. My understanding, it would just -- it would just sit there.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative O'Neill.

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REP. O'NEILL (69th):

Thank you, Mr. Speaker.

I guess it does make sense, although I think there were other funds we discussed a little earlier, and -- and I take it that this was something that the executive branch -- the Governor's office has said is an appropriate thing to do. Is that correct? Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

To my knowledge, they have not voiced any objections to this particular item.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker.

And I further would take it, then, the -- has the State Treasurer been consulted to determine whether or not this is an appropriate utilization of the funds that were apparently obtained through bonding?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

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Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker.

The State Treasurer's Office has not informed us of any reservations about doing this.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker. I guess the way that the answer is phrased just makes me wonder, was the State Treasurer's Office consulted specifically about this transfer, this action that we're taking here today?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I'm not sure, quite frankly, if they've been consulted about this particular item, but we did have -- as I said, we've had meetings with them about the general issues of what was allowed or not allowed as we approach these fund sweeps, and we don't believe that they have an issue from it -- with it at this point in time.

Thank you. And through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker. I guess I probably should read to you 17a. I'm puzzled that we have a system whereby millions of dollars of bond money are accumulated and left to lie fallow at times when people, certainly in the case of the nursing home industry, are complaining to us of the severe distress that industry is in at this point in time and the difficulties they have, and they're complaining to us that they're not being given enough money to fund their capital needs, and this looks like exactly the kind of money that was originally raised to guarantee that capital issues would be dealt with appropriately and carefully.

So I have to wonder if we are perhaps making a mistake in transferring this money in this way, given that extremely crying need.

I understand that we're trying to plug a deficit. More generally, moving away from 3174, whatever it is, 317(a), and perhaps this was mentioned at the outset, but after this deficit mitigation bill passes,

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assuming that it does, and is signed by the Governor, assuming that it is, will we, in fact, have mitigated the deficit for the fiscal year ending June 30th, where we have a zero deficit based on the numbers that we know about at the present time?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I'm sorry, I did not hear your question. Please repeat it.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

I'd be happy to. If this piece of legislation passes and is signed by the Governor, will the deficit for the fiscal year ending June 30th, 2009 be, in fact, fully mitigated, or will we still have additional -- a deficit outstanding for the fiscal year based on the information that we have from the Office of Fiscal Analysis? Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

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Through you, Mr. Speaker. The remaining deficit would be approximately \$816 million. Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

So what we're doing here today, it looks to me like in the fiscal note, we're (inaudible) -- I see various numbers, but it looks like \$150 million in one place, a lot of numbers on this fiscal note that -- I think I'm looking at totals

Is the amount you're actually mitigating -- what is the amount that you're actually mitigating?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. As to the deficit mitigation portion, it's approximately 43.7 million. The amount of appropriated funds is 110.1 million. That's 153.8. And plus if we allow for the savings of the SEBAC agreement that we approved last week, that's another \$69.9 million, and that's how we got to the \$816 million figure.

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SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker.

So is the \$816 million a net figure? That's after we do all the things called for in this bill, plus the effects of the SEBAC agreement? Is that what -- is that the remaining deficit for the fiscal year? Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I actually stated the number wrong. It's 819,000 point -- 819.6. I transposed the numbers wrong. But that is the net number, including the federal stimulus dollars that we received.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

Okay. Just be sure, because we all do this -- because these numbers are big and we flip them around a lot and speak about them, is the amount that we're talking about as an outstanding, unmitigated deficit

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for the fiscal year ending June 30th \$819 million or
\$819,000?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Unfortunately,
\$819 million. For a second there I thought we had
almost done it. I was really feeling great.

SPEAKER DONOVAN:

That would be nice. Representative O'Neill.

REP. GERAGOSIAN (21st):

Yes, it would be wonderful.

REP. HETHERINGTON (125th):

Okay. So basically we're knocking the deficit
down by about \$200 million, and we're leaving
unattacked or unreduced about \$819 million

Is that a fair summary of the situation?

Through you, Mr. Speaker.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Yes.

SPEAKER DONOVAN:

Representative O'Neill. I'm sorry.

REP. O'NEILL (69th):

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Thank you, Mr. Speaker.

And is there any notion of what we're going to do about the rest of it?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. We've been in discussion with the administration and the other three caucuses in our budget negotiations, talking about all the options for dealing with the \$819 million, or whatever number it will be above or below that, and those discussions are ongoing.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

Okay.

Is there a plan to do another deficit mitigation package between now and the end of the fiscal year that would try to address the 819 million or so?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

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REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Given the late time in the fiscal year, I'm not sure what the process is going forward. But from a practical matter, as we're meeting in negotiations almost every day and talking about those larger issues, I would say there would not be another deficit mitigation package.

Obviously the Governor can propose one or we can obviously suggest some other items as a Legislature.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker and (inaudible) nothing more in terms of addressing the \$819 million estimated deficit, what would happen? How would that deficit be dealt with under the existing laws that we have?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I believe the process is the comptroller formalizes what the annual deficit is. Sometimes -- I think September 1st is the date,

and if we did nothing, the Rainy Day Fund would automatically cover the deficit.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker.

And is there going -- is there enough money at present based on our current estimates within the Rainy Day Fund to cover this deficit of roughly \$819 million?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Thank you, Mr. Speaker. My understanding is there's approximately 1.4 billion in the Rainy Day Fund.

So at the present time, and hopefully all things being pretty stable, yes.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

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Thank you, Mr. Speaker.

So based on the actions that we're planning to take today and the projections between now and the end of the fiscal year, there's not really enough time to do any further action on the current fiscal year, it sounds like the most likely outcome is that the majority of the dollars in the Rainy Day Fund are going to be committed to covering this year's, current year's, fiscal deficit, projected deficit.

Is that an accurate summary?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. If we did nothing, that would be accurate. Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker.

It seems like we've been trying to do things. I think this is deficit mitigation plan 5 from the numbering system that has been attached to it in the media.

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I have personally sort of lost track, because I've been doing them over a long period of time now, for months, quite a few months that we've been struggling with the deficit for this fiscal year.

And I'm assuming -- I mean, we did the couch cushion search for what was supposed to be \$220 million of unappropriated funds, which turned out to be quite a bit less.

Is there some other sort of funds that the Chairman of the Appropriations Committee is aware of that might be tapped to cover the deficit aside from the Rainy Day Fund?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Obviously, as I stated earlier, there's potential we could look at these funds again sometime between now and in the near future.

Obviously another option would be borrowing, and that's one of the options that's a possibility we've used in the past in certain cases, or some combination of borrowing and Rainy Day Fund.

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Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker.

Well, it looks like we're already using borrowed money for part of it today, by just the stuff that was covered by the SCRF funds at seven and a half million dollars was originally borrowed to pay -- cover the defaults, I guess, by nursing home operators, and there were others that appear to me to be similar (inaudible) front.

And I think it's a sad commentary that after all of our efforts over the last -- this few weeks and the last several months and the number of efforts at deficit mitigation, that we're still staring at over \$800 million, and that's after we applied federal stimulus funds to the current-year deficit.

And I'm hoping that the discussions are more fruitful going forward, because I -- I did not get the impression that -- and based on the way the amendments that were put forward by this side of the aisle were handled, that there is a whole lot of likelihood that we're going to be seeing more changes, more reductions

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in this deficit.

We put forward tens of millions of dollars of additional monies that could be put towards deficit reduction, and that was rejected.

And I think that's really unfortunate, because every dollar that we don't address in this deficit mitigation package does seem to translate directly and immediately into a drain on the Rainy Day Fund, which I get the impression is really going to be important if we're ever going to come to conclusion on the fiscal year coming up that starts July 1st, a relatively short time ahead of us.

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative. Representative Sawyer. For the second time, I believe, madam?

REP. SAWYER (55th):

On the underlying bill, sir.

SPEAKER DONOVAN:

Please proceed, madam. Sorry.

REP. SAWYER (55th):

Thank you, sir. Even though we -- you look very carefully at our budget, and this year particularly with a magnifying glass, we discussed it before, how

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we look for each of the pieces, well, in this particular bill, each account was examined and was stripped of as much money as possible.

Interestingly, we look at very carefully some of the smaller ones, and we found that, for example, there was just over \$7,000 that was in a Department of Developmental Services account left over from a conference.

We also look at, oh, just under \$7,000 from the DEP that was being transferred from Rutman's restoration. They sound like small amounts of money, Mr. Speaker, but they're certainly what we're looking for, small and large.

However, there are two larger ones, Mr. Speaker, that I would like to ask the distinguished gentleman from New Britain -- if I might with my Bolton accent, I hope you'll be able to understand the question.

SPEAKER DONOVAN:

Proceed, madam.

REP. SAWYER (55th):

Thank you, Mr. Speaker.

And in my -- addition, on page 3, the bottom line, 33, there's a sum of \$600,000, far more certainly than those \$7,000 items we were talking

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about, 600,000 being transferred from sales and services business enterprise account.

Now, this is from BESB, which, for those people who don't know, is the Board of Education Services for the Blind. And BESB has a -- an account, a revenue stream through vending machines through all state and municipal buildings, Mr. Speaker, that has a contract with Coca-Cola, I believe, that is still in existence today. And a lot of that money comes in and has been of great benefit to that particular agency.

And I was wondering, through you, Mr. Speaker, if this particular -- if these are funds that are coming in or revenue that has been brought in through that particular service account, through the vending machine operations.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I believe they are, and specifically on the fund that had a balance of approximately \$2 million, and I believe 600,000 is swept there, leaving a balance of approximately \$1.3 million.

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Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Sawyer.

REP. SAWYER (55th):

And could you please tell me, through you, Mr. Speaker, are there any programs that are now for Board of Education Services for the Blind, what programs they're not going to be able to be doing because of this particular sweep?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I don't think that it affects any of their programs, to my knowledge. Obviously this is something that was on the administration's list, as well as ours, and we haven't heard from BESB as to the -- any problem with taking these funds.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Sawyer.

REP. SAWYER (55th):

I thank the gentleman for that answer, because

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it's an interesting account in that it is money that is brought into the state that is not taxpayer money, per se, coming in from that type of revenue, that is, a revenue stream that is coming in from the purchase of sodas and waters and juices as well.

It has been something that had been fought for by the agency, because the agency had been under (inaudible) for a long time, and it made me be cautious when I saw that that particular money was in there, and I thank the gentleman for that answer.

I also saw much larger accounts regarding Department of Public Safety.

Through you, Mr. Speaker, another question.

SPEAKER DONOVAN:

Please proceed.
REP. SAWYER (55th):

Thank you, sir.

It's on page 11, line 258, section 61. The sum of \$100,000 shall be transferred from the pistol permits photographic costs account, and it is credited resources to the general fund, which means that that money would go into the general fund.

But we know, Mr. Speaker, at the present time nationally there have been many reports that there

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have been very large numbers of people buying pistols and guns and ammunition as well, and that there has been a record number across the country of people taking the pistol permit course.

And in this state, I know that there has been an increase as well. So it's not a surprise to see that there is excess in that particular account. And I was wondering if this particular program, Mr. Speaker, would be having a deficit in the near future, or is it something that's been planned for next year for the increase in the numbers of people obtaining their permits?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker.

Well, first of all, we believe this account -- the knowledge I have on this account is there's a balance remaining of \$167,000, and it is an account funded through fees.

So if, as you say, there are new people obtaining permits and other things and -- it will supplant that, those.

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Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Sawyer.

REP. SAWYER (55th):

Thank you. Would you then say that this particular account had this excess because of high numbers of people that have been obtaining their permits?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Represent Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I'm not sure, to be quite honest with you. I believe I received this information somewhere around, you know, early part of the year.

So as far as I know, I can't -- they've been holding a balance for two years, from what we understand, so it's not necessarily related to any recent activity.

Through you, Mr. Speaker..

SPEAKER DONOVAN:

Representative Sawyer.

REP. SAWYER (55th):

I thank the gentleman for his answer, because that makes a whole lot of sense. If it's something that's been carried forward, it has accumulated. We've had an increase in number, then it has not been struggling, and with his explanation of having the remainder of 167,000 in it, that it will be solvent.

And I appreciate the gentleman for his answer and explanation.

Thank you, sir.

SPEAKER DONOVAN:

Thank you, Representative. Representative Aman.

REP. AMAN (14th):

Mr. Speaker, in part of the previous discussion, a question was asked about the deficit that we're currently in and this package, and it was quite clear that there's going to be still a significant shortfall at the end of year.

And they quite -- it was stated that part of it probably was going to be covered by bond issue or debt or it was going to be covered by the Rainy Day Fund.

And thinking about the debt, I know that I was not in the General Assembly the last time the -- this group -- body borrowed money because they were in a deficit position.

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And through you, Mr. Speaker, I was wondering if the proponent of the bill could let me know how much money was borrowed the last time the State of Connecticut was in a deficit position, approximately how long it took to pay it off, and what was the interest cost of all that borrowing.

I realize that asking those questions -- I don't expect an exact number, but if he could speak in general terms of what it cost -- how much was borrowed, what it cost us, and probably most importantly, how many years it took us to pay off the prior deficit

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Thank you, Mr. Speaker.

We borrowed somewhere in the neighborhood of \$300 million, I believe, 300 to 350 million dollars, and I'm not sure what the amortization schedule was. It was either five or seven years. But I do know we paid them off in about three years.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

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Representative Aman.

REP. AMAN (14th):

Yes. Continuing on that, if my memory of the economy is correct, we had a pretty good turnaround shortly after this deficit, and the state did have money flowing in quicker than we had estimated.

Is that recollection correct?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. That's correct. And if we have to go down this road again, we're hopeful the same conditions would apply.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

Yes, I would be hopeful, too; however, the projections that I have seen for what the economy looks -- is going to look like through at least the year 2012, et cetera, leads me to believe that the chances of a very strong recovery that will allow us to pay off financing of a deficit in a relatively

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short period of time, I would not anticipate it.

I would not personally invest my own money on that type of bet, that the economy was going to turn around. I think if all of us knew that that was going to happen, the whole discussion we're having on the budget coming up and in this deficit mitigation package would be very, very different if we all sat here and said this is a one-, two-year problem and then it's going to go away and we're going to be back running surpluses.

I know my feelings would be very different about that.

Looking at this, we've talked about some small accounts, some large accounts; but I'm going to be asking some questions and with regard to the Department of Environmental Protection, and I think the reason I'm curious on these, in particular, is about 24 hours ago, we spent a huge amount of time discussing the cost of a fishing license and where that money would go.

So I'm looking at lines in the vicinity of 121 through 126. And the first one is a sum of \$16,700,000, which will be transferred from the Environmental Quality Fund.

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And I guess my -- I have really two related questions that could be answered.

How much money was in that fund originally and where did it come from, and how did we end up with a surplus of \$16,700,000 in an account?

Through you, Mr. Speaker.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

From what I understand, that particular account had a balance of approximately \$17.6 million. And to answer your question, I'm not sure how we accumulated such a balance over time, but it's there

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

Yes. And what would have happened to this 16,700,000 if we were in good times and we weren't looking for accounts to sweep?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

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Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I suppose it would just -- it would stay there as it has. I mean, this was a positive exercise, I would argue, from our standpoint for a lot of reasons, is that we have shed some light on many of these accounts, if not all of them, to look at in the future how we -- whether some of these should be shut down and what we should do going forward.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

Yes. Staying on that, where did the original \$17 million come from that was placed into this account?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. My understanding is it came from various fees, application fees, permitting fees and the like.

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Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

Again, going back to what I said when I started when we were talking about a fishing license fee, and now we're seeing that somehow an account -- that it was based and generated from fees ends up with almost \$17 million extra in it, I kind of wish I knew that last night. I may have voted differently.

Going on to a -- the next item there -- and I think the questions will be pretty much the same. There's almost \$10 million transferred from the conservation fund.

And again, through you, Mr. Speaker, how much money was originally in that account, and where did it come from?

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. The balance of that particular account was approximately \$15 million.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

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Representative Aman.

REP. AMAN (14th):

Through you, Mr. Speaker. And where did that original money, \$15 million, come from?

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I have to clarify my answer on the other item first.

That was generated through vehicle registration fees, I believe, the other one.

This was -- this particular item was generated by various fees within the DEP.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

Were any of these two items generated from bond money?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Are you talking --

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referring to the \$9.9 million account?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

Yes, the 9.9, and I'll go back to the 16.7 million. And I'm just trying to get a feeling of where the funds came from.

And on both of those accounts, since they're both tied into the Department of Environmental Protection, what -- were they at all funded with bonding or borrowed money?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. I don't have a complete accounting here, but it's possible a small amount of the 16.7 or \$9 million item is funded through some -- some bonds.

SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

Yes. Thank you.

On the -- through these two accounts, the proponent has just mentioned that maybe some of the money came from bonding, and I know that earlier in the day there was talk of other sweeps from various accounts that were funded with bonding money and now that -- it's going to be transferred into the general fund.

And for someone who has not served on the Finance Committee, I know from my municipal experience that there's usually a tie-in between the borrowing of money and what it can be used for.

And my question will be, was this all just general obligation bonds? Or when the bonds were -- were issued -- not only for these two accounts but in general -- does the State of Connecticut issue bonds for specific purposes or are they just general obligations and we can use the funds any way the State of Connecticut decides?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Unfortunately, my colleague, the Finance Chair, is not here to address

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these issues today.

There are what are called RGGI, which is Regional Greenhouse Gas Initiative, funds that I think are part of this. And that's the only -- and I don't know to what extent they are part of this 16-plus million dollars.

So I would just note this has been vetted by OPM and the Treasurer, to my knowledge, and we haven't -- and OFA, and they have not expressed a concern.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Aman.

REP. AMAN (14th):

Yes. I'm sure that with that group looking at it and the various bond councils, somebody, I expect, did go to see if the funds from a bond issue were not used for the purpose intended, that it could be just rolled into the general fund.

I would think, however, that within our bonding committee, that that was not their original intention whatsoever when they issued bonds, was to say, well, we'll take the bonds, we'll take in the money. We'll continue to pay interest in it and put it into a reserve account that most likely is earning less than

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the bond interest is, and sometime in the future we'll just roll it into the general fund.

I don't think that would be a particularly good way of financing the state, and I doubt very much if the bonding group had agreed to that.

I think all of us have -- are very much concerned about the whole deficit and the budget in the future and the long-term problems that we face.

Today's action is one small step towards that. I don't know if the next 38 days -- if we're going to be back and doing this again, but at some point we do have to address a very long-term problem of how we are going to pay for the services in the State of Connecticut.

I thank you very much, Mr. Speaker. And I thank this Chairman for his answers and his very thorough knowledge of the subject we're talking about.

SPEAKER DONOVAN:

Thank you, Representative. Representative Mikutel.

REP. MIKUTEL (45th):

Yes. Thank you, Mr. Speaker. First I want to start by thanking Representative Geragosian for his hard work. I'm sure -- I know it was a difficult

task. I was Chairman of the Board of Finance in the Town of Griswold for many years. Put together the budgets in my community for many years, so I know somewhat of the process that he has gone through.

But I have to admit that I'm a little disappointed that this herculean effort has yielded so little.

And this is not a reflection on Representative Geragosian. It's just the process. I know we had a five -- total of \$5 billion in off-budget special funds, I believe, a total. And we ended up with -- mitigating \$154 million to offset the current year's deficit.

And I'm somewhat disappointed that the yield is so small. And now that we have to use our Rainy Day Fund or short-term borrowing to cover the remaining deficit for this fiscal year, I expected a little bit more.

I'm a little disappointed, too, in the state agencies' response or lack of response. And it seems to me that when we make a request for information, that we shouldn't have to -- we shouldn't have to badger people for it. When we make a request as legislators, we should get that information.

I know we have subpoena power. We shouldn't have to use subpoena power to get information that we need to help put together a budget that helps the State of Connecticut.

You know, it's not a painless process. It's a very painful process, but I don't want us to push off the pain into the future to make our choices even more difficult in the future. I'd like to set the ship of state aright as soon as possible.

But, Mr. Speaker, I'm really rising here to speak as a result of my vote on a Republican amendment. And I was one of two Democrats to vote for that Republican amendment. And I had a little disagreement with one of the leaders outside in the hall after that vote.

And I want to say that every legislator here, every legislator here should feel free to cast their vote the way they want, the way their conscience dictates, and not worry about being retaliated or threatened as to how they vote.

I've been here 17 years, and no one has ever threatened me, and I'm not going to stand for it.

I'll vote the way I want to vote, the way I feel is good for my constituents. And everyone here should feel the same way.

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Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker. Mr. Speaker, through you, I have a few questions for the Chairman of the Appropriations Committee.

SPEAKER DONOVAN:

Please proceed, madam.

REP. KLARIDES (114th):

Thank you, Mr. Speaker.

In line 300 of the bill, it says, the sum of 875,000 shall be transferred from the Meriden courthouse maintenance reserve account, the judicial department.

I was just curious, and I don't know if we have the answer for this, but that's an awful lot of money, it would seem to me. And I'm wondering if that is the only pool of money that courthouse maintenance is taken care of, out of.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

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REP. GERAGOSIAN (21st):

Through you, Mr. Speaker. Your question was to the Meriden courthouse?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Klarides.

REP. KLARIDES (114th):

Yes, Mr. Speaker.

SPEAKER DONOVAN:

Representative Geragosian.

REP. GERAGOSIAN (21st):

Apparently, through you, Mr. Speaker, these are dollars left over for infrastructure, minor infrastructure projects and maintenance projects and were believed not to -- by the judicial department not to be expended.

If you note, there's obviously another item in Derby, which I believe is in your district, which is a similar type of account.

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker. I thank the gentleman

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for his answer.

SPEAKER DONOVAN:

Thank you, Representative.

Remark further on the bill? Remark further on
the bill?

If not, staff and guests please come to the well
of the House. Members take your seats. The machine
will be open.

THE CLERK:

The House of Representatives is voting by roll
call. Members to the chamber. The House is taking a
roll call vote. Members to the chamber, please.

SPEAKER DONOVAN:

Have all members voted? Have all the members
voted? Please check the roll call board to make sure
your vote's been properly cast.

If all the members have voted, the machine will
be locked and the Clerk will please take a tally.

Will the Clerk please announce the tally?

THE CLERK:

Emergency Certified Bill 1167, in concurrence
with Senate.

Total number voting	130
Necessary for adoption	66

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Those voting Yea	196
Those voting Nay	34
Absent not voting	21

SPEAKER DONOVAN:

Emergency certified bill is passed.

Representative Merrill.

REP. MERRILL (54th):

Yes. Thank you, Mr. Speaker. I would move that we immediately transmit the last item to the Governor.

SPEAKER DONOVAN:

Motion is to immediately transmit the last item to the Governor. Is there an objection?

Representative -- no objection? The bill is immediately transmitted.

Will the Clerk please call Calendar 165?

THE CLERK:

On page 45, Calendar 165, substitute for House Bill Number 6572 as amended by House A, AN ACT CONCERNING BANNING BISPHENOL-A IN CHILDREN'S PRODUCTS AND FOOD PRODUCTS, favorable report by the Committee on Government Administrations.

SPEAKER DONOVAN:

Representative Bye.

REP. BYE (19th):