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Senate Pages:	5410-5543, 6557-6569	147
House Pages:	3926-3985, 10841-10894	114
Committee:	Labor: 1086, 1091-1093, 1101-1104, 1115, 1121-1123, 1128-1161, 1185-1217	79
	Page Total:	340

S - 593

**CONNECTICUT
GENERAL ASSEMBLY
SENATE**

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mhr
SENATE

6
June 2, 2009

THE CLERK:

Calling from Senate Calendar for Tuesday,
June 2, 2009, Calendar Page 13, order of the day,
Calendar Number 658, File Number 280 and 966,
Substitute House Bill 6502, AN ACT CONCERNING THE
STANDARD WAGE FOR CERTAIN CONNECTICUT WORKERS, as
amended by House Amendment Schedule A, favorable
report of the Committees on Labor and Appropriations.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Thank you, Mr. President. Mr. President, I move
the joint committees' favorable report and passage of
the bill, as amended by the House.

THE CHAIR:

Acting on approval and acceptance of the bill,
ma'am, would you like to remark further?

SENATOR PRAGUE:

I would and I guess I moved adoption.

THE CHAIR:

There is a motion on the floor for adoption.
Seeing no objection, please proceed, ma'am.

SENATOR PRAGUE:

Okay. The reason that this bill is before us is
because it creates a new method for determining the

mhr
SENATE

7
June 2, 2009

hourly wage and benefits for all employees under the Standard Wage Law. This law governs compensation for employees of contractors who do building and property maintenance, property management, and food service work in State buildings. Under the bill, these private contractor employees will be paid the same prevailing wage rates and receive the prevailing benefits as employees working under the union agreement, covering the same work for the largest number of hourly, nonsupervisory employees, as long as it covers at least 500 employees in Hartford County.

When this legislation goes into effect, as of July 1, 2009, the newly hired janitors will be paid a dollar -- will be paid \$12.25, which is \$1.84 less than what they're currently getting. And the reason that they're getting a reduction in pay is so that that difference in money will pay for the benefits that will terminate on June 30th. The new wage ties the State pay and benefits for standard wage workers to those that are provided under the private sector union contract that meets the bill's criteria.

We have a letter from OFA stating that if we do not pass this legislation, because this legislation will pay the healthcare benefits for the families of these workers, and if these children of these workers

mhr
SENATE

8
June 2, 2009

go on the HUSKY program, it will cost us -- according to OFA, based on what it currently costs us per child, \$291.97 a month -- it will cost us \$1,646,700 to pay for health coverage under HUSKY for the children of these employees.

The janitors who clean our buildings will be paid under the new wage starting July 1, less because the difference in pay will help pay for the cost of the health benefits. These people will clean all State buildings, as they do now, across the state.

If there's any questions, any discussion, Mr. President, I'd be glad to entertain any issues.

THE CHAIR:

Thank you, Senator Prague.

Will you remark further on House Bill 6502?

Senator Debicella.

SENATOR DEBICELLA:

Good afternoon, Mr. President.

THE CHAIR:

Good afternoon, sir.

SENATOR DEBICELLA:

Mr. President, before asking Senator Prague some questions on the bill, I just want to note the one significant thing that Senator Prague left out from her summary, which is although that new workers who

mhr
SENATE

9
June 2, 2009

are hired after July 1st, according to the OFA note, will be paid a lower wage, current workers who were hired on or before July 1st will actually be paid a higher wage thus resulting in a significant cost to the State of Connecticut.

And, Mr. President, the OFA note indicates exactly what this is, which is what happens when you have, quite honestly, unions at their worst, which is let us help current members at the expense of new members. This creates a two-tiered system, Mr. President, that is quite obviously meant to benefit one group of workers and hurt another.

But, Mr. President, before we get into the details of that, a number of questions for Senator Prague on the bill. Mr. President, first, if Senator Prague could explain the philosophy behind the Standard Wage Law. What is it? Why do we have it, and what does it do right now? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Debicella. Senator Debicella, before I answer the question, I would question you as to where in the bill you see

mhr
SENATE

10
June 2, 2009

that the current janitors, except for four people who are currently earning \$13.49 an hour who will get \$14.48 an hour, and there are four people, the current janitors, where do you see in the bill -- and maybe I missed that -- where they will be getting an increase in their wages?

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. The first time I've had my question answered with a question. I will return to my question for Senator Prague, but I'm more than glad to engage her on my original comment. If you look at the OFA note, in the second-to-the-last paragraph, it says, however, any savings is more than offset by the fact that employees hired before July 1, 2009, will be paid a higher hourly wage based on the current Standard Wage Law. Mr. President, the fact that this bill actually expands the current wage law to the existing employees in place raises the wage that is there and results in a significant cost to the State of Connecticut.

Now, the bill also does exactly what Senator Prague says, it's for workers hired after July 1, 2009, it does lower the wage by recalculating

mhr
SENATE

11
June 2, 2009

how the standard wage is actually done. However, Mr. President, it's quite clear from the OFA note that this will be a significant cost to the State of Connecticut, and the driver of that is the increased wages for current or for employees hired on or before July 1st.

And so, Mr. President, through you, unless Senator Prague wants to discuss this further, I repeat my original question to Senator Prague, which is if she could tell us what the Standard Wage Law is and why it is in place. Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Thank you, Mr. President. Mr. President, will the chamber stand at ease for just a second, please?

THE CHAIR:

Yes, ma'am. The Senate will stand at ease.

(Chamber at ease.)

THE CHAIR:

The Senate will come back to order.

Senator Prague.

SENATOR PRAGUE:

mhr
SENATE

12
June 2, 2009

Thank you, Mr. President. Through you to Senator Debicella. Senator Debicella, the Standard Wage Law was put into effect so that all the workers who are working, cleaning State buildings, would be under a standard wage and benefit package so that in one place they wouldn't be getting different benefits, for instance; the benefits are all standardized. And these people who do the work for us would get the standard wage benefit.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. And through you, does the Standard Wage Law only apply to private contractors working for the State of Connecticut or does it also apply to private industry not working for the State of Connecticut or to our State employees? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

The Standard Wage Law pertains to those janitors who work for private contractors who do cleaning for the State buildings.

THE CHAIR:

mhr
SENATE

13
June 2, 2009

Senator Debicella.

SENATOR DEBICELLA:

Through you, Mr. President. And so I just want to be clear. I know that that's what this bill pertains to, but just so I'm clear in my mind, it -- the bill seems to state that we are basing this standard wage on the average of Hartford County of -- under a union agreement covering the same type of work for the largest number of hourly, nonsupervisory employees in Hartford County. So that seems to imply to me that there's some other entity in Hartford County that is under the Standard Wage Law. And, through you, Mr. President, is there anyone besides the janitors contracted with the State who are subject to standard wage? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, yes, the food service workers. The landscapers will now be reclassified as janitors. Their wages will be based, as you pointed out, on what the private contractors are getting in the Hartford County area, which will be \$1.84 less than what they're currently getting.

mhr
SENATE

14
June 2, 2009

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. And so, Mr. President, through you, just to make sure I understand then, so the Standard Wage Law basically says that we take -- for purposes of paying our contractors, whether they be janitorial, whether they be landscape, whether they be food service -- some kind of average that is calculated based off of private-sector employees, in this case in Hartford County, and that average is then applied uniformly to all members of a particular class, whether it be landscapers or janitors, et cetera. Is that correct, through you, Mr. President?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Debicella, these workers will be getting the prevailing rate of benefits as well as the hourly benefit and wages that's established in Hartford County by the private contractors that are doing work for such companies as Aetna or Travelers. The prevailing rate of wages includes the benefits, which are hospital care, a

mhr
SENATE

15
June 2, 2009

pension, vacation time, personal leave, and those benefits will be the same as people doing the same kind of work in the Hartford County area.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. And, Mr. President, through you to Senator Prague, the way this bill appears to be crafted is very narrowly in terms of what rate of payment the janitorial workers are going to get. It doesn't seem to be based on a broad average but rather an average of a union agreement covering the same type of work for the largest number of hourly, nonsupervisory employees, as long as it covers at least 500 employees in Hartford County. And, Mr. President, according to the OLR bill analysis, there is only one union agreement that actually fits those criteria, and that's SEIU Local 32BG contract, which is a four-year contract for the Hartford Area Cleaning Contractors Association.

So, Mr. President, given the fact that we are now basing the standard wage for these workers off of one union contract, aren't we, de facto, just taking that union contract and applying it to contractors who are not subject to that collective bargaining agreement?

mhr
SENATE

16
June 2, 2009

Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

The contract that's in place in Hartford County fits our needs. It is less in wages than what we are currently paying our janitors. We need to cover healthcare benefits for these people, and the only way we can afford to do that is to pay them an hourly rate that is less than what the current janitors are getting. In order to balance it off, any new employees who come into this kind of position come in knowing that they will be getting less than what the people who were working before July 1, of 2009, were getting.

Now, if there is in place a union contract that is going to work for us, that helps us balance our needs and our expenses, this is the way to do it.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. And so, Mr. President, before continuing to talk about some of the other aspects of the bill, let's focus in on the fiscal impact that Senator Prague just described. Through

mhr
SENATE

17
June 2, 2009

you, Mr. President, how many workers will actually be impacted by this bill, who are in our janitorial services? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, if you're asking me the number of people, there are currently about 500.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Through you, Mr. President, and so those 500 employees of contractors, how many of them currently are on the State healthcare plan? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, we avoided doing that earlier in this session by appropriating \$250,000 to cover their healthcare benefits. We needed to avoid putting them on the HUSKY program because that is so much more expensive.

THE CHAIR:

Senator Debicella.

mhr
SENATE

18
June 2, 2009

SENATOR DEBICELLA:

Thank you, Mr. President. So, Mr. President, if I am correct then in doing some rough math, if we are to assume that the average healthcare cost for a family of four is about \$15,000, for a company, and there are 500 workers who we are now going to require to have health insurance the same way as the union contract for SEIU specifies, if I'm doing my math right, that 500 times 15,000, is about \$7.5 million.

Now, Mr. President, I can't imagine a contractor saying okay, well, we'll just eat that. They are going to pass that cost along to the State of Connecticut. Through you, Mr. President, is anything in my logic incorrect there? Is that exactly what is going to happen if we pass this bill or is there some other financial impact that Senator Prague sees happening from forcing the contractors to adopt a collective bargaining agreement that they are not subject to? Through you, Mr. President.

THE CHAIR:

Senator Debicella, you're asking me if your logic is incorrect or --

SENATOR DEBICELLA:

Through you --

THE CHAIR:

mhr
SENATE

19
June 2, 2009

-- (inaudible) through to Senator Prague?

SENATOR DEBICELLA:

Mr. President, I value your opinion, but through you to Senator Prague.

THE CHAIR:

Cause I was ready to respond, if you wanted that.
Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, it has been calculated that by offering these workers less pay, they actually are going to be working for twelve -- \$1.84 an hour less than what the current workers are getting, that that will even off and help keep them off of the State's HUSKY program, which would cost us, according to OFA, over a million dollars a year, \$1,646,700. So for the State, we're much better off going with this plan.

And, by the way, I want to mention that Senator Debicella said that the former employees were going to get a raise. There are only four people who are going to get a raise. And only four people, and that's because they will now be doing janitorial work instead of the landscaping work that they were doing. And they were getting \$13.49, the -- they're moved up to janitors, they'll -- getting \$14.48. But I want to

mhr
SENATE

20
June 2, 2009

make it clear that not all employees who were hired before July 1, of 2009, are going to get a raise, as Senator Debicella sort of indicated.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. And I thank Senator Prague for that clarification. I was simply reading off of the fiscal note which seemed to imply it was more than just four people, but she may have better information than I on the number of people who are getting raises, so I thank her for that clarification.

But, Mr. President, let's use Senator Prague's numbers that she just said to see if this is going to cost taxpayers a lot of money or not. So Senator Prague just used two figures. She said that the Office of Physical Analysis said if these folks were to all go on HUSKY -- so that's a big assumption that they would all go on HUSKY -- but let's assume that, that a million dollars. Let's also assume, Mr. President, that Senator Prague said new workers will be paid \$1.84 less. Well, that's only for new workers, not for existing workers. So let's assume that every, single one of the workers are new. Let's

mhr
SENATE

21
June 2, 2009

assume all 500 of them are new. They work 40-hour weeks, 50 weeks a year. If I were to calculate that out, Mr. President, 1.84 times 40, times 50, times 500, is 1.84 million. So, Mr. President, the cost savings to the State, of this bill, assuming (a) we replaced all of the workers and they were all new, and (b) everyone went on HUSKY, the savings would be 2.8 million. The cost to the State of Connecticut of increased healthcare costs to the contractors, that they will pass on to us -- again, an assumption but probably a safe one -- is 7.5 million, which is equal to 15,000 times 500 workers.

Now, Mr. President, I'm just doing some very basic math in Excel, real-time here, and it's obvious that the cost savings that Senator Prague talks about is about \$2.8 million, assuming her number are right, everybody joins HUSKY, and we replace everybody with new employees. Ad the cost is 7.5 million. So even under this scenario, the cost to the State of Connecticut is \$5 million, using Senator Prague's numbers.

Through you, Mr. President, does the Senator think that we should be paying an extra \$5 million for the services that we're currently getting? Through you, Mr. President.

mhr
SENATE

22
June 2, 2009

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, I disagree with Senator Debicella's figures. We clearly are not getting in -- ourselves into a situation in these tough economic times that would put the State in jeopardy. These figures and these issues have been worked out so that the 500 janitors that we have cleaning our State building, that we need to have cleaning our State buildings will get their health benefits, their holiday time, and their pension benefits.

If we don't do this bill, we will not have people who will be able to maintain themselves on what they are currently getting. Their health benefits have expired; we saved them by putting some extra money into the budget to hold them over until the end of June.

The purpose of this bill is to keep these janitors, who keep our buildings clean, who we need. And I'm sure Senator Debicella would not disagree with that. It will provide them with the benefits. We will pay them a lower wage; there's a 5-to-8 percent turnover every year in this workforce. So it's a

mhr
SENATE

23
June 2, 2009

situation that we need to deal with.

It's not an issue where the Democrats think one way and the Republicans think another. We have to come together and agree that we need people to clean our buildings. We need people who have healthcare because otherwise we have to put them on HUSKY, which is very costly for us or they fill our hospital emergency rooms, which is very costly for us.

This bill has been carefully thought out. It is a well-crafted piece of legislation that fits our needs as this particular point in our economy. If we weren't in such dire straits, why would we reduce the wages of people who are currently doing the same job as future employees are going to do? But those future employees are going to get less in wages, because that's what we can afford to pay them at this point.

THE CHAIR: ,

Senator DeBicella.

SENATOR DEBICELLA:

Thank you, Mr. President. And, Mr. President, let's be clear. Because the reason I'm asking these questions is I want an honest policy discussion about this. Mr. President, what this bill does is exactly what Senator Prague just said it did. It expands healthcare to a group of 500 individuals who currently

mhr
SENATE

24
June 2, 2009

might not have it by giving them a collective bargaining agreement that they were not subject to, and maybe that's good policy. But to claim that it's going to save the State money, Mr. President, not only is contradictory to exactly what the fiscal note says but is egregiously wrong based on the very numbers that I just said. So let's be very clear here, Mr. President.

And I'm going to ask Senator Prague very precisely where my logic is wrong, because she's very good at the rhetoric in terms of arguing why this might be a good idea. And it might be, and at the end of the day I may agree with Senator Prague that this is worth the money, but I think it is disingenuous to say this is going to cost nothing and save us money, and somehow 500 people are going to get healthcare for nothing.

So, Mr. President, I'll ask again. Let's use Senator Prague's figures. Mr. President, Senator Prague said that the cost savings would be first off, \$1.84 an hour per employee. Through you, Mr. President, are these -- is that correct? Are these workers working 40 hours a week, and are they working approximately 50 weeks a year? Is that Senator Prague's understanding, through you,

mhr
SENATE

25
June 2, 2009

Mr. President?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, that's my understanding. The job is a 40-hour a week job. They work 52 weeks a year and they will be working for a lower wage.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. Then, Mr. President, if we assume for a second that Senator Prague also said that the turnover rate was 5-to-8 percent -- let's make it even higher; let's call it 10 percent. So if I were to take Senator Prague's figures that she just confirmed, 500 employees, times \$1.84 savings an hour, times 40 hours a week, times 52 weeks a year, times a 10 percent turnover rate -- because it will be the new employees who are receiving a lower wage -- that is equal to \$191,360. Am I correct, through you, Mr. President, that that would be the savings rate, the savings that we would get from the lower wages implied in this bill? Through you, Mr. President.

THE CHAIR:

mhr
SENATE

26
June 2, 2009

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Debicella. Senator Debicella, would you agree that we need people to clean our building, to clean this Capitol, to clean the legislative office building, to clean all our State-owned buildings?

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Mr. President, of course I would. And through you, Mr. President, the Senator didn't answer my question because she knows that I'm right. Because, Mr. President, we're getting to the point where she's being given advice to replace figures with rhetoric. And, Mr. President, if we're going to pass this bill, I'm not going to allow it to be passed on the basis of rhetoric that clouds the facts.

So, through you, Mr. President, again to Senator Prague, does 1.84 times 40, times 52, times 500, times 10 percent -- all figures she laid out -- equal \$191,360, the savings we would get from lower wages in this contract? Through you, Mr. President.

THE CHAIR:

Senator Prague.

mhr
SENATE

27
June 2, 2009

SENATOR PRAGUE:

Through you, Mr. President, if Senator Debicella's math is correct, I suppose his figures are correct, but the point is if we continue paying the janitors at the same rate that we're paying them, we will not be able to afford to provide them with healthcare. If we don't provide them with healthcare, then their families will go on HUSKY, which will cost us, according to OFA, \$291.97 per month, per member, which comes to over a million dollars; it's over a million-and-a-half dollars. So Senator Debicella's figures say one thing; OFA's figures say another, and we have to decide as a body whether giving health benefits is an important feature in the hiring of janitors to do the work that they need to do.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. And I thank Senator Prague for bringing up OFA.

So, first off, we have concluded that the first set of savings in this bill, 191,000 comes from the wage savings that are contained for new employees. Secondly, Mr. President, Senator Prague brings up an

mhr
SENATE

28
June 2, 2009

OFA note where she says there is at least a million dollars in avoided savings, assuming that all these folks would go on HUSKY. That's a faulty assumption but let's take it for now; everybody goes on HUSKY. Again, using the figures that Senator Prague just said, \$291 a month, times 12 months out of the year, times 500 people equals even more than what she said, 1.746 million. So, Mr. President, let's again take Senator Prague's figures. So now you take 1.746 million plus 191,000, you get \$1.9 million in savings. Okay, let's take that; let's take Senator Prague's savings, even though they contain some faulty assumptions.

Now, Mr. President, given those savings, let's look at the cost. So, Mr. President, the average cost of -- for a family of four for insurances, the State of Connecticut is \$15,000. And there are 500 people who under this agreement would have to get coverage for healthcare insurance. So, through you, Mr. President, again, looking at these numbers, is the math correct that 500 families, times \$15,000 per family is \$7.5 million in additional healthcare cost? Through you, Mr. President.

THE CHAIR:

Senator Prague.

mhr
SENATE

29
June 2, 2009

SENATOR PRAGUE:

Through you, Mr. President. Mr. President, the 15 -- to Senator Debicella -- the \$15,000 that you're quoting as the cost of coverage for a family is in commercial healthcare plans. These benefits are going to come out of the Taft-Hartley Fund, which is quite different from commercial coverage from the insurance companies. So you're not comparing apples to apples; the difference is substantial.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Mr. President, the difference between commercial plans and the Taft's Fund is about 20 percent. Would the Senator agree with that? Cause they are substantial differences, but from where I've seen, the difference is 20 percent between the funding rates for the two. Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, I'm not sure that 20 percent is the accurate number. I do know that there is a substantial difference when the insurance comes from the Taft-Hartley Fund. I don't know where

mhr
SENATE

30
June 2, 2009

Senator Debicella gets 20 percent, but maybe he's right and maybe he isn't.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Well, Mr. President, let's even say I'm wrong. Let's say that my figures are off by a factor of two. Let's actually say that this is -- it's 40 percent cheaper on Taft-Hart -- on the Taft Fund than it is in commercial insurance; so it's only \$9000 for a family of four. Now, I don't believe that for a second; again, I don't know anybody who can get insurance for a family of four for \$9000. But even if you did that, \$9000 times 500 is \$4.5 million. So even if my figures on the Taft Fund were off, this is going to cost taxpayers \$2.5 million; 4.5 million in additional healthcare costs that contractors will pass on to us, versus \$2 million of savings, using Senator Prague's numbers.

So, Mr. President, through you, given all that, I ask Senator Prague is my logic faulty anywhere? Where would this actually save us money? Through you, Mr. President.

THE CHAIR:

Senator Prague.

mhr
SENATE

31
June 2, 2009

SENATOR PRAGUE:

Through you, Mr. President, to Senator Debicella. You know, Senator Debicella, in this contractual arrangement, in addition to the wages, there is a -- there was a 30 percent agreement that pays for health benefits and for other benefits in addition to the wages, and that's where the figures came from. When the health benefits could no longer be provided with that 30 percent number, that's when the State had to step in and provide \$250,000 in order to continue the health benefits for these folks.

There is no question about it. We need this bill. We need to do this contracting so that the wages are less in order to offset the new -- the -- in order to offset the cost. People will be working for less in order to get their health benefits.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. And, Mr. President, I appreciate that the Senator's made two arguments. One of them is one that we can debate, and one of them is factually incorrect. The first one is that we may need to do this and because these families may deserve health benefits, and we may say that the taxpayer

mhr
SENATE

32
June 2, 2009

should pay for them. And that's a policy decision, Mr. President, as to whether or not we should do this. And I think the Senator may have a good case that we should, but we should debate that.

The second thing that the Senator brought up, that the savings from the lower wage rates and from HUSKY avoidance covers the healthcare costs that will be increased, is factually incorrect. The numbers -- and I'm not going to go through them ad nauseam, Mr. President, because they are numbers -- they are correct.

I've given Senator Prague every assumption she has wanted and the numbers still show there is a cost to the taxpayer, under all the numbers that Senator Prague gave, of 2.5 million. Mr. President, I think the cost, the total net cost is actually closer to 7.5 million, if you use realistic assumptions. But even using Senator Prague's assumptions that she laid out, doing it in Excel, real-time in this debate, it's a cost of 2.5 million, at least.

So, Mr. President, as we continue this debate, let's debate Senator Prague's first argument, because there's a question, and I think the Senator may have a very compelling rationale of why this is necessary. But let's not pretend that we can give people

mhr
SENATE

33
June 2, 2009

healthcare and save money by lowering the wage by a small amount. In order to pay for healthcare, which is expensive, and to cover that, it would require a substantial wage increase well beyond the 1.84. And I don't know if that's possible, Mr. President. So we should go into this with eyes wide open that this is going to cost taxpayers somewhere between 2.5 and 7.5 million to cover 500 families.

And if you step away for second, Mr. President, just from the minutia of the numbers that I brought us through, that kind of makes sense. If you're going to cover 500 additional families, it's going to cost a couple million bucks to do it.

So, Mr. President, I'm going to continue with a different line of questioning now and return to this when I discuss the underlying bill. So, through you, Mr. President, to Senator Prague for a different line of questioning.

THE CHAIR:

Senator Prague.

SENATOR DEBICELLA:

Mr. President, a different line of questioning now. In terms of the decision to actually split the bill between the workers who were hired from before July 1st, and workers hired after July 1st, is it my

mhr
SENATE

34
June 2, 2009

understanding that the \$1.84 that the Senator mentioned only applies to new workers who are hired after July 1st of this year? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, the answer to Senator Debicella is yes.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. And then, Mr. President, does the healthcare requirement apply only to workers who are hired after July 1st or does everyone who is covered under this agreement get the healthcare in the same way that SEIC does? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, we are protecting the health benefits of all of the janitors and their families; that includes 500 janitors -- 600 janitors who clean State buildings. There are 321 children,

mhr
SENATE

35
June 2, 2009

150 spouses, and all of them would lose their health benefits if we don't do something about this.

Through you, Mr. President, you know, I have a lot of respect for Senator DeBicella; I just disagree with him. I think that his interpretation of the bill and his fiscal numbers, which are very different from mine, are what he perceives to be in the bill. I see this differently. It's a matter of difference in interpretation. It's a matter of a difference in the reading of the fiscal numbers.

When I ask OFA what potential significant meant, you know what they said to me? That anything over \$100,000 is potential significant. Well, hardly \$100,000 is significant, but that's beside the point. The point is that the two of us just disagree and will have to accept the fact that that's the way it is.

I'm a proponent of this bill. I think that the janitors who clean State buildings need to have this legislation so that their families can have healthcare. Senator DeBicella sees it differently, and that's our process; that's what democracy is all about. And we could go on and on for hours and never come to an agreement, but in my opinion, this is a critically important piece of legislation, and I would like to see it passed in this chamber. Thank you.

mhr
SENATE

36
June 2, 2009

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. And, Mr. President, as always, I appreciate the passion that Senator Prague brings in her support of her bills and the causes she believes in. And I have not doubt that she fully believes in this bill, the need for it, the support for it, and maybe in the end of the day I will agree with her on that.

But, Mr. President, the numbers are the numbers. They haven't been challenged, and I welcome Senator Prague to challenge any of the numbers I left out with numbers of her own, because I actually used the numbers she gave me in calculations in Excel to come out with the numbers I did. And so I would welcome her, at any time in this debate, to refute that. But until that point, the numbers are the numbers and this will cost taxpayers millions of dollars, somewhere between 2.5 and 7.5. But, Mr. President, I'm willing to continue to debate Senator Prague on that if she wants to discuss that.

But my question, Mr. President, was more so around some of the fairness aspects of this bill. We've already determined it's going to be costly for

mhr
SENATE

37
June 2, 2009

taxpayers, but, Mr. President, the structure of this bill strikes me as unfair, as well, because the new workers are going to have to pay a lower or are going to get a lower wage than the existing workers, yet everyone is going to get healthcare. So, Mr. President, the current workers don't have to sacrifice anything to get the healthcare but the new workers, well, guess what, we kind of stick it to them. They're going to get paid less than our current workers so everyone can get healthcare. So, Mr. President, how is it fair to punish one group of workers with lower wages so that another group can get healthcare? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President. You know, Mr. President, just through you, to Senator DeBicella, I would love it, Senator DeBicella, if the new wage and the new workers could get the same wages as the old workers. But this was negotiated. This was part of what was negotiated because of the tough economic times we are in. The new workers will be doing the same work as the old workers who are currently under a contract; they will be getting less. And that was

mhr
SENATE

38
June 2, 2009

part of the negotiations.

And you know what, Senator DeBicella, there's some numbers here where it says using a very low employee turnover of 5 percent per year, which is only 30 new employees, the State could see a yearly savings due to the lower wage structure of 82,169 in 2010, and 116,465 in 2011. If there is an 8 percent turnover, that's only 50 new employees, then the savings kick in, in 2009 and in 2010, and the State could save \$274,446.

You know, through you, Mr. President, to Senator DeBicella, figuring math problems was not one of my strengths, so I have to rely on the factual figures that are given to me. I do respect your opinion; we just need to agree to disagree.

THE CHAIR:

Senator DeBicella.

SENATOR DEBICELLA:

Thank you, Mr. President. So, again, I have another line of questioning for Senator Prague, but I want to summarize two things. One is that when it comes to the numbers, the numbers are the numbers. So Senator Prague again said that these wage savings is about -- call it at the 8 percent rate, I believe she said 200,000-and-change; call it 250,000. If you save

mhr
SENATE

39
June 2, 2009

250,000 from the lower wage for new workers and you save \$1.7 million from avoidance of HUSKY, add those two together, it's about 2 million. That is still less from the 4.5 million that we would have to pay, assuming Taft Fund costs \$9000 per family, which is an incredibly low rate for health insurance in these day -- this day and age. And, Mr. President, I appreciate that Senator Prague is, you know, not a math major; neither was I. But I know that 4.5 million is greater than 2 million, and the costs of this are greater than the savings.

But, Mr. President, my question is about fairness. And Senator Prague said this was negotiated. Well, Mr. President, we have to vote on something today regardless of the negotiation, and I don't see how it's fair to new workers to say new workers have to pay lower wage for everybody to get health insurance but the current workers have to sacrifice nothing. And, Mr. President, why wouldn't we have all workers give up a little something to get the health insurance rather than just punish new workers at the expense of current ones or to -- for the benefit of current ones? Through you, Mr. President.

THE CHAIR:

mhr
SENATE

40
June 2, 2009

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, you know, Mr. President, to Senator Debicella, the State employees just agreed to concessions. They're giving up some days of work; they're taking furlough days. So the janitors are taking less in pay.

And in my dealings with the Taft-Hartley Fund, there's a copay of \$4000 per family -- for one person, and for a family it's \$6000, and the fund pays the rest. So perhaps with the fund being involved, there is less of a cost for healthcare for you to consider rather than what the commercial plans are charging.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President; through you, two things: One is that the numbers I used did assume the Taft Fund paying \$9000, not the commercial rate of 15,000, which actually makes complete sense if Senator Prague is telling me the copay is between 4,000 and 6,000, cause that adds up to about the commercial amount. Because, Mr. President, the truth of the matter is healthcare is healthcare; somebody has to pay for it, whether it's the Taft Fund, the

mhr
SENATE

41
June 2, 2009

copay or the taxpayer.

And so, Mr. President, I'm going to try a slightly different line of questioning because I haven't gotten an answer to my fairness question yet. And I haven't gotten an answer to why this is fair to charge new workers but not old workers.

Senator Prague mentioned this was negotiated. Who negotiated this, Mr. President? Who were the negotiating parties who negotiated this bill? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Debicella, the people who negotiate the Standard Wage Law; those are the people who also negotiated this new rate. And somebody has to speak for over 500 janitors.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Mr. President, I'll repeat the question: Who negotiated this; did Senator Prague negotiate this? Did union representatives negotiate this? Did the janitors negotiate this? Who -- when she says the standard wage people, who is that; is that somebody in

mhr
SENATE

42
June 2, 2009

OPM or DCD? Who -- the Senator claimed before, just to remind her, that when I asked how this was fair, she said it was negotiated.

SENATOR PRAGUE:

Yes.

SENATOR DEBICELLA:

Well, if her argument is it was fair because it was negotiated, I didn't negotiate this, and I'd like to know who did negotiate this. Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Mr. President, through you, to Senator Debicella, the standard wage is existing law and the wages are determined by the Labor Commissioner.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Okay, Mr. President. So let's return then to the logic Senator Prague has laid out, because now we're talking about the bill and the fact of whether we should have it or not. We've established, in my opinion, that this going to be costly.

Now let's talk about if this is a good bill,

mhr
SENATE

43
June 2, 2009

given the fact it's going to cost money. I asked why is it fair to hurt new employees to help the current ones; Senator Prague responded because it was negotiated, which, to me, is not a very satisfying definition of fair. I then asked, well, who negotiated it, and she says, well, it's existing law.

Well, Mr. President, I was given two answers, one that is unsatisfying, that fairness means whatever is negotiated, and in asking what's negotiated, she said its set by a labor council, which means it wasn't negotiated.

So, through you, Mr. President, I'll take the step back and ask Senator Prague again, how is it fair that we are only lowering the wage for new workers yet all workers are getting healthcare? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Debicella. Senator Debicella I don't blame you for being irritated with that last answer. The Standard Wage Law is a law. The Labor Commissioner determines the class -- the wages for the classifications. The negotiations for the wages was SEIU. I didn't give

mhr
SENATE

44
June 2, 2009

you that last sentence; I don't blame you for being irritated.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. I thank the Senator for her response.

So this was a negotiated settlement between SEIU and the Labor Commissioner that is before us today. And through you, Mr. President, then, does -- are the workers represented by SEIU? Are they under an organized union? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Debicella, that's my understanding.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. So, Mr. President, given the fact that the union then negotiated to protect its current members and hold them harmless at the cost of new members, who, by the way, don't get to vote for union leadership yet, how is that fair? How

mhr
SENATE

45
June 2, 2009

is that fair to the new workers to say you have to pay for everybody's healthcare? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, it's my understanding that SEIU represents the janitors. Things happen in negotiations; you do the best you can for your workers. When the Labor Department -- when the Commissioner establishes the classification -- the job classification, then you have to go on that basis. It's my understanding that these folks are represented by SEIU as well as the folks who work in the Hartford County area who are hired by private contractors.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. And I really want to thank Senator Prague for engaging with me, through you, Mr. President, to thank her for, you know, close to an hour now engaging you with questions with this. And I want to thank her for that.

Mr. President, speaking on the bill now, Mr. President, I believe that there are two large

mhr
SENATE

46
June 2, 2009

issues with the bill that are before us today that came out of my conversation with Senator Prague. One is an issue of cost and one is an issue of fairness; and both of those, Mr. President, lead me to believe that this is not the right way to cover the 500 families that she is mentioning.

Now, let me first say that I think everybody around this circle has a commitment to actually trying to cover everyone who is uninsured in the State of Connecticut. And we have very deep differences on how to do that. We had a -- quite a long debate on Saturday about whether it should be government-run healthcare or whether we should focus on cost reduction to make plans like Charter Oak and other low-cost plans available to the 6 percent of us who don't have insurance. So we're all committed to it, even though we go about it in different ways.

Well, Mr. President, the way before us today basically says we will cover these 500 families and two groups of people will pay for it, the taxpayers and new workers, new janitorial and landscape workers. The only group that doesn't pay for it is the 500 families who are getting covered. Mr. President, if you look at the structure of this, the numbers we ran through showed that the taxpayer will be on the hook

mhr
SENATE

47
June 2, 2009

for somewhere between \$2.5 million and \$7.5 million, depending on whose assumption you buy. In addition to that, new workers are going to have to be paid \$1.84 less an hour. And by Senator Prague's own calculations, those workers have to sacrifice a quarter-of-a-million dollars a year in wages for something like 50 workers.

So if you look at this, Mr. President, it is not structured properly. It is not structured in such a way that the people receiving the most benefit bare the most cost. The people receiving the benefit, who it is worthwhile to try to figure out how to get 500 families healthcare, it's very worthwhile, but they don't pay for it. The taxpayer pays for it and new workers who haven't even yet been hired are going to pay for it.

So, again, Mr. President, rather than attacking the root cause of uninsurance, what this bill seeks to do is it seeks to cover it on the back of the middle-class taxpayers and the backs of janitors, on the backs of landscapers, on the backs of the people who are going to be joining in the future so that the current workers can get healthcare. Mr. President, that is a bad agreement. That is a bad agreement that hurts working class families who are going to be

mhr
SENATE

48
June 2, 2009

janitors and landscapers but aren't in the union now. And it hurts middle-class families who are going to have to pay for this through higher taxes.

So, Mr. President, I applaud Senator Prague for her initiative. I applaud her for her passion. I applaud her for wanting to try to help these families, because I think we all do, but the bill before us today is not the right way to do it, and I stand in opposition. Thank you, Mr. President.

THE CHAIR:

Thank you, Senator DeBicella.

Senator Witkos.

SENATOR WITKOS:

Thank you, Mr. President. If I may, a few questions to Senator Prague.

THE CHAIR:

Senator Prague.

SENATOR WITKOS:

Thank you, Mr. President. I apologize for the short moment that Senator Prague had to sit down, but I wanted to go back a little bit because I was a little confused by the discussion between the two Senators.

When somebody is hired, I guess as a custodian, are they hired into -- are they a State employee? Are

mhr
SENATE

49
June 2, 2009

they hired by a private contractor? What is their status and who does that hiring? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, they are not -- to Senator Witkos -- they're not a State employee. They're not a State employee who gets a State -- on the State payroll, gets State health insurance. They are represented by a union, and the private contractors hire these folks to clean the State buildings. It's they work for the private contractors, and SEIU has negotiated the benefits for them so that when the private contractor hires them, they know what they're paying.

THE CHAIR:

Senator Witkos.

SENATOR WITKOS:

Thank you, Mr. President. Is this similar to somebody that, I guess, would get a union card, be a laborer, and then a contractor would go to the labor hall and say I need X amount of employees for today to come out and do this job, and that -- the wages are established? I didn't quite understand --

mhr
SENATE

50
June 2, 2009

SENATOR PRAGUE:

No, these are --

SENATOR WITKOS:

-- what you're saying there, and I was using it as an example.

How does one -- I guess, let me rephrase that, Mr. President. How does a private contractor get the bid to work to do the custodial grounds, maintenance here on the grounds in the State Capitol and any other State buildings? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, that private contractor negotiates with legislative management. They hire the contractor to do the work, like the people who pull out those beautiful tulips. Those landscapers, they belong to a company, and the company is hired by legislative management to do the work in this building.

To do the work in other State buildings, DPW must hire those contractors to clean the State buildings. Contractors have to have workers, and the workers are part of SEIU who negotiates for the workers.

THE CHAIR:

mhr
SENATE

51
June 2, 2009

Are you -- Senator? Okay.

SENATOR PRAGUE:

Is that --

THE CHAIR:

No -- Senator Witkos.

SENATOR WITKOS:

Thank you. Is it -- and I don't know if I'm getting the phrase right, but would this be a -- it would be considered like a closed shop that you can't do the work unless you're a member of the SEIU to be hired to do this work?

And I'll give you, for an example, Senator Prague -- through you, Mr. President -- say I own my own custodial company and I wanted to bid through DPW or through legislative management to put into a contract, and I was awarded it. Would my employees that I hire now fall under the contractual obligations of SEIU? I guess that's where I'm going. Do you have to be a member of that in order to get this contract? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Witkos, I don't know the answer to that. I would imagine it

mhr
SENATE

52
June 2, 2009

goes out for a competitive bid. I don't know if it has to be a union group.

If you ask me, I think that unionized workers get better protection. They get better wages. They get better benefits. The contractors who do the work in Hartford County are all -- have all of these janitors who belong to SEIU -- and the Local Number is SEIU 32BJ -- who negotiate for all of these people. Otherwise, you have each individual; I mean, I can't imagine not having an organized group, to tell you the truth.

THE CHAIR:

Senator Witkos.

SENATOR WITKOS:

Thank you. Through you, Mr. President, is this -- and unfortunately I don't have the bill in front of me on my laptop in front of me -- just pertain to Hartford County or would it extend to other State buildings throughout the State of Connecticut?

SENATOR PRAGUE:

This pertains to --

THE CHAIR:

Senator --

SENATOR PRAGUE:

-- every --

mhr
SENATE

53
June 2, 2009

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Excuse me, Mr. President.

THE CHAIR:

That's quite all right, ma'am.

SENATOR PRAGUE:

Through you, to Senator Witkos, these folks are cleaning every State building in every place in this state.

THE CHAIR:

Senator Witkos.

SENATOR WITKOS:

Thank you, Mr. President. I thank the Senator for her answers.

So let me see if I get this correct. It's very complicated. If -- I don't know. Do you know if the contracts, I guess, are up annually or how often are those contracts awarded or they're reviewed, through you, Mr. President, for these services?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, I don't know if they're an annual contract. They may be for two

mhr
SENATE

54
June 2, 2009

years. They may be for three years. I don't have the answer to that, but whenever the contract comes up, the union will negotiate for these people. And, fortunately, we have a union who realizes the economic stress we're under and has negotiated wages that are less than what the janitors, who were hired before July 1, of '09, were getting. I give the union credit. They recognized the fact that we're in a predicament.

SENATOR WITKOS:

Thank you. And I --

THE CHAIR:

Senator Witkos.

SENATOR WITKOS:

Thank you, Mr. President. I guess I give credit to those that negotiated it, in that they're the ones -- I guess I agree with Senator DeBicella there, that if we're gaining a benefit, then everybody should probably share in the cost of that benefit. And I don't believe it's fair to the new employees that come on board that they're going to be subject to \$1.84 an hour less for doing the same type of work. And when we had a bill before this General Assembly, equal pay for equal work, and we're saying that because your tenure is here, it's only a year or two years, you're

mhr
SENATE

55
June 2, 2009

going to be paid less than those that have been here, just because the luck of the draw that they got to be hired prior to July 1, this year. And I don't really think that's fair. They're going to be doing the same amount of work.

But, through you, Mr. President, if -- does the SEIU bargain collectively for all the other benefits of the custodians? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, I would have to venture a guess. I'm not sure exactly how the Taft-Hartley Fund plays into this overall issue.

But I do know that SEIU was able to get the health benefits -- which are so important -- and paid holidays -- like every one of us -- and, let's see, vacation time, I think, normal benefits that normal workers get. The most important, though, is the fact that they were able to negotiate for the health benefits, because last year the additional 30 percent that we were paying was not enough to cover the health benefits. And, consequently, the janitors lost their health benefits, and we had to come up with some money in order to make sure that their families were

mhr
SENATE

56
June 2, 2009

covered.

THE CHAIR:

Senator Witkos.

SENATOR WITKOS:

Thank you, Mr. President. Would Senator Prague concur that the wages generally paid in southeastern Connecticut may be higher than that -- than those paid in the Hartford County; Fairfield County wages are generally higher than those paid in Hartford County? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, I didn't hear your question, Senator Witkos.

THE CHAIR:

Senator Witkos, could you repeat your question, please?

SENATOR WITKOS:

Certainly.

THE CHAIR:

Thank you.

SENATOR WITKOS:

And would agree that wages that are paid to individuals in Hartford County are substantially less

mhr
SENATE

57
June 2, 2009

than individuals paid in Fairfield County? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

That the wages paid in Hartford County are substantially less than what they're paid elsewhere?

SENATOR WITKOS:

Than Fairfield County, for example.

SENATOR PRAGUE:

I don't know.

THE CHAIR:

Through the Chair, folks.

SENATOR PRAGUE:

I'm sorry, Mr. President.

THE CHAIR:

That's quite all right, Senator Prague.

SENATOR PRAGUE:

It's like we're having a conversation here.

THE CHAIR:

I understand. I feel that way (inaudible) --

SENATOR PRAGUE:

Sorry about that. I don't know exactly what the wages are in every area of the state. We'd have to get that information from Legislative Research.

mhr
SENATE

58
June 2, 2009

THE CHAIR:

Senator Witkos.

SENATOR WITKOS:

Thank you, Mr. President, and we've -- I've seen reports through either DRS or PRI that's done some studies on the Connecticut Income Tax paid, and statistically we know that the pay of folks that live down in the Fairfield County region are substantially higher than those that live up in this end of the state.

And the reason why I bring that up, Mr. President, through you, to Senator Prague, is Senator Prague stated that this affects all building in the State of Connecticut, not just those in Hartford County. And my point is that under this law or bill that's being debated today, it's based on the wages in the Hartford County. So if those employees that are cleaning buildings down in the Fairfield County region of the state, they're getting paid the same amount of money as the Hartford County wage earners, then their wages statistically would be substantially less than those of their counterparts in their part of the state. Is that not correct, through you, Mr. President?

THE CHAIR:

mhr
SENATE

59
June 2, 2009

Senator Prague.

SENATOR PRAGUE:

Mr. President --

THE CHAIR:

Yes, ma'am?

SENATOR PRAGUE:

-- through you, to Senator Witkos.

Senator Witkos, did you ask me if the wages were different in every area? Is that what you said? I was busy reading this, which I want to read back to you, cause this is very interesting. Would you repeat your question?

THE CHAIR:

Senator Witkos.

SENATOR WITKOS:

Certainly, Mr. President. And, through you, it's kind of a lengthy question. We know, statistically through the Department of Revenue Services, that folks that live down and work down in the Fairfield County region of the state make more money than the folks that live and work up in this area of the state. And in an earlier question I had asked you if there was a difference, depending on what State building you worked in. And, Mr. President, through you, Senator Prague, you had said that everybody -- it

mhr
SENATE

60
June 2, 2009

doesn't matter what State building you work in, you get paid the same amount. And then I was -- I just need -- got the bill handed to me, so I was quickly trying to read it. And it says that the prevailing rate of wages is based on the Hartford County wage.

So my question, Mr. President, through you to Senator Prague is: Wouldn't that be disadvantageous to the folks that work in Fairfield County, cause their wage is going to be based on Hartford County, not the county that they actually work in? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Witkos, it probably will. But, you know, they'll be glad to have a job. There are lots of people in this state that don't have jobs, whether you live in Fairfield County or Hartford County.

THE CHAIR:

Senator Witkos.

SENATOR WITKOS:

Thank you, Mr. President. Was there anything in the bill -- and I didn't get a chance to go through it totally -- or through your conversations with the

mhr
SENATE

61
June 2, 2009

folks at the Department of Labor as to the number of individuals, I guess -- I understand it's a 8 percent or a 10 percent -- I've heard varying degrees of turnover, and based on your statement that you just made, Senator Prague about how people are glad to have a job, do we anticipate a reduction in the turnover rate of -- in this classification of employees?

Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, historically there has been a turnover of between 5 and 8 percent. What this present economy will do in that regard is anybody's guess. If people can better themselves, they will. If they can't and they need the job, they'll stay with their job.

THE CHAIR:

Senator Witkos.

SENATOR WITKOS:

Thank you, Mr. President. If Senator Prague just could help me out a little bit on prevailing wage rates. My understanding of prevailing wage rates was when a company was bidding a job and it had State funds or federal funds to pay for it, then they had to

mhr
SENATE

62
June 2, 2009

standardize the wage rate for everybody. Now, if this is the normal day-to-day operation, how does the -- how does this prevailing wage rate come into play on this if this is just their -- it's not a specific project, it's their work? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Mr. President, through you, to Senator Witkos, this is not building anything for the State. The prevailing wage pertains when there's a renovation of a building or a new construction.

But I would like -- I think your questions are very intuitive and interesting, and there is a part of the OLR report that talks about -- if you'd like to take a look at that -- which has just come to my attention, where it says employees' pay determined in two ways: The new wages and benefits affect standard wage contract workers hired after July 1, 2009.

Employees already working for standard wage employers on or before that date will be paid the same hourly wage, based on the current Standard Wage Law. But we know that after July 1, that will change. Under the bill, if there is no private sector union contract for at least 500 employees in Hartford County doing the

mhr
SENATE

63
June 2, 2009

same work, then the wage rate determined in the current Standard Wage Law will apply.

Under the current Standard Wage Law, the Commissioner sets the hourly rate for all job classes, based on those identified in the Federal Register of wage determinations plus a 30 percent surcharge to represent the cost of health and retirement benefits. The employer either provides benefits equal to the 30 percent surcharge or pays the employees the additional 30 percent in pay.

THE CHAIR:

Senator Witkos.

SENATOR WITKOS:

Thank you, Mr. President. And thank you, Senator Prague. And that's the provision of the bill that I was asking through my line of questioning, trying to ask the question as I was reading the bill, since I hadn't seen it before.

Through you, Mr. President, could Senator Prague please describe what would happen if a contract -- contractor decided not to continue for whatever reason and there was a successor contract? I saw in the bill that it says that you cannot discharge an employee for 60 days. And there was some provisions, as to how many hours that employee served. However, after the

mhr
SENATE

64
June 2, 2009

90-day grace period, as long as that employee had a satisfactory rating, then that person could not be discharged until the conclusion of the contract. And through you, Mr. President, to Senator Prague, how would one determine a satisfactory rating?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Witkos. Senator Witkos, the employer determines a satisfactory job. If you're performing your job and doing it well, you know, that's fine, you keep your job because your employer needs good workers. If you're goofing off and not doing the job the way it should be done, then that's not satisfactory.

And there's also a provision in here -- and as soon as Senator DeFronzo gets back in the chamber -- there's a provision in here to protect the disabled who are also part of this -- of these contracts. So we'll deal with that as soon as Senator DeFronzo, who worked this out with Senator Cook in this chamber a few years ago to make sure that the disabled are protected. And this bill does that.

THE CHAIR:

Senator Witkos.

mhr
SENATE

65
June 2, 2009

SENATOR WITKOS:

Thank you, Mr. President. I thank the gentlewoman for her answers.

THE CHAIR:

Thank your, sir.

Senator Fonfara.

SENATOR FONFARA:

Thank you, Mr. President. Good afternoon.

THE CHAIR:

Good afternoon.

SENATOR FONFARA:

Mr. President, I rise in support of this bill, strongly, and I want to thank the leadership and Senator Prague, not only for her valiant efforts over the last couple of hours -- and I'll try to give her a moment's rest -- but also because of her leadership this past January and in shepherding this bill to getting it to this point.

Mr. President, this bill addresses the -- frankly, the interpretation in the law that would cap the percentage of compensation, essentially establishing a -- it is a ceiling for healthcare and pension benefits as opposed to what I believe is the correct interpretation, the floor. But this bill addresses that interpretation.

Mr. President, in maybe a few days, maybe a few weeks, maybe a few months, we will be passing a budget -- I'm somewhat optimistic we'll get there at some point -- in the neighborhood of \$18 billion. And a large percentage of that will involve direct employee wages, healthcare, and pension benefits, duly earned, and that appropriate. Also a large part of it, as Senator Prague indicated, it will involve the wages, healthcare, and pensions for indirect employees working on behalf of the State, nonprofit organizations and, in fact, for-profit organizations. And that too, is appropriate. And, in fact, if we didn't do that, many of the workers that I'm speaking about would take their wares elsewhere; they wouldn't work either directly for the State of Connecticut or on behalf, indirectly, for the State of Connecticut.

Mr. President, some years ago I stood in this chamber, and with some of my colleagues, when we were debating a substantial investment in the City of Hartford, known as, then, Adriaen's Landing. The State was about to invest some \$775 million to construct a convention center, a hotel, parking garages, housing, and retail on a site somewhat east of this building. And at the time some of us argued that the workers in the hotel who would be cleaning

mhr
SENATE

67
June 2, 2009

that building, cleaning the toilets, cleaning the bathrooms, changing the sheets in the beds for people coming from all over the country, in fact, maybe all over the world, would have conditions that would be appropriate for people spending their money here in the City of Hartford. We advocated that those workers who would be doing that should have the right to organize, the right to organize or not to organize, to be able to be represented as a group when it came to addressing fair wages and working conditions, healthcare benefits, and the like.

Mr. President, we were defeated in that by the opposition of the administration at that time. I was saddened by that effort because I believe that the workers there in the hotel ought to have the right and the ability to someday take a trip with their families and to visit a hotel and have the ability to pay for that, and to enjoy living conditions and have the dignity to care for their families, and when their children ask them where we going this summer, that they too could enjoy some of the benefits that this country allows.

Mr. President and members of the chamber, if you glance up into the gallery here today you will see a number of those people that we're -- we've been

mhr
SENATE

68
June 2, 2009

debating about here today. This isn't about some faceless or nameless number that is on page 762 of some budget book; these are real, live people, many of whom I represent, who have families that they go home to, not every night as we will, hopefully, but every day because very often when we leave here, they're coming to work. And many work all night long. They keep this building clean and many of the buildings of the State of Connecticut. And they're keeping offices clean of people who enjoy and have earned a decent wage, decent healthcare benefits, and decent pensions.

And I believe and I hope every member of this chamber believes as well that the ladies and gentlemen above here, in the gallery, and their coworkers who are not here today and their families, deserve no less, Mr. President. I urge the chamber to strongly support this bill. Thank you, very much.

THE CHAIR:

Thank you, sir.

Senator Gomes.

SENATOR GOMES:

Thank you, Mr. President. I've heard a lot of so-called facts being spewed here today about this bill and why it is being presented, and one of the things that we talked about was the fairness of the

mhr
SENATE

69
June 2, 2009

bill. This bill, it said in 1999, the State passed the Standard Wage Law to ensure a livable wage with health insurance, pensions, and the like to all contracted workers, those employees who work for companies that contract with the State. In a standard wage -- the standard rate of wages for any employee entitled to receive such rate on or before July 1, 2009, shall not be less than the minimum hourly wage for the classification set forth in the Federal Register, a wage determination under the Service Contract Act plus a prevailing rate of benefits for such classification for as long as that employee continues for a required employer.

It was stated here today that because of a two-tiered system, some employees would pay along with the taxpayers for the employees who are already employed. I wish, when I was negotiating contracts that I could have used that argument against some of the companies that I negotiated, because whenever we ran into a two-tiered system, it was the company's idea and not ours.

Contracts are negotiated to get the best determination for your employees that you can, and sometimes people do accept two-tiered systems. Punishing an employee who comes in to work under a

mhr
SENATE

70
June 2, 2009

two-tiered system? You don't do that because of the simple fact he's not an employee yet. He has a right to accept the two-tiered system when he comes in or not. For a 90-day period, he's not even an employee, he's a probationary employee, and he has to meet all the requirement of that probationary period. Up until he completes that, he's what you call an "at-will employee." The only way he can be stopped from being terminated during that period is if the company discriminates against him.

When they talk about the unfairness of the -- this contract or this bill, unfairness was already set forth when other people were doing the same type of work that these people were doing and getting more of a rate than these people were, and benefits. We're not looking to hurt any new employees; we're trying to make things right for the employees that are already working for this State -- now working for the State, so to speak, they're working for contractors who contract with the State.

I see emphasis was placed on what the union has done for these -- for the workers, even though they are working for private contractors. That's the union's job to look out for their workers.

When we gave \$250,000, I think it was a few

mhr
SENATE

71
June 2, 2009

months ago, to stave off what was happening to these employees who would be forced to seek healthcare benefits elsewhere, mainly to go on the HUSKY program, and as Senator Prague stated, would run up a cost to the State, about \$1.6 million. And that's only based on 321 dependents and 150 spouses.

When you talk about whether this is fair or not, where would be the fairness if we did nothing and the status quo remained that was in place prior to us putting up the \$250,000? We're trying to cure something and put in place something that will be beneficial to the employees that are affected and also to the State, itself.

I, particularly, have become friends with one employee; I see him all the time in this building. I see him in the LB. And I remember when he came to testify before our committee. He had a little daughter; she must be about 4 years old. And as he testified, he testified on a -- lengthwise, on the whole bill, itself. And after he finished, he turned around. His daughter was sitting about 25 feet in back of him. He looked there, back at her, and he says, what do we want? And the child yelled out, justice. And that's all we are seeking here today, trying to amend a situation that was unjust and make

mhr
SENATE

72
June 2, 2009

justice for the employees that are working. And you see them every day; you walk past them and you don't realize that they are in a plight.

I rise to support this bill. It is a good bill, meant for good people, who are doing a good job for a good state. Thank you.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

Thank you, Mr. President. If I may, just a couple of questions, through you, to Senator Prague.

THE CHAIR:

Senator Prague.

SENATOR RORABACK:

Thank you --

THE CHAIR:

Please proceed.

SENATOR RORABACK:

-- Mr. President. This area is one that the State has -- there's been an evolution in the State's role with respect to private contractors doing work in State buildings. And through you, to Senator Prague, is -- am -- is my recollection correct that we started by saying that anyone who is going to work for the State of Connecticut as a private contractor helping

mhr
SENATE

73
June 2, 2009

in the maintenance of our buildings, that we, as a state, were going to insist that there be a minimum wage level for those workers? Through you, Mr. President, to Senator Prague.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Roraback. That's my understanding, Senator Roraback.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

Thank you, Mr. President. And my recollection is I think we called that the Standard Wage Bill. Through you, Mr. President, to Senator Prague, is that right?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Roraback, yes.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

Thank you, Mr. President. I -- we may have done

mhr
SENATE

74
June 2, 2009

that five years ago, four years ago? I remember a
Bradley Airport issue --

A VOICE:

Since --

SENATOR RORABACK:

-- once, but was it approximately four or five
years ago, to the best of Senator Prague's
recollection?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Roraback,
I think you're correct. The years go by so fast, it's
hard to keep track.

THE CHAIR:

That usually happens when you're having fun,
Senator Prague.

Senator Roraback.

SENATOR RORABACK:

Thank you, Mr. President. In that case, this
year is going faster than all other years.

THE CHAIR:

There you go.

SENATOR RORABACK:

Mr. President, through you to Senator Prague, and

mhr
SENATE

75
June 2, 2009

then one of the unintended consequences, as I understand it, of our Standard Wage Law was that we, by requiring that workers for these private contractors be paid a certain wage, all of a sudden the people that worked for these companies made too much money for them to be eligible for HUSKY. Through you, Mr. President, to Senator Prague, is that -- is my recollection correct on that?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, the HUSKY issue was not part of the standard wage issue. They -- people who worked under the Standard Wage Law also got 30 percent in addition to their standard wage for benefits, for healthcare, for pension benefits. And the problem with the 30 percent is that with the cost of healthcare, the 30 percent additional money doesn't pay for the cost of their healthcare.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

Thank you, Mr. President. Now it's coming back to me. So last year we realized that that 30 percent was inadequate --

mhr
SENATE

76
June 2, 2009

SENATOR PRAGUE:

Right.

SENATOR RORABACK:

-- for those workers, for the employers to have sufficient money to procure health insurance for those workers. And were they also not eligible for HUSKY, Mr. President, through you to Senator Prague, because of their wage structure?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

You know, there are -- through you, Mr. President -- there's HUSKY A, which is for people who are at 185 percent of poverty. Then there's HUSKY B -- I mean, and HUSKY A covers the parents and the children. Then there's HUSKY B, which is for people who are at a higher income rate, but it's just for children. So whether the wages of these janitors would put them into HUSKY A or put their children into HUSKY B, I would have to figure that out according to what they're getting for wages. But putting them into HUSKY, Senator Roraback, would cost us a lot more money.

THE CHAIR:

Senator Roraback.

mhr
SENATE

77
June 2, 2009

SENATOR RORABACK:

Thank you, Mr. President. And my guess is, Senator Prague, my recollection is that up to 300 percent of poverty, you're eligible to participate in HUSKY B, but only children. And up to 185 percent -- and my guess is, through you, Mr. President, that because of the -- of our Standard Wage Law, few of these families are earning less than 185 percent of poverty, so HUSKY A is probably not an option for them. Mr. President, through you to Senator Prague --

THE CHAIR:

Senator Prague.

SENATOR RORABACK:

-- is that -- does she think -- does she --

THE CHAIR:

Oh, I'm sorry.

SENATOR RORABACK:

-- concur that that's probably the case?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, that's probably the case --

THE CHAIR:

Senator Roraback.

mhr
SENATE

78
June 2, 2009

SENATOR PRAGUE:

-- so that even -- I'm sorry. Through you --

THE CHAIR:

That's okay.

SENATOR PRAGUE:

-- Mr. President, to Senator Roraback, even though the children might be eligible for HUSKY B, the parents wouldn't be. And these people need healthcare, just like we need healthcare.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

Thank you, Mr. President. And is it the case that these private -- for private contractors that have contracts to clean our buildings, they employ individuals who, as I understand, it may be members of labor unions, through you, Mr. President? And it is the case that the labor unions which represent these individuals have been unable to bargain for these workers to have healthcare coverage? Through you, Mr. President, to Senator Prague.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Roraback,

mhr
SENATE

79
June 2, 2009

I can't answer that truthfully. I was not aware that the bargaining for more than the 30 percent, which is usually what's allowed for healthcare and other benefits, was part of this bargaining process. Somehow or other the Taft-Hartley Fund is involved with this, and I'm really not clear how that works.

I do know that if we don't provide the healthcare benefits, these people would have to go on HUSKY. In this new contract, with lowering the wages of the new employees, they were able to bargain for the benefits.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

And so, through you, Mr. President, am I to take from that, that means today they are enjoying health insurance benefits, through you, Mr. President, to Senator Prague?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, if you're asking me if the current janitors have health benefits, we provided \$250,000 to carry them only till the end of June. As of the end of June, this bill doesn't pass, nobody has healthcare.

mhr
SENATE

80
June 2, 2009

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

Thank you, Mr. President. And I certainly agree with Senator Prague that it is appropriate and desirable that these individuals be given the benefit of healthcare coverage, and it would be my expectation that as part of the collective bargaining process, that their union in negotiating with their employer would insist that that be a benefit that they deserve and that they would be able, if they wanted to, to bargain for lower wages in exchange for healthcare. And through you, Mr. President -- good afternoon.

Senator McDonald in the Chair.

THE CHAIR:

Good afternoon, Senator Roraback.

SENATOR RORABACK:

Through you, Mr. President, to Senator Prague, does she concur that in most situations, it's the collective bargaining process that we look to, to do justice for workers that are members of labor unions? Through you, Mr. President, to Senator Prague.

THE CHAIR:

mhr
SENATE

81
June 2, 2009

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Roraback, if I heard your question correctly, members of the unions in their negotiations have contracts that provide them with the benefits that they need. And if it weren't for the unions, they wouldn't have this. My answer to that is yes, you're absolutely right; it's the unions that protect their wages and their benefits.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

Thank you, Mr. President. And my question, through you to Senator Prague is: Would it -- it's not unreasonable to expect that the union representing these individuals would make it a priority in the collective bargaining process to make sure that they're covered with adequate health insurance. Through you, Mr. President, to Senator Prague.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Roraback, yes.

mhr
SENATE

82
June 2, 2009

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

Thank you, Mr. President. Then would that mean that in this particular case that for some reason the union hasn't achieved what we would hope they might achieve to protect these workers, through you, Mr. President? Because we're here today having to pass a bill to procure healthcare because for some reason, unbeknownst to me, perhaps known to Senator Prague, the union wasn't able to provide them with those benefits. Through you, Mr. President, to Senator Prague.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Roraback. If that contract was negotiated three years ago, for instance, the 30 percent which was negotiated -- they have to get 30 percent in addition to their wages to provide for their benefits -- look what's happened to the cost of healthcare. If healthcare hadn't gone up, you know, to where it is today, to where it's so unaffordable for many people, we wouldn't have this problem. The contract that the union negotiated with

mhr
SENATE

83
June 2, 2009

the 30 percent would have been fine as it was for a while, you know, for years. But here we are in a predicament where we as a body are trying to look for a way to provide healthcare for everybody in this state, and it's the cost of healthcare that's been really part of the problem that we're facing here and trying to rectify.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

Thank you, Mr. President. I appreciate Senator Prague's answers. And I think Senator Prague and I share a common goal which is, I think, a wise goal both with respect to what we as human beings should want for one another and what we, as a state, should aspire to for our policy.

But, Mr. President, I have to respectfully part company with Senator Prague because I don't think that the Legislature should be reaching its arm into matters which are typically the subject of collective bargaining either way, either to strip away benefits or to confer additional benefits. And so, Mr. President, I respectfully am going to oppose this bill in the hope that the individuals, who are working, represented by their unions, will go to the

mhr
SENATE

84
June 2, 2009

negotiating table and insist on being provided with an adequate package of health insurance coverage.

And I thank Senator Prague, as always, for her answers, and I thank you, Mr. President, for your presiding over our conversation. Thank you.

THE CHAIR:

Thank you.

Would you care to remark? Senator DeFronzo.

SENATOR DEFRONZO:

Thank you, Mr. President. Mr. President, I want to just turn the clock back a few years on this issue and first say that the, you know, when Welfare-to-Work and Welfare reform was a popular issue in this building, the State made a lot of commitments to a lot of people. We told people if they got off of Welfare and went to work, we'd help them with child care, we'd help them with transportation subsidies, we would help them with healthcare. And over the years, quite frankly, through the evolution of the Jobs First program and the downscaling of the Jobs First program, the downscaling of all our supports, the State has reneged substantially on those commitments to help low-income workers.

And the people we're talking about today, many of them have come off of Welfare and into productive

mhr
SENATE

85
June 2, 2009

employment. And it troubles me a great deal that when we hear the debate today that in some way their -- the accomplishments of these individuals, the work ethics of these individuals is somehow not given appropriate acclimation. These folks have come here. They've worked hard. They played by the rules. They've gone into the private sector. They don't want to be on State assistance. They don't want to be on HUSKY. They're trying to avoid falling back into Welfare. And we're having this debate that's now gone on for close to three hours, and why? These folks are trying to make a living in our society, playing by our rules, and they deserve our help.

I also want to just mention, three years ago, this body was almost shut down. It's not too rare these days but back then it was kind of rare, when Senator Cook, at the time, and I had a very serious disagreement over what we were going to do with the disadvantaged workers, janitors, and disabled workers and how we were going to try and come up with a program to integrate the needs of both groups. And one of the very good pieces of legislation that we passed after three years, with the help of SEIU, the help of the provider agencies was a Disadvantaged and Disabled Workers Opportunity Act, and it called for

mhr
SENATE

86
June 2, 2009

the creation of qualified partnerships in which disabled workers would be integrated into the janitorial programs that we're talking about today.

And these disabling workers would come off of their training program, be integrated side by side with private sector janitorial workers, earn the prevailing wage, which was a huge, huge increase in their salary benefits -- their health benefits, incidentally, are paid through other sources -- but they would get the benefit of working in the private sector, respectable jobs alongside of their fellow janitors, for a much higher wage.

And this bill will, I believe -- and that program has been somewhat successful, thanks to the cooperation of the two bodies, the private providers; DAS has played a role in that, and of course, SEIU. But the provisions of this law, interesting enough, I think will actually assist in expanding the success of that program, because as the standard wage in the future becomes somewhat reduced, it's going to be more attractive for the contractors here to hire and integrate more disabled workers into the -- into these work forces. It'll be more economical. It'll be more of an inducement for them to do that.

So this program, this legislation has all the

mhr
SENATE

87
June 2, 2009

good intent and benefits that Senator Prague had talked about. It also has, I think, the added likelihood of providing additional employment opportunity for the disabled, a project which we initiated here three years ago, has been somewhat successful and I think can be expanded to even greater levels of success through the implementation of this bill.

So I stand in support of this bill. I think, again, it is a recognition of the hard work and work ethic of the individuals that are here. Some are -- some of them are here today and have been here in the halls of this chamber supporting this bill. And I hope we do pass it, and I hope we do pass it soon. Through you, Mr. President.

THE CHAIR:

Thank you.

Would you care to remark? Senator Kissel.

SENATOR KISSEL:

Thank you, very much, Mr. President. Great seeing you up there; can't recall that I've seen you up there that often.

I rise in a -- and, in general, although I have some questions I want to follow up with, but to my mind, this strikes me as a sensible approach to a

mhr
SENATE

88
June 2, 2009

difficult issue. And I'm very sensitive to the remarks made just now by Senator DeFronzo.

I've been lucky enough to serve the people of north-central Connecticut in this chamber for 17 years, and so I can recall those days where we did initiate Welfare-to-Work proposals; in fact, I believe the State of Connecticut led the nation in those initiatives back in the middle six -- 1990s.

I will say this, though, while I have a few questions, I think what we have here is a construct that will be beneficial. Yes, you know, you talk about official lobbyists in the building; yes, indeed, but there -- you know, I'm the kind of guy that I don't mind stopping and chatting with the janitors. And there's gone -- there's been some janitors over the last couple of years that I've chatted with about this very issue. In fact, it was about a year ago that one of the very nice individuals had a picture taken with me while I was holding his daughter, and we chatted over the last several months about this proposal.

I think the notion that Senator Prague had stated, that if we don't act on this right now these folks will not have any healthcare after the end of June, is an important consideration. And when you

mhr
SENATE

89
June 2, 2009

chat with some of these folks, it's not just these folks. You know, as I indicated, that when I was -- one of the individuals who is a janitor over at the Legislative Office Building, in here at the Capitol, brought in his daughter, beautiful little girl. Well, it means healthcare for them too. It means healthcare for the entire family.

How we're going to get our arms around that intractable issue going forward; it's going to be difficult. It's going to be difficult, as we in here in the State of Connecticut, and it's going to be difficult as a nation. In debates that we had just this last weekend regarding Sustinet and other proposals, I am concerned about trying to devolve into a Canadian-style healthcare system. I mean, it sounds good that everybody would have healthcare but when you realize you might be on a waiting list for many months just to receive basic treatments. And if you have something complicated, then all of a sudden people with the wherewithal will fly back to the United States to try to get that treatment. But if you don't have those resources, you're out of luck. And so I'm of the belief that if we all work on this together, we can make some real strides.

Under the statute that we have before us, it's my

mhr
SENATE

90
June 2, 2009

understanding that it'll be based upon the Service Employees International Union Local 32BJ -- and I got to believe that BJ is just -- and short for building janitors -- but that Local simply -- just recently, January 1, of 2008, entered into a contract with the Hartford Area Cleaning Contractors Association that is in force until December 31st, of 2011.

And so, to my mind, since that particular union contract is in force right now and that SEIU Local 32BJ has over 500 members, that it's my understanding, through you, Mr. President, that this language in this bill was tailored so that it would fit, almost hand in glove, such that the terms of that agreements would apply to these folks that are serving us here in the Capitol and throughout other State buildings. Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Thank you, Mr. President. Through you to Senator Kissel, the answer is yes, Senator Kissel.

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Thank you, very much. And God forbid there was

mhr
SENATE

91
June 2, 2009

some kind of huge problem in the -- in our capital city where buildings were vacant and this -- for some -- from whatever reason, this contract became null and void, that under the terms of the statute that the current rules regarding standard wage would then kick in but absent that, as long as this particular union agreement is in force, that this one would prevail. Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Kissel, yes.

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Thank you. Now, regarding the computation of the wages by the Commissioner of the Department of Labor, Senator Prague pointed out that one of the things that was really a -- problematic -- and I'm not so sure that we've completely solved the issue -- but was that the Commissioner will come up with the appropriate wage rate for individuals hired both before July 1, 2009, and afterwards. And I'm going to get to that in a little bit regarding the change in the job

mhr
SENATE

92
June 2, 2009

classifications, but if there was no provision for healthcare, it's my understanding that there's a surcharge added into that hourly wage determination of 30 percent but that that 30 percent not only covers medical, surgical or hospital care but disability or death, unemployment, pension benefits, vacation, holiday and personal leave, training, and legal services. Is that correct, through you, Mr. President?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Kissel, if you're asking me if the 30 percent is supposed to cover all of those benefits -- is that what you asked me, Senator Kissel?

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Through you, Mr. President, yes.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

That's my understanding.

THE CHAIR:

mhr
SENATE

93
June 2, 2009

Senator Kissel.

SENATOR KISSEL:

Thank you, very much. And as Senator Prague, I think, very correctly noted, with the increase in costs of healthcare, then that in and of itself probably could gobble up the 30 percent, but when you add in all these other things, such as pension benefits, unemployment benefits, legal services and vacation time, I think that 30 percent is highly optimistic that that amount of money could cover all of those things.

And so it strikes me as a more appropriate approach, and I think the one that is being followed in the underlying legislation, that utilizing the Local 32BJ contract addresses those concerns and that if we utilized the 30 percent surcharge mechanism, I'm not so sure that that 30 percent surcharge could cover all of those items, let alone just the healthcare item. Would that be a fair characterization, through you, Mr. President?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Kissel. Senator Kissel, was your question that you were

mhr
SENATE

94
June 2, 2009

wondering whether the 30 percent was going to cover all of those benefits? Is that what you asked me?

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Thank you, very much. Let me rephrase my question.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Would you please?

SENATOR KISSEL:

It's my understanding that we're going to be -- should this bill go forward and be signed into law, that we'll be following the parameters set forth in the SIU Local 32BJ contract that was entered into January 1, 2008, and that will expire December 31, 2011, and that's the one with the Hartford Area Cleaning Contractors Association. And, in other words, our State, the folks that clean our buildings here are going to be following what has been set up as far as benefits and wages and everything that had already been negotiated between the Hartford area group and the Local, 32BJ and that all of these other items, I'm guessing, are covered in that

mhr
SENATE

95
June 2, 2009

contract.

But -- and if we had to for some reason not do it that way, the statute as proposed says, well, the Commissioner could do the 30 percent surcharge. But my concern about that is that I don't think that's going to even cover the healthcare, let alone the healthcare, the pension, the -- and all the other days. And I'm just wondering if Senator Prague has that same feeling. Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Kissel, I do have that same feeling. But the Commissioner, the Labor Commissioner would only establish those wages if there were no union representation. So the union has taken care of the issues, and I feel comfortable that they're providing these workers with a decent salary and decent benefits.

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Thank you, very much. Now, an area that Senator Prague spoke about, I believe in her discussions with Senator Debicella, that I'm not

mhr
SENATE

96
June 2, 2009

really clear on is this pool, this Taft-Hartley pool. And you had mentioned that 4,000 for individuals or up to \$6,000 for a family would be kicked in towards their benefits or to help pay their health insurance. I'm not sure as that what's going on now. Is that something that'll go on should this legislation pass or is that completely unrelated to this? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Kissel, I believe that's completely unrelated. Somehow or other there was talk about the insurance coming through a fund. The only fund I know of for labor folks is the Taft-Hartley Fund. It doesn't mention, doesn't make reference to the Taft-Hartley Fund in the bill. However the union negotiated the health benefits is something that they have in their contract to provide these people and their families with healthcare. We were talking about the comparison; Senator DeBicella mentioned \$15,000 is what it costs for a family, but that's really through the insurance companies selling it on a commercial basis. And that's how the issue of the fund came up. But the union has contracted, has

mhr
SENATE

97
June 2, 2009

negotiated for health benefits, and I feel comfortable with that.

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Thank you, very much. And after July 1, 2009, assuming this legislation goes forward and becomes law, you had indicated that to sort of bridge where folks were between then and now, we had to find about a quarter-of-a-million dollars to pay for their healthcare. And going forward, as of July 1, 2009, will the Legislature have to come up with any additional dollars for healthcare or is it contemplated that the contractor, if there's additional burdens on them, that the next time they negotiate their contract with the State or it goes out for a competitive bid, that that will all be built into it? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, after July 1, whatever the union has negotiated is what will be in effect. And they've negotiated this contract based on the Hartford County contract, so -- and that's

mhr
SENATE

98
June 2, 2009

statewide. And that's where we are.

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Now, I have another question. And if Senator Prague doesn't know the answer to this, I fully understand, because some of these things, I believe, in the bill are straightforward but some of them seem incredibly nuanced, and not having ever served on the Labor Committee, I was a little bit mystified. And the part that mystified me was that the fact that this bill requires the Labor Commissioner to reclassify as a janitor anyone hired prior to July 2001 as a grounds maintenance laborer or a laborer and, two, classify anyone hired after July 1, 2009, performing the duty of a ground maintenance laborer, laborer or janitor, as a light cleaner, a heavy cleaner, a furniture handler or a window cleaner. And I just can't figure that out for anything, and I'm just wondering, why are we doing it that way? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator Kissel.

mhr
SENATE

99
June 2, 2009

Senator Kissel, I don't know why the Labor Commissioner does that, but she has the authority to make the classification changes. And that's what has happened.

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Thank you, very much. So I'm guessing that we're doing this to categorize individuals in certain pay grades and trying to make it as close to what they actually do on the job as possible. But what you're telling me, Senator Prague is that the Labor Commissioner has wide latitude. Someone may work on a window maybe once in a year but if in every other respect those job duties can be accurately reflected as a window cleaner, then they'll be classified as a window cleaner. Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, Senator Kissel, would you mind asking me that question again? I have a list in front of me of all the job classifications that the Labor Commissioner has put out.

THE CHAIR:

mhr
SENATE

100
June 2, 2009

Senator Kissel.

SENATOR KISSEL:

Thank you. Just trying to understand how this part of our laws work and not being extremely familiar with the workings of the Department of Labor, I'm guessing is that we're primarily looking to classify workers in appropriate pay grades and trying to make sure that their duties as classified are as similar to what they actually do as possible so that if somebody was very much interested in this and they say window cleaner, I only work on windows maybe once a year but if that man or woman actually fits into the parameters of that classification closer than anything else, that they may get classified as a window cleaner if the Commissioner of the Department of Labor feels that that is the closest appropriate category for that person. Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Thank you, Mr. President. And, through you, Senator Kissel, you're right. I don't see a window cleaner on this list of classifications.

However, whatever you do in your job puts you in a category. The wages, the base pay is also listed

mhr
SENATE

101
June 2, 2009

next to the category, and the 30 percent benefit charge.

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Thank you. And, again, I think what I heard is that you acknowledge that the union recognized the deep recession that we're in right now, the difficult economic time.

There seems to be a distinction between folks hired prior to July 1, 2009, and folks hired after July 1, 2009. I noticed that the job classifications are different for those hired before July 1, 2009. It's in that part of the bill that says after July 1, 2009, where you get window cleaners and furniture handlers and heavy cleaners and light cleaners. And my guess is, is that has to do with their pay grade and trying to be as close to what they actually do. And that's why there's a different set of job descriptions prior to July 1, 2009, versus after July 1, 2009. Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Mr. President, through you to Senator Kissel,

mhr
SENATE

102
June 2, 2009

you're right, Senator Kissel. And there is a window cleaner on the list.

SENATOR KISSEL:

There we go; you found a window cleaner.

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Thank you, very much, Mr. President. So I think I understand now how this particular piece of legislation was put together. It does use and it -- and, believe me, there's a whole -- no wonder labor lawyers are just specific to labor law because it is complex, not only in terms of contracting and union rules and everything else like that, but job classifications. I know that one time when I was talking to somebody about not standard wage but prevailing wage and they brought out the list of jobs that you could have just on a simple highway project, it was amazing, the different classifications and what each classification required as far as compensation and things like that. And so my guess is, is that we're touching upon that in this characterization as well when we come to standard wage law.

I understand at the end of the day -- I have no further questions for Senator Prague -- but I

mhr
SENATE

103
June 2, 2009

understand at the end of the day this is going to cost the State some additional money. But I also am very mindful and sensitive to the statements made by Senator DeFronzo. If we expect people -- and this is just my view, this -- just -- just my view -- if we expect people at the very low levels of the socioeconomic spectrum to believe in the American dream and to believe that if they work real hard they can lift themselves up out of poverty, that work is a good thing, that if one is given the option of a life of crime, a life of living off of government programs, a life of abject poverty and almost giving up on life or getting a job and working hard and moving through the process, we want to encourage individuals that work is good and if you play by the rules and you go along with what we set out for you, we're not going to turn our back on you.

Now, that doesn't mean that individuals that are voting against this are taking that approach. It's a completely sensible approach if one is to vote against this proposal to say maybe it should be part of the overall budget negotiations; that would be a legitimate concern, (a); (b) it could be simply that the price tag for this is too high and people feel that that's inappropriate.

mhr
SENATE

104
June 2, 2009

But what surprised me about this is that when talk -- when people talk about janitorial and maintenance people, the notion that there aren't large unions out there already negotiating these contracts is not accurate. I -- so I understand why if, as we look out the windows of the Capitol and we see these skyscrapers that are located here in Hartford, that my guess is, is that this contract that was negotiated between the Service Employees International Union, Local 32BJ and the Hartford Area Cleaning Contractors Association, my guess is that that contract covers the maintenance in all of those big buildings. And so why would we, as a state, want to acknowledge that Travelers and Aetna and all the other large employers in the greater-Hartford area are going out there and paying substantial -- substantially more and we, as a state, who want to lead by example aren't going to be able to do that? That's -- so I think the State leading by example when we want people to work gainfully is a good thing. I think it's a good thing.

Two, the point that Senator DeFronzo raised about individuals with disabilities, completely rings true with me. I had the great good fortune not that long ago to go to the official ribbon-cutting ceremony and grand opening of the Walgreens' Distribution Center in

mhr
SENATE

105
June 2, 2009

Windsor, not too faraway from here. And it was a multi-multi-multi-million-dollar project. If you ever have a possibility to go out there and tour that facility, it is amazing. It is state of the art. We were in competition with Rhode Island and New Hampshire and Massachusetts, and I guess New York, and we won. Governor Rell, to her great credit -- and she was at the ceremony as well -- you know, it was a partnership; there was some economic development funds, but at the end of the day, they liked the location and they brought tons and tons of jobs.

But the other reason that that is important is Walgreens made a concerted, thoughtful, corporate decision that they were going to build up the utilization of folks with disabilities in these facilities. And so there was a complete outreach that went on in the original hire, and to its credit -- and I believe they're based out of Illinois -- the Walgreens Company has a corporate policy that they are going to continue to expand the utilization of folks with disabilities throughout its corporate structure.

My understanding is that was, in part, driven by a consultant that they had, that they later hired, who had a son with autism. And he said my son has autism, and I go out there and there's not that much

mhr
SENATE

106
June 2, 2009

opportunity. And as the dialogue continued, it turned into something really exciting. And I'm very excited about the fact that here in our State policy we're adopting a similar philosophy, and that is to our great credit as well.

So I think there's a lot of good things in this proposal. There's a lot of things that I know my colleagues on both sides of the aisle may have problems with, and I acknowledge that. The timing probably is not that good. The fact that we already had to come up with a quarter-of-a-million dollars to bridge the gap regarding the provision of healthcare is probably not that good, but at the end of the day when I go to my constituents, whether they are labor leaning or not, what I can tell them is, is that the State is not being overly generous or charting a course that is completely unheard of or unreasonable but that the paradigm, the touchstone that is utilized in this proposal is the one that has already been negotiated between a 500-member Local, building janitors' union and the association that apparently has got the contracts to provide the services to all the buildings in the greater-Hartford area or at least many of them.

My understanding, as well, is that that does not

mhr
SENATE

107
June 2, 2009

foreclose the opportunity for a business that may own one of these large buildings here in the city to do their own maintenance. I mean, I'm sure there may be some companies that have their own, in-house maintenance staff that may not be a part of the union. There's no rule that you always have to use the union. But if you are negotiating with the union, I think as Senator Prague had indicated, I think there's some major benefits to being a member of the union; right? E pluribus unum; in many one. Try negotiating with a mull -- a Fortune 500 corporation by yourself; it's hard work. If you have 499 other folks out there helping you to negotiate and you remain with solidarity, you're probably going to be able to drive a better bargain.

But, again, the part that probably tips the scales for me regarding this particular matter is we're talking about people who are keeping their heads above water, that if we let them down here, this is right where the safety net is. And if we cut that safety net, (a) we send the wrong message and (b) where do they go? Senator Prague indicated that.

You know, the cost of a HUSKY program is so much more expensive than something like this.

Senator Roraback asked that under the salary

mhr
SENATE

108
June 2, 2009

structure, the wage structure, would they qualify; probably not right now. But if they made substantially less money, they may tip below that 180 percent of the poverty level. We want to lift people up. A rising tide lifts all ships. We want to send a positive message to the folks that work in this building.

I got to be honest. I mean, it was like -- about a month ago, one of the bathrooms on the second floor was flooding. You know, you go in there on some of these late nights and it's a mess around here. You come in the next day and this place looks great. Somebody has to do all of that. It is not a glamorous job.

You know, take it from somebody who, at age 14, started my working career picking tobacco. The greatest thing about picking tobacco at 14 and 15 is I've been able to measure everything from that job. Everything is sort of in a touchstone to what that was like. You get up at five o'clock so you can get out on the street at six o'clock, get picked up by that truck so you can be in a wet, muddy row at 7 a.m. picking tobacco. Once you do that, then all of a sudden everything else in the job structure appears a little bit different. In fact, I was proud of that

mhr
SENATE

109
June 2, 2009

job because not many kids had jobs at 14, but I'll tell you, when I ended up working maintenance at 16, maintenance seemed like a sweet job compared to picking tobacco.

Well, I value what these people provide as far as services. I understand that we contract out and that at some point in time some of these costs will be passed along to the taxpayer through our contracting abilities, but at the same time, it's a tough economy. There's probably going to be a desire to economize going forward. It'll be up to the Department of Administrative Services and the other contracting authorities to drive the best bargain possible. It's my understanding that these underlying contracts for maintenance do go to competitive bid, so if there's a group out there that can provide these services under this construct and still squeeze out enough of a profit to make it worthwhile, they're going to do that. They're going to do that. And so for those reasons, at this point in time, I'm happy to support this particular measure. I think it's balanced. There's definitely good arguments on both sides of this but, again, at the end of the day, I'd prefer to err on the side of those who are at the -- some of the lowest socioeconomic strata, that have some of the

mhr
SENATE

110
June 2, 2009

most difficult jobs, unpleasant jobs.

Let's show them that we respect that work and let them know that we're going to uphold our side of the bargain. Thank you, very much, Mr. President.

THE CHAIR:

Thank you, Senator Kissel.

Will you remark further? Senator Boucher.

SENATOR BOUCHER:

Thank you, Mr. Speaker. Mr. Speaker, I rise to express some concern with the proposal before us, as someone who has negotiated contracts for this very honorable work that has been done in our town as well as having the closest members of my family that have performed this work both for schools and for municipalities. I raise some concerns because this is a bill that will affect the budget, and it is a bill that bares a very significant, substantial change in the way that we regulate the practices of private companies and contracts.

And for those that may have mentioned that this seems to be an extraordinary long time to discuss this bill, I was reminded by those that have been here before me that, in fact, the Senate was led through a 16-hour debate back in 1996, on other matters such as this in just this period of time.

mhr
SENATE

111
June 2, 2009

But, again, to the points that were brought out that are of concern, that were mentioned by individuals that either sided or did not side with this proposal, and one of the more difficult areas for me to get over and in supporting this bill or not is the fact that in this bill we are not just simply talking about wages or even healthcare. Yes, wages are mentioned, but when prevailing rate of wages is mentioned in this bill, we are talking about other benefits as well. We're talking about retirement, disability, vacation time, holidays, training, legal services, many other benefits that go beyond just some of the topics that we were just discussing.

In this bill we also talk about the fact that we're creating an employment guarantee, in one of the sections of this bill, where in the full term of this contract, employees must be retained for 90 days and then longer or on a permanent basis for the entire length of the contract. This is something that is not prevalent. Certainly there's no guarantee in the private sector; there's certainly no guarantee right now as we're facing one of the more difficult times in our economic history for our state.

When the Office of Fiscal Analysis describes this bill, it says that under this bill these private

mhr
SENATE

112
June 2, 2009

contractor employees will be paid the same prevailing wage rates and receive the prevailing benefits, some of which I have just outlined, as employees working under a private-sector union contract. Those without unions, in other words, must pay the same as those with a union contract, if I am to interpret this correctly. And I'd be happy to stand corrected if the proponent would like to certainly clarify that.

But, most importantly, one of the biggest concerns that I have is that we're, in essence, we're negotiating pay contracts for the private sector companies and that this is setting a precedent for other contracts going forward. And the good ranking member of the Finance Committee previously discussed the fact that this has been an evolutionary process, that we have touched on this before and we continue to build on it. And my concern is that by determining a new way for creating these hourly wage and benefits under the Standard Wage Law, we're mandating what a private contractor must pay their privately hired employees versus allowing the private sector to determine what pay or benefits are provided. I know we do that as municipalities, as state entities. As I said, I've helped to negotiate that previously, especially given that I had personal familiarity and

mhr
SENATE

113
June 2, 2009

relationships with that sector and with that work in order to create a fair negotiating environment with someone that had compassionate sensitivity for that work, that noble and clean work, I might add.

By providing employees of contractors who work in State building with benefits based on private-sector union contracts, it's anticipated that we will be increasing the personnel costs as benefit packages for the private sector becomes more costly when we add what we're doing in here. And these costs, there's a concern, may be passed on to the general fund and to the State budget through higher contract costs in this very terrible budget year. And when we do that, in fact, we're passing this on to the Connecticut taxpayer, because we all know it is not a general fund and it is not a State fund, it's the people's fund. It's their pocketbook that's directly affected. There's no government budget that is not directly tied to each taxpayer's pocket, and they may not have any voice in these particular notion -- negotiations other than our collective voices here so that we do need to be patient with the fact that this may be taking a few minutes longer than some may have anticipated.

I have to tell you that prevailing wages is one of the top issues our towns and cities have brought to

mhr
SENATE

114
June 2, 2009

us this year, due to their deficit and fiscal crisis. We have all heard from our towns -- I certainly have -- and they mention this as one of the biggest concerns. And although we may not be including municipalities in this particular proposal right now, it may be a step, another step in that evolution. And that is a big concern. I'm sure they're watching this day carefully to see if this, in fact, would be extended and expanded to them.

You know, they've come to us from this mandate relief and I understand this plight, as I said, having been a member of the Board of Selectmen of my town and having to decide what we must pay for various contracts, outside contracts for the town in an effort to keep those costs down. And, as I said, there is some concern that it could be extended; possibly if it weren't in a deficit year, that may very well be -- have been a part of this proposal.

This bill, according to the Office of Fiscal Analysis, states that it has a general fund cost and it has further significant cost in 2010 and 2011, potentially in the millions of dollars, as was just debated a few minutes ago, depending on whose numbers you want to take. And I'm concerned that in proposing this bill, whether or not the proponents have

mhr
SENATE

115
June 2, 2009

considered our current deficit, that our \$8 billion deficit in the next two years has not yet been generally resolved.

And, also, we should recognize that bills such as this, that have come through almost every committee, have either been defeated or have not been taken up. Representative DeBicella says that this plan could cost the taxpayers between 2 million to almost 3 million. This is something we should consider if we're going to vote on this bill and move it forward. Why is this being treated any differently than any of the other, very good, compelling proposals that have been brought forward this year?

The Governor just recently stated that she sees a failure of leadership on reducing State costs, even an abdication or our Constitutional responsibilities. She, in a very angry statement that she put out, said that after nearly five months, nothing has been done to address Connecticut's fiscal crisis, nothing to help create jobs or help working families through these difficult economic times and nothing to address unemployment. She says that the people of Connecticut expect the Legislature to do its job and that our families and businesses deserve a balanced budget that will move Connecticut forward to a position of

mhr
SENATE

116
June 2, 2009

economic strength.

I just feel that a proposal such as this, as well meaning as it, does not move us in that direction, particularly not now. It is not a good time to do this and why, although all of my personal urges might tell me otherwise, it's not something that I could responsibly vote in favor of. Thank you, Mr. President.

THE CHAIR:

Thank you, Senator Boucher.

Will you remark further? Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Mr. President. Nice to see you up there today. I rise for the point of a few questions to the proponent of the bill, please.

THE CHAIR:

Please proceed.

SENATOR MCLACHLAN:

Through you, Mr. President. Senator, you have spent a lot of time answering questions today, so I think I've got -- only got two or three that I have not heard answers to, and I appreciate your patience as we have discussed this important legislation for the better part of the afternoon.

I wonder what other SEIU union Locals are dealing

mhr
SENATE

117
June 2, 2009

with this same issue. As you are trying to address here with this legislation, is there other SEIU Locals that are experiencing the same problem; for instance, what about the government buildings in Fairfield County who are not part of this arrangement? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Mr. President, through you to Senator McLachlan. Senator McLachlan, this particular contract with this SEIU, whatever Local it was, WJ or something, is going to relate to -- it involves all of the workers in all of the buildings in the whole state. There aren't different Locals dealing with Fairfield County or different Locals dealing with Windham County. This contract is for all of the janitors and who clean all the State buildings in the whole state.

SENATOR MCLACHLAN:

Okay.

THE CHAIR:

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Mr. President, and thank you for your answer, Senator.

mhr
SENATE

118
June 2, 2009

What -- SEIU doesn't just represent janitors, as I understand, they represent other service employees. And in your discussions of what transpired in these negotiations, can you share with us what kind of challenges SEIU is facing with their other Locals that they represent who may not be contracted for cleaning State buildings? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator McLachlan, I have not been party to any of the conversations that took place with SEIU and their members. I've not been part of the talks. I've not been part of the planning or determination of the issues that were to be discussed. I do know that the end result is before us in this piece of legislation, the end result of the negotiations concerning the janitors. And the wages that, the standard wages that these folks are paid are determined; the basic wage is determined under the Service Contract Act, the Register of Wage Determinations under the Service Contract Act. This is a federal act. The base wages are determined in this act, plus they get 30 percent for benefits. So that's their starting point.

mhr
SENATE

119
June 2, 2009

I am very impressed, frankly, with the fact that this union has been able to negotiate a cut in wages, and for any of us who think that they're not recognizing the tough economic times that we're dealing with is mistaken. They did not come in for a raise; they came in with lower wages because they want to provide the health benefits, the pension benefits, the protections that these folks need, just like we need them. And I think they did an outstanding job.

THE CHAIR:

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Mr. President, and thank you, Senator.

Labor negotiations are always very challenging and I would agree that it is tough to come to a conclusion on an agreement. However, given the conversation and the debate that we've had this afternoon, I think it's relatively common knowledge now that although there is a decrease in the hourly rate to the employees, there's still a substantial increase in the net cost of the total benefits package because of the insurance. And that has been experienced in state government and in the private sector.

The reality is that this is an expensive

mhr
SENATE

120
June 2, 2009

proposition that is being driven by healthcare costs in this case, that were currently not provided in this arrangement. And that leads to my next question, through you, Mr. President. Does the SEA -- SEIU have a different funding formula now for their healthcare benefits, as a result of this contract that's in this legislation? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator McLachlan, I don't know what the percentage of the wages are now going to be dedicated to the benefits; I'm not privy to that information. But they were able to negotiate this contract at a lower wage and they were able to include the benefits, which I think is outstanding. They have been able to provide these folks with the benefits that they're -- that they need, that they're entitled to, and still give them \$1.84 less an hour. That is recognizing the difficult economic times that we're in. And to their credit, they were able to negotiate successfully that contract to protect these workers, to give them benefits that each and every one of us needs, and still be able to have a lower wage.

THE CHAIR:

mhr
SENATE

121
June 2, 2009

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Mr. President, and thank you, Senator, for your answer.

I -- again, I agree with you that labor negotiations are challenging and that coming to any conclusion is always a relief. However, in this scenario as it's been discussed many times this afternoon, the way I see it is that the individual employee's concession per year is about \$3300 to \$3500, and it is that concession of \$3300 to \$3500 that is now providing the healthcare benefits to the employee. And I just want to be on record in agreement with you that we agree that for \$3300 to \$3500 in concessions the union employee is being given healthcare benefits. Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator McLachlan, I haven't done the math. I do know that it's \$1.84 less an hour. My math skills aren't as good as yours. I also know that they're going to get health benefits, that they're going to get pension benefits, that they're going to get a paid holiday on, like,

mhr
SENATE

122
June 2, 2009

Thanksgiving or Christmas, like everybody else. I don't know what that adds up to in dollars but I know that this is a very good -- in my opinion -- contract, that you can't point to it and say it's exorbitant, it's outrageous, it's too much money. I think they've done an outstanding job at keeping it at a very acceptable level in taking care of these folks.

THE CHAIR:

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Mr. President, and thank you, Senator, for your answer.

I wonder -- one more question -- if you envision any other unions that we are going to have a similar arrangement with in the near future? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:)

Through you, Mr. President, to Senator McLachlan, I don't know. I don't know when the union contracts are up with different groups of workers, but, you know, we have to deal what we have to deal with. If there are union contracts that need to be renegotiated, at whatever point in time they need to

mhr
SENATE

123
June 2, 2009

be dealt with, I would expect the unions to come to the table and do what they need to do.

THE CHAIR:

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Mr. President. That led to one more question, and what I was more specifically looking for was do you envision any nonstate-employee union agreements to be dealt this similar to the way that this legislation is proposed to deal with SEIU? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator McLachlan, I don't have that information. I don't know.

THE CHAIR:

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Mr. President. Thank you, Senator for your answers to your questions.

I believe that I'll not vote for this today. Although I understand the spirit of the negotiations were to come to a conclusion that was favorable for all parties, my concern is that the math that goes

mhr
SENATE

124
June 2, 2009

into this calculation does not seem to make sense to me. I'm seeing a cost structure that does not seem to relate to what the market is. It does not seem to relate to what the insurance costs can and should be, and for all of those reasons, I will vote no. Thank you, Mr. President.

THE CHAIR:

Thank you, Senator McLachlan.

Will you remark further? Senator Frantz.

SENATOR FRANTZ:

Thank you, Mr. President. I appreciate that. And what I'd like to do is start by saying that mathematics is a very, very important discipline to have in legislating. If we don't have good numbers, if we don't have good data, there is absolutely no way that we're going to be making sound judgements when it comes to expenditures, be they small or large.

And I think the fiscal aspect of this particular issue before us today, having to do with the standard wage rule, is it going to break the back of this State? No, it's -- the back of the State, unfortunately, is already partially broken. Is it going to completely break the rest of our backs? No, it's not. But at a principle, we've been growing our budget for coming up on 15 years now by approximately

mhr
SENATE

125
June 2, 2009

7 percent, compounding over that period of time. Again, that breaks the spirit and might break the technical nature of our Constitutional spending cap, and it also has put us in a position now where under these extraordinary circumstances we're not able to make ends meet for really anybody in this state.

And if you look at the private sector, and in particular in areas like southwest Connecticut, southwestern Connecticut and some of the manufacturing areas of Connecticut, you're looking at an absolute financial disaster there. We're -- they're not down just 23 or 24 percent, like the State is, in terms of revenues year over year, they're down substantially more. Layoffs are in the neighborhood of 15 to 20 percent, and many companies have, and business and partnerships have shut their door as a result of this.

So we've gotten ourselves into, unfortunately, a routine of budget creep, and we've grown our budget so big over such a long period of time, and we continue to remain on that course. I just hope and pray that the lessons we learn from this extraordinary time when we are really on our tails, not just economically but fiscally and certainly with respect to the financial markets, that we learn from this and we try to discipline ourselves a little more.

mhr
SENATE

126
June 2, 2009

Sure, we would like to see every single person who contributes to this state by working for the State, cleaning buildings, cleaning service areas along our roadways and highways and have health insurance for them and everybody else, if it were affordable. And that's another part of this debate today is -- but I have no questions for you, Senator Prague, just statements, so feel free to sit down; it's a much-deserved break.

But I think we need to be cognizant of all the different factors that go into the overall equation that we call the budget at the end of the year when we finally get one, and that is have we raised the cost of healthcare insurance to the point where it's unaffordable? The 30 percent that was previously covered as an addition to the basic wage that paid, you know, if our costs were under control, could we, in fact, squeeze that in that 30 percent; could we do it for 15 percent? The answer is probably yes, if we had a smarter, more intelligent healthcare delivery and insurance system. And that's what I'm urging everybody to do around this circle, in any of these efforts going forward, is to take a look at all the things that contribute to the cost.

Why are we today asking for an increase? And it

really is a net increase, if you look at the mathematics behind it. It is a net increase, and I know none of us are mathematicians. None of us, I don't believe, have a PhD in Mathematics, but we, I think, have PhD in common sense. And we have to be cognizant of the increases that we put into the budget every year, even if it's just a tiny, little part of the budget. We're looking at 500 workers here today. This is, you know, less than one percent of the workforce. But believe me, one percent times a hundred equals, you a hundred percent of the workforce, and these things add up over the course of time.

In the private sector, as it relates to forecasting and doing the math on these different exercises, the discipline there in the private sector is to get your hands around the numbers as best you possibly can, and do it in a very scientific way. If there is a judgement or some subjective input that has to go in, make it well known that that's part of the equation here, so that we know the answer we're getting is not exactly a hundred percent right in terms of the forecast for next year and 5 and 10 years down the road.

I would urge everybody to, in their legislation,

even if OFA isn't capable of giving us an answer that we're satisfied with, to come up with the numbers that really are going to make a difference at the end of the day, because, frankly, I'm really worried about our state and our state's ability to be able to afford our programs going forward. Are we going to be taxing and burdening the tax base that exists today, which is a shrinking number, unfortunately with such a burden that we're not going to be able to extract State tax revenues from them in the future? I think that's something that is critical, we need to be cognizant of, especially under these incredible circumstances. And depending on, ultimately, what this chamber and the other chamber and the Executive Branch does with respect to the budget, we may be scaring more of our tax base away.

This is relevant to that because it's another ask. And it's a legitimate one; there's no question about it, and yes, we would like to see them get what they deserve. They're good people and they do deserve healthcare, but I wish it were much more affordable healthcare.

The specific concerns I have over this proposal is that in the case of Bradley International Airport, just using one example, for many, many years we were

mhr
SENATE

129
June 2, 2009

not able to attract a sit-down restaurant. It was always McDonald's and fast-food type restaurants that we were able to get, mainly because of the prevailing wage/standard wage provisions that apply to all of the State facilities. And as we all know, in the restaurant business much of the compensation for waiters and waitresses comes from the tips that they receive. And there was not cut -- there was not provision for it at the time. I think we waited 7 1/2 years to finally get someone interested in doing this, and they're using an entirely different business model than anybody is. And in the meantime, the international -- the airport and the enterprise fund, which is ultimately the taxpayers' money, missed out on, my guess would be around \$350,000; not a huge amount, but it's just one more business opportunity for the State of Connecticut that could have produced those revenues for the benefit of taxpayers here in the state that we lost out on because of a requirement, such as this one. So I think we need to be cognizant of that.

Also the food service providers and janitors and so on at the roadside -- I-95 and I-91 road food plazas, we need to cognizant of the revenue split with those private organizations, private sector

mhr
SENATE

130
June 2, 2009

organizations with the State. It's money that we're losing and it's money that we're having to pay in addition. So I would urge everybody, even if it's only 500 workers, even if it's only 50 workers, to be cognizant of the kind of precedent that we're setting for every other worker for -- and an employee of the State of Connecticut, as well as every other program. With that, thank you, very much, Mr. President.

THE CHAIR:

Thank you, Senator Frantz.

Will you remark further? Will you remark further? Senator McKinney.

SENATOR MCKINNEY:

Thank you, Mr. President, and it's very nice to see you up there at the podium, sir. Mr. President, if I could, just several question through you to the proponent of the bill, so we can make sure what this bill and what this bill is not, if --

THE CHAIR:

Senator Prague --

SENATOR MCKINNEY:

-- that's okay?

THE CHAIR:

-- prepare yourself.

SENATOR PRAGUE:

mhr
SENATE

131
June 2, 2009

I'll try.

SENATOR MCKINNEY:

Thank you. I think these are going to be fair questions, Senator Prague.

We've heard that this change in the Standard Wage Law will apply only to roughly 500 people, and those are people currently who are employed by private companies who have contracts to clean State buildings. Is that correct, through you, Mr. President?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator McKinney, yes.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

Thank you. And for people who are currently employed, they will be getting an increase in their hourly pay. This is an issue, I think, that we dealt with in January because the 30 percent -- some had argued it was a cap; I think, actually, it's a floor -- but the 30 percent of the contract was not enough to pay for the healthcare coverage for these employees. And so what the bill does is it, it just

mhr
SENATE

132
June 2, 2009

-- there are two, different pay scales for people who are currently employed and people who are employed after July 1, 2009. Is that correct, through you, Mr. President?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator McKinney, yes. There will be two, different pay scales.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

Thank you. And according to our OLR report, there is currently one union, SEIU Local 32BJ, which has a contract with the Hartford Area Cleaning Contractors Association that runs from January 1, 2008, to December 31, 2011. Through you, Mr. President, what is the impact on that existing contract of this change in the Standard Wage Law?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator McKinney. Senator McKinney, it's my understanding that these new workers will come within the parameters of that

mhr
SENATE

133
June 2, 2009

contract, that they have been able to work this out so in order to balance the increase in the cost of healthcare, they've been able to reduce -- they've had to reduce the wages by \$1.85 an hour. So whatever; they have worked it out. The contract is the contract, and that's where it is.

SENATOR MCKINNEY:

Thank you. And, again, through you, Mr. President, the -- again, the OLR analysis and the fiscal note -- and I'm just going to read one sentence. I think Senator Debicella touched on this -- but it says, under this bill, it is anticipated that the cost to the State for certain building service contracts would increase.

And I guess my question, through you, Mr. President, is that -- in other words, if the State has contracted out with existing companies, is that -- happened during the term of a current contract or is this something that these private companies, if they seek to renew a contract or bid with the State again would say, well, since our labor costs have gone up, we may put in a higher cost? But is that something that interrupts a current contract? Through you, Mr. President.

THE CHAIR:

mhr
SENATE

134
June 2, 2009

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator McKinney. It's my understanding, Senator McKinney that a contract is a contract. If this contract runs till 2011, at the end of 2011, there would be a new contract. But between now and then, it's my understanding that this contract stays in place.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

Thank you. And I appreciate that, Senator Prague.

It also talks about -- see, it -- and I guess one of the issues that's confusing here, Senator Prague, is we all work with the people who we're talking about here, and we see them, and they work very hard in our building every day. Until this issue first came up, through you, Mr. President, I always thought they were State employees, didn't realize that they weren't. They actually work in State buildings but they work for private companies.

And so the OLR notice talks about the fact that -- so these employees who work for private contractors, the private contractors, private

companies are going to have to pay them this standard wage, which of course the State pays by contracting the businesses. In many ways, we are subjecting ourselves to paying what is negotiated by the private companies within the Hartford area under the Standard Wage Law. Is that a fair statement, through you, Mr. President? So, in other words, when the existing contract runs out in December of 2011, or sometime prior to that, the Hartford Area union and the Hartford Area employees will enter into negotiations for a new contract, and whatever that new contract is, that's what these 500 employees who work in State buildings will live with. Is that correct, through you, Mr. President?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, to Senator McKinney, that's what the workers will live with. But if you're asking me if the State -- that's what the workers have.

SENATOR MCKINNEY:

Thank you. It -- that's exactly what I'm asking.

So, essentially, we have two groups of workers here who are doing the exact, same thing. Many are

mhr
SENATE

136
June 2, 2009

doing it in privately owned office buildings in Hartford, and we have a smaller group, of about 500, are doing the exact same work in State buildings. And this is essentially saying that those 500 people will be treated the same and under the same contract as the people who are working in private office buildings. And that -- and they are currently members of the same union, I believe.

SENATOR PRAGUE:

Um-hum.

SENATOR MCKINNEY:

Is that correct, through you, Mr. President?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, to Senator McKinney, yes; that's my understanding.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

And I think the last question, which I should know and I apologize I don't, this is -- this -- does the City of Hartford have, through you, Mr. President, a standard wage ordinance?

THE CHAIR:

mhr
SENATE

137
June 2, 2009

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, Senator McKinney, I don't know what the City of Hartford has. But I know that the standard wage, you know, is a -- it's law, and there's a federal act that controls part of that. So I don't know if the city has, you know, I don't know what the city has. But I would not think so.

SENATOR MCKINNEY:

Okay. I appreciate that. There was --

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

There had been some debate -- I think maybe it was in Bridgeport -- that talked about having a living wage. I actually --

SENATOR PRAGUE:

Anything can --

SENATOR MCKINNEY:

-- got my --

SENATOR PRAGUE:

-- happen in Bridgeport.

SENATOR MCKINNEY:

She said that, Mr. President, I -- not me, but --

THE CHAIR:

Senator McKinney has the floor.

SENATOR MCKINNEY:

Thank you. Senator Prague, I want to thank you for answering those questions.

I, you know, I think a lot of us, when we look at this, at least I know -- I'll only speak for myself -- but we're confused as to how we had workers working in our State buildings and wondering what the connection was to similar employees working in private buildings and connecting their contracts together. And so the fact that this is the same people doing the same work and the difference is whether it's in a State building or a private building, I think, is what we're essentially doing away with that difference by this bill. And I thank you for answering my questions.

THE CHAIR:

Thank you, Senator McKinney.

Will you remark further? Will you remark further? If not, will the Clerk announce the pendency of a roll call vote?

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

mhr
SENATE

139
June 2, 2009

chamber.

THE CHAIR:

Have all members voted? Have all members voted?
Have all members voted? Please check the board to
make sure your vote has been properly cast. If all
members have voted, the machine will be locked.

Mr. Clerk, call the tally.

THE CLERK:

Motion is on passage and incurrence of House Bill
6502:

Total Number Voting	36
Those voting Yea	30
Those voting Nay	6
Those absent and not voting	0

THE CHAIR:

The bill passes.

Mr. Clerk.

THE CLERK:

Calendar Page 26, Calendar Number 275, File
Number 340, substitute for Senate Bill 891, AN ACT
MODERNIZING CONNECTICUT FERTALIZER LAW, favorable
report of the Committees on Environment, Finance,
Revenue and Bonding, Judiciary, Planning and
Development, and Appropriations. The Clerk is in
possession of amendments.

S – 597

**CONNECTICUT
GENERAL ASSEMBLY
SENATE**

**PROCEEDINGS
2009**

**JUNE
SEPTEMBER
SPECIAL
SESSIONS
VETO
SESSION**

**VOL. 52
PART 21
6523 – 6819**

md/rgd/hl
SENATE

103
July 20, 2009

substitute House Bill Number 6502 which has Public Act Number 09- 183. If the Clerk might call that item so that I might move for reconsideration.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Mr. President, going from Senate Agenda Number 4 for Monday, July 20, 2009. Item Number 1, business from the House, substitute House Bill Number 6502, AN ACT CONCERNING THE STANDARD WAGE FOR CERTAIN CONNECTICUT WORKERS, Public Act 9-183.

THE CHAIR:

Senator Looney.

SENATOR LOONEY:

Yes. Thank you, Mr. President. Mr. President, having been on the prevailing side on the vote when it was passed in this Chamber, I would move for reconsideration of substitute House Bill 6502, Public Act 09-183.

THE CHAIR:

There's a motion on the floor for reconsideration of substitute House Bill Number 6502. Would you like to remark? If not, let me try your minds. All those in favor, signify by saying, aye.

md/rgd/hl
SENATE

104
July 20, 2009

SENATORS:

Aye.

THE CHAIR:

Opposed, nays.

The ayes have it. The motion is adopted.

Senator Looney.

SENATOR LOONEY:

Yes. Thank you, Mr. President. Mr. President, I would now yield to Senator Prague for purposes of the motion to repass the bill.

THE CHAIR:

Senator Prague, do you accept the yield, ma'am?

SENATOR PRAGUE:

I do, Mr. President.

THE CHAIR:

Please proceed.

SENATOR PRAGUE:

Thank you. Mr. President, I move to repass the House Bill 6502, Public Act 09-183 in concurrence with the previous actions of this Chamber.

THE CHAIR:

There's a motion on the floor to repass House Bill -- substitute House Bill 6502. Without objection, please proceed, ma'am.

md/rgd/hl
SENATE

105
July 20, 2009

SENATOR PRAGUE:

Thank you, Mr. President.

Mr. President, this is like our justice for janitors bill. What this standard wage bill does is to provide health benefits and other benefits such as small pensions, paid holidays for the workers who clean our state buildings.

Mr. President, the federal government established the standard wage for workers who clean federal buildings, and the state of Connecticut, a few years ago, mirrored the legislation, and we have a standard wage in this state for the people who clean our state buildings, our maintenance people and some food service workers.

This bill before us will provide those folks -- there's now 600 janitors. There's 360 -- 320 -- 150 spouses and 321 children with health benefits. There is nothing more important besides a decent wage than health benefits and that's what this bill will do.

THE CHAIR:

Will you remark further on motion to repass House Bill 6502? Senator Boucher.

SENATOR BOUCHER:

Thank you, Mr. President. Mr. President, a

md/rgd/hl
SENATE

106
July 20, 2009

question or two please to the proponent of this particular language.

THE CHAIR:

Senator Prague.

SENATOR BOUCHER:

Through you, Mr. President, do the workers that are being referenced here who clean state buildings work for the state or for private companies? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Well, through you, Mr. President, the workers work for private contractors who contract with the state to clean the state buildings.

THE CHAIR:

Senator Boucher.

SENATOR BOUCHER:

Thank you, Mr. President. So these are private company employees that we are talking about.

Another question through you, are we therefore, through you, Mr. President, subsidizing a private employer for costs that they should be bearing and not the state? Through you, Mr. President.

md/rgd/hl
SENATE

107
July 20, 2009

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, the cost of not offering health insurance benefits under these conditions will be tremendous for the state because these people will be eligible for HUSKY. And we pay HUSKY plans, the three plans that administer the HUSKY program on a per capita basis.

And according to the Office of Fiscal Analysis, we pay, currently, \$291.97 per month per enrollee.

Now if you can figure that out, there are 600 janitors, 150 spouses -- that's 750 people plus 321 children -- that's almost 1,100 people at a cost of \$291.97 a month. That cost is astronomical.

This legislation before us will provide the health benefits that the union fund was getting a 30 percent increase in their salary -- in the workers' salary in order to supply them with health care, but they can no longer do that. The cost of health care is so high that we needed this legislation in order to protect these janitors and their families.

THE CHAIR:

Senator Boucher.

md/rgd/hl
SENATE

108
July 20, 2009

SENATOR BOUCHER:

Thank you, Mr. President. Mr. President, there are many of us that feel that we are treading into very dangerous territory with this, that it may not be equitable or right to just pick one class of employees, that in fact, there are many employees of private contractors doing work with the state that may have the same situation.

Through you, Mr. President, are any other contractors and their employees eligible for this same kind of subsidy as this particular class? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Mr. President, Senator Boucher, can you tell me the other private contractors who contract with the state who are having such problems? Do you have any specific contractors in mind, Senator Boucher?

THE CHAIR:

Senator Boucher.

SENATOR BOUCHER:

Through you, Mr. President, I don't think that's

md/rgd/hl
SENATE

109
July 20, 2009

very -- really a relevant question. There may very well be.

We have contractors at the DOT, at the Department of Social Services, the Department of Children and Families. We have preschool education, nursery and the list goes on and on. It's not really specific. It's to the point that we are treading in a direction that creates a precedent for the state to do this. And to just pick one contractor and not open us up to others', there may be many that have concerns about that.

Through you, Mr. President, so I would ask how could we exclude any other group that likewise do business with the state? Through you, Mr. President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE: .

Mr. President, to Senator Boucher, let me remind you, Senator Boucher, that the federal government established the standard wage law for all maintenance workers including janitors who work in federal buildings.

The State of Connecticut has taken the federal law and mirrored it so that we comply with the same

md/rgd/hl
SENATE

110
July 20, 2009

kind of standard wage and benefits.

THE CHAIR:

Senator Boucher.

SENATOR BOUCHER:

Thank you, Mr. President. Although this was not an answer to my question, but merely just substantiating the reason for this particular bill for the proponents, I just would make the comment that we are creating another expansive program that is very costly at a time when we, as a state, cannot afford it.

We have yet to have a budget. We're \$9 million out of balance, and we're creating new subsidies which we don't know to where it might begin or where it could ultimately end further down the road. That it is a dangerous precedent, a big financial commitment going forward, and it seems to be exclusionary to just one class of individuals when there may be many others in the same situation.

There are many companies right now that cannot afford certain benefits and health care for their employees, let alone keeping their employees in a job.

And I think for that reason, there are some of us that feel very strongly that this is not a good bill

md/rgd/hl
SENATE

111
July 20, 2009

to override at this point in time. Thank you, Mr. President.

THE CHAIR:

Thank you, ma'am. Will you remark? Will you remark further? Senator Kane.

SENATOR KANE:

Thank you, Mr. President. I too rise in opposition of this bill and passing it -- repassing it, I guess I should say.

I agree with Senator Boucher that this is not the right time to be implementing this type of legislation. These are private contractors. These are not state employees. These are subcontracted out to private businesses. I think what we're doing here is creating two different classes of groups, and I don't think that's fair. I think your (inaudible) should all be treated the same way rather than who was hired at this time, were hired at a different time. I think we're at that differentiation -- has a fairness question to it.

I also am not sure the potential costs to the State of Connecticut for this program. From what I understand, the costs can be very significant, and at this budget time we all know the kind of situation

md/rgd/hl
SENATE

112
July 20, 2009

we're in at this point, and why we should be taking this extra liability or opportunity on is -- just doesn't seem appropriate at this time.

The exposure is really unknown at this point, and I believe that it could come back and be greater than what we expect. So -- and lastly, I will say that it is not included in the budget for the next biennium, so we're adding an additional cost for something that's not already in our existing budget.

So for those reasons, I have to rise in opposition. Thank you, Mr. President.

THE CHAIR:

Thank you, Senator Kane.

Senator McLachlan.

SENATOR McLACHLAN:

Thank you, Mr. President. I rise in opposition to this proposal for two reasons. One, based upon my colleague's explanation of how many employees and family members will be affected by this, I believe at \$292 a month this adds a fiscal impact to the state taxpayers of \$3,500,000 per year.

Number two, this contractor bid, I assume, had a competitive bidding process to win this contract. And what we're essentially doing is overriding the

md/rgd/hl
SENATE

113
July 20, 2009

competitive bidding process by saying, oh, well, you bid low; you can't afford to pay the benefits so we're going to give you the extra money you need to keep your contract.

I believe that we're sort of throwing a wrench into the whole competitive bidding process for the State of Connecticut if after a contract is awarded we are adding more money in payment to the winning bidder. And so for those two reasons I think that this is a bad idea for Connecticut's taxpayers. I urge my colleagues to reject it. Thank you.

THE CHAIR:

Thank you, sir. Will you remark further on motion to repass House Bill 6502? Senator Looney.

SENATOR LOONEY:

Yes. Thank you, Mr. President. Speaking in support of the motion to repass the bill. Mr. President, this measure did pass by a substantial bipartisan margin in the Senate on June 2nd of the most recent session by a vote of 30 to 6. It had earlier passed the House of Representatives by a vote of 112 to 35. And it does represent, I believe, progressive labor policy for the State of Connecticut.

Would urge support for the measure to repass the

md/rgd/hl
SENATE

114
July 20, 2009

bill. At this point, Mr. President, would ask that they -- if the Senate would stand briefly at ease.

THE CHAIR:

Without objection the Senate will stand at ease.

(Chamber at ease.)

THE CHAIR:

The Senate will come back to order. Senator Looney.

SENATOR LOONEY:

Yes. Thank you, Mr. President. Appreciate the indulgence of the Chamber. We are ready to proceed on substitute House Bill 6502 where we were -- when we stood at ease. Thank you, Mr. President.

THE CHAIR:

Thank you, sir.

Will you remark further on the motion to repass House Bill 6502. Will you remark further? If not, Mr. Clerk, please call for a roll call vote. The machine will be open.

THE CLERK:

An immediate roll call vote has been ordered in the Senate. Will all Senators please return to the

md/rgd/hl
SENATE

115
July 20, 2009

chamber. An immediate roll call vote has been ordered
in the Senate. Will all Senators please return to 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:

The motion is to repass House Bill 6502.

Total Number Voting 36

Those voting Yea 30

Those voting Nay 6

Those absent and not voting 0

THE CHAIR:

The motion to repass the bill passes. Senator
Looney.

SENATOR LOONEY:

Yes. Thank you, Mr. President. Mr. President,
would ask the members to stay close to the chamber.
We're just waiting for an agenda to be passed out
because the House has taken action on additional
business, and once the agenda is in the possession of
the Chamber we will call another item.

THE CHAIR:

H – 1049

**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
2009**

**VOL.52
PART 13
3918 – 4254**

ckd
HOUSE OF REPRESENTATIVES

43
May 13, 2009

appreciate it if my colleagues would stand and give them a very warm welcome.

SPEAKER DONOVAN:

Welcome to the chamber. Represent --

Will the Clerk please call Calendar 223.

THE CLERK:

On page 32, Calendar 223, Substitute for House Bill Number 6502, an Act Concerning the Standard Wage for Certain Connecticut Workers, favorable report of the Committee on Appropriations.

SPEAKER DONOVAN:

State Representative Kevin Ryan.

REP. RYAN (139th):

Thank you, Mr. Speaker. I move for the acceptance of the Joint Committee's favorable report and passage of the bill.

SPEAKER DONOVAN:

The question's of acceptance on the Joint Committee's favorable report and passage of the bill.

Remarks, sir.

REP. RYAN (139th):

Thank you, Mr. Speaker. What this bill does is create a new method of determining the hourly wage and benefits for employees under the current -- under the stated wage law. This governs the compensation for

ckd
HOUSE OF REPRESENTATIVES

44
May 13, 2009

employees of contractors who are -- who do building and property maintenance, property management and food service work in state buildings.

We do have an amendment to help clarify some of the issues that are initially brought out in the bill. The -- I would ask the -- could the Clerk please call LCO 784, and I be allowed to summarize.

SPEAKER DONOVAN:

Will the Clerk please call 7084, which will be designated House Amendment Schedule A.

THE CLERK:

LCO Number 7084, House A, offered by Representative Ryan and Senator Prague.

SPEAKER DONOVAN:

Representative seeks leave of the chamber to summarize. Are there objections to summarization? Hearing none, Representative, you may proceed with summarization.

REP. RYAN (139th):

Yes. Thank you, Mr. Speaker. This amendment helps clarify some of the issues brought up in the underlying bill. Due to the skyrocketing healthcare costs, the 30 percent benefit to wage ratio in the current state wage law is not enough to cover family health benefits or workers' pensions. If the standard

wage law is not amended, there could be close to 500 children and adults who will lose their health coverage on July 1st. These workers have already stop accruing bench -- pension credits and were originally scheduled to lose their health -- family health benefits on February 1st of 2009. Remember, we did do something along the mitigation bills to provide funding to ensure that it would be continued.

These amendments -- the amendments are compromised and represent a large sacrifice on behalf of the contracted workers. The new wage rates are going to be based upon private prevailing rates outlined in the bill that are lower in cost than the current service contract act rates in existence -- currently in existence. Under the new law -- under this current law new hires make about 14.90. Under the new law, the new hires will only make about 12.25.

As employees turn over the savings to the state by paying lower wages, will more than offset the increased cost of the health care benefits. The hourly wage to these workers is low enough that all of the children who might have lost their health care if we don't make this change would qualify for HUSKY, as will a majority of the dependant adults who currently are covered by the family plan. That's why it's

important for us to provide this change so that they do -- do will continue to get health care coverage.

Because of the lower starting wage in the new legislation, we're concerned that without the language in the bill for worker retention, whenever a service contract expires, other contractors will submit lower bids premised on bringing on new work force at lower rates. As a result, the incumbent workers will be thrown out of work through no fault of their own. This would disrupt their lives but create a series of hidden costs for the state, and it will -- hopefully, with this worker retention provision, that would not -- would not occur.

This bill is now in scope but it also helps our nonprofit service providers by allowing them to place more of their clients in good jobs under the qualified partnership project that integrates workers with disabilities into cleaning jobs with other low wage workers in the State of Connecticut buildings. It will help workers with disabilities be hired by the state building contractors and be integrated into their commercial building worksites. And for these reasons, sir, I ask to move adoption of the amendment.

DEPUTY SPEAKER GODFREY:

Question's on adoption?

Remark, Representative Ryan? Or no? That's enough?

The question before the chamber is adoption of House Amendment Schedule A. Will you, Remark?

Representative Cafero.

REP. CAFERO (142nd):

Thank you, Mr. Speaker. A few questions to the proponent of the amendment, through you, sir.

DEPUTY SPEAKER GODFREY:

Please proceed sir.

REP. CAFERO (142nd):

Thank you, Mr. Speaker. To Representative Ryan, I truly appreciate the work that you've done on this bill and your explanation and maybe it's a little early in the session day but, boy, you seem to go real fast for me. And I got to slow things up a little bit because I've learned since the last time we broached this subject that there was a lot of misperceptions out there. Through you, Mr. Speaker. You -- you, referenced, Representative Ryan, a \$250,000 expenditure that was made and approved by this General Assembly for health benefits for, I believe, janitorial workers that we passed this part of a mitigation plan, which benefits expire at the end of June. Is that accurate? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan, do you care to respond?

REP. RYAN (139th):

Yes. Through you, Mr. Speaker. I won't -- I think that's around the right figure. I don't have it exactly in front of me, but it's some where in that neighborhood and that that's what you have said is true because the 30 percent -- because, currently under the current law, 30 percent of what they get paid would go towards paying for these health care benefits and under the current market conditions that is just not an adequate amount of money to pay for the -- all the health care benefits, vacation days, sick days, pension, accruals, things of that nature that would have to be paid for so that's why we're making this change to this bill.

DEPUTY SPEAKER GODFREY:

Representative Cafero.

REP. CAFERO (142nd):

Thank you. Through you, Mr. Speaker. For whom do these employees work?

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Yes. Through you, Mr. Speaker. They work for

contractors who have signed contracts with the State to provide this -- the services I mentioned earlier to the State and the State-owned or State-leased buildings.

DEPUTY SPEAKER GODFREY:

Representative Cafero.

REP. CAFERO (142nd):

Thank you, Mr. Speaker. Through you, then. In other words, Representative Ryan, the workers we're talking about that are affected by the bill before us are not state employees. I repeat, they are not state employees. Is that correct? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

That is true. They're -- they are not state employees but the rate at which they are paid is determined by state law the under prevailing wage laws.

DEPUTY SPEAKER GODFREY:

Representative Cafero.

REP. CAFERO (142nd):

So, through you, Mr. Speaker, in other words, for those of us not as familiar, as you are with the

situation. We, as the State, contract out -- we hire private companies to provide certain services to the state. In this particular case, we contracted out with a private company to provide janitorial service for the State of Connecticut. Is that correct?

Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. Yes.

REP. CAFERO (142nd):

And through you, Mr. Speaker, I presume as we do most contracts, we put that service out to bid. We ask people to please bid on providing janitorial services for the State of Connecticut and a particular company or companies won that did. We accepted their bid. Is that correct? For you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. Yes. Our fees are put out. People make proposals, but when they make the proposals they are aware of the fact that they are required under law to prepay -- to -- to pay certain standard wages for the services performed depending

upon the title of the individual workers that will perform those services.

DEPUTY SPEAKER GODFREY:

Representative Cafero.

REP. CAFERO (142nd):

So, thank you. Through you, Mr. Speaker. In other words, when we put out that RFP we not only tell the prospective private company what you're bidding on, in other words, what service we're req -- would be asking you to perform but we're also saying and, by the way, when you perform it, you have to pay your workers a certain wage. So that's all given to them before they bid on the project. Is that correct?

Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. That is my understanding, yes.

DEPUTY SPEAKER GODFREY:

Representative Cafero.

REP. CAFERO (142nd):

And it's my understanding, through you, Mr. Speaker, that what happened is a certain company or companies won that bid having that information

ckd
HOUSE OF REPRESENTATIVES

52
May 13, 2009

represented that they would charge the State of Connecticut a certain amount that they would pay their employees a certain amount that -- based on state law, that they would perform the services as requested in the RFP. And, in the middle of the contract, they ran out of money to pay the health benefits for these workers. Is that accurate? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. I guess I don't know if I'd characterize it as ran out of the money but they found that the 30 percent of the standard wage which would go to pay for these benefits was not an adequate amount to pay for those benefits that I mentioned earlier.

DEPUTY SPEAKER GODFREY:

Representative Cafero.

REP. CAFERO (142nd):

Thank you, Mr. Speaker. Through you, what we as a legislature did is say -- back in -- I guess November, it might have been or January, I can remember which. I think it was a November. We said, Okay, we'll give you state money. We will give you private employer 250-plus thousand dollars so that you

can go pay for the health benefits for your employees that perform a service to the State of Connecticut.

Is that accurate? Through, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. I think we recognize I believe it was back to the January budget amendment that it would be to our advantage to make that payment because, as I mentioned earlier, because of the low wages these workers are receiving, if they -- their children or themselves did not have health care benefits, they would go on to the HUSKY program so the State would realize probably a greater cost in that scenario than if we just paid them and allowed them to stay on their current health plan -- health care plans they got through their contractor.

DEPUTY SPEAKER GODFREY:

Representative Cafero.

REP. CAFERO (142nd):

Thank you. And, through you, Mr. Speaker. Therefore, what we're doing now since that sort of arrangement ran out is we're changing, yet again, the terms of our agreement with this private employer so that they would be allowed to have enough money to pay

for the health care of these employees, and I believe you represented that in return for that new employees, not current, but new employees would be hired at a lower rate than currently statutorily mandated. Is that correct? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Yes. Through you, Mr. Speaker. What you described is correct. I believed the realization was that we couldn't, or we probably wouldn't want to keep on making a payment. We wanted to do something that would be more sustainable and long living so that this problem wouldn't be reoccurring and -- but we realized -- the unions realized in order to achieve that they'd have to be taking -- get a little less take home pay -- I guess roughly \$1.84 an hour to help pay for those benefits because these folks felt that the benefits were very important for themselves and their families.

DEPUTY SPEAKER GODFREY:

Representative Cafero.

REP. CAFERO (142nd):

Through you, Mr. Speaker. No current employee, based on the bill that's before us, would be giving up

any of their hourly wage. Is that correct? This is for future employees? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Yes, that -- that is true. There -- it is for future employees, for new hires, but we recognize that there's about a 5 percent turnover rate each year. We see where possibly this year because of the fact that you're saying that the current employees would stay at the same pay rate, it would cost the State about \$73,000 but after this year using the figure -- and it's a conservative figure of about 5 percent turnover. As new people are hired, there would be savings of about \$82,000 in 2010; \$116,000 in 2011. And it kind of works its way out over the years to about \$600,000 in 2015 in a way of savings by using this new type of assessing the standard wage to pay these workers.

DEPUTY SPEAKER GODFREY:

Representative Cafero.

REP. CAFERO (142nd):

And, through you, Mr. Speaker, would this new arrangement with regard to wages for future employees, would that pertain only to the company that provides

ckd
HOUSE OF REPRESENTATIVES

56
May 13, 2009

janitorial service or would it provide -- or what it pertain to other companies who provide other services to the State of Connecticut? Through or you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

I believe that this -- through you, Mr. Speaker, I believe that this would only pertain -- when you say "a company," I think it might be a variety of companies that provide these janitorial services. I'm not entirely sure it's just one company, but it would -- but, essentially, whether it's one or many, it would pertain to those people that go -- provide those services about 500 workers throughout the state who provide the services.

DEPUTY SPEAKER GODFREY:

Representative Cafero.

REP. CAFERO (142nd):

Thank you. Through you, Mr. Speaker. I have to presume that there are many private companies that have similar contract arrangements with the State of Connecticut who've bid -- answered or responded to an RFP and have been awarded contracts and performed services for the State of Connecticut, whether that be

ckd
HOUSE OF REPRESENTATIVES

57
May 13, 2009

food services or other type services. Would you agree that's correct? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. I guess I'd be careful to make --I'm not sure about that so I guess I'd be hesitant to just agree to that carte blanche. Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Cafero.

REP. CAFERO (142nd):

Thank you, Mr. Speaker. I guess what I'm wondering is, would this start a precedent that may become unaffordable for the State of Connecticut. In other words, if there are private companies, like the one that would be -- one or several that would be affected by this bill, who all of sudden realize after they've entered into a contract with the State of Connecticut -- and remember they're private employees not state employees -- that they can't afford the health insurance any longer, does this now mean that we are opening the door for those companies to come back to us and say, State of Connecticut you've got to bail us out; you've got to change the terms of the

contract; you got to give us money to pay our private employees their health benefits.

Are you afraid that we are setting a precedent for other private companies who perform services to the State of Connecticut that may now or in the future find themselves in a similar situation as the companies that are affected by this amendment? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. To my knowledge, this amendment covers all of those workers. I don't -- and, again, unless I'm totally unaware of it, I think this -- anyone who does this kind of services throughout the state because right now we have from standard wages they vary from one end of the state down in Greenwich up to the northeast and this will put them under all under one standard wage, like I said. So that is one of the things that this bill is going to benefit the State that will be using the one wage -- one standard wage rather than a variety of standard wages depending upon the -- where the buildings, state buildings, state leased buildings are located in the state. So that's one of the ways we're

ckd
HOUSE OF REPRESENTATIVES

59
May 13, 2009

actually going to be possibly realizing some savings because obviously some people in some parts of the state get paid a little higher than what they get paid in Hartford, but I have to admit at the same time some probably get paid a little lower so this gives them all one rate.

So I think to answer your question, to my knowledge, I believe this would cover all those workers in this particular -- to be providing this type of service.

DEPUTY SPEAKER GODFREY:

Representative Cafero.

REP. CAFERO (142nd):

Thank you. Through you, Mr. Speaker. To your knowledge, Representative Ryan, have we as a State or a General Assembly, other than the case before us, ever given money to a private company to help them pay their health benefits to their private employees?

Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. I feel -- I think that could have happened. I think here we feel a responsibility because it is the folks that that are

-- that are working on in our state -- state buildings and because of that we feel a responsibility to ensure that they are getting a wage that they can live on, get the same kind of health care benefits, are able to dedicate funds to a pension, have days off, holidays off. I think one of the things when we talked about the amendment in January was the fact that a lot of people were surprised because, under the current law, the arrangement was such that people weren't getting paid if they took Christmas day off, for example, which I think a lot of folks found to be a little disarming that our own state workers -- people who we work with in this building, weren't getting the same kind of paid holidays that anybody else working in the state would have done gotten. So, like we were saying, this is something we think is going to help provide those benefits in a sustainable method so we won't have to revisit this particular issue.

DEPUTY SPEAKER GODFREY:

Representative Cafero.

REP. CAFERO (142nd):

Thank you, Mr. Speaker. Ladies and gentlemen of the cham -- first of all, I'd like to thank the gentleman for his answers.

Ladies and gentlemen of the chamber, here is the

classic dilemma that we face and the dilemma that we're going to face especially in these tough times from now until God knows when. We have very decent hardworking human beings that performed janitorial services and other services for a private company to the State of Connecticut. We can learn about some of their employment conditions with that private employer. It might be with regard to their wages. It might be with regard to their health benefits. It might be with regard to the days they have off or the policy that employer imposes on them on with regard to personal days or sick days. And we might not like those things. We might feel they're unfair. We might feel that they are a hardship to those employers.

As a matter of fact, if we were to look around the state to all private employers, the thousands upon thousands of companies that employ people we individually or correctively might take issue with the way they treat their employees whether it's with regard to wages, days off, health benefits. And we might want to say to those employers, treat your employees fairer, treat them better, give them another day off, give them an extra day vacation, give them a few more bucks per hour, give them an extra health benefit, take care of their pension. We might want to

say that because we are human beings and state employees, people who work directly for our -- us might get those benefits. But, unfortunately, we cannot be all things to all people. We might go into any private company and find that they're not offering health benefits; that they don't give Christmas Day off; that the working condition may be in one room or another or one plan or the other isn't ideal. Does that mean we, as a state, will go in there and renegotiate their contract, pay them more, give them more, take them under our wing? Would we like to do that as human beings? Of course. Can we afford to do that as a state government? I think the answer is no.

Now one might argue, come on, Cafero, these are wonderful people with children and families, and it only costs a few bucks in the scheme of things. How can I argue that from my heart? I can't. But when we, in this very session, are going and meeting currently behind closed doors, going over every single penny that we, as a state of Connecticut, spend, talking about the programs and the benefits that we give to people who can't help themselves, people who are handicapped, people who are mentally challenged, educational programs, seniors and we're making cuts to those programs because we, as a state, have to cut

back. How, at this time, can we as a state start the precedent of saying, private employer, if you can't make it on your own, we will come to your rescue; we'll bail you out. And worse yet, is it actually, God forbid, giving an incentive to an employer to say to themselves, Hey, cry the blues, treat our employees badly, cut their health benefits, the State of Connecticut will back us up and pull us out of this hole. That's my concern.

I met many of the men and women that perform these services for the State of Connecticut. To look them in the eye and say you don't deserve health benefits, I can't say that. They're raising families. They're working hard. But where do we, as a state, draw the line? Where do we say we can't help everyone? We wish we could. But we can't help anyone -- everyone. And, by this move, for the first time in my memory, we are not just taking care of our own state employees. Those who work directly for us. We are supplementing the benefits and the working conditions and the wages, to some degree, of people who work for private contractors. Could you imagine if we started a precedent that we, as a state, put out RFPs requests for proposals for various services? And the word on the street is, low ball -- low ball the

ckd
HOUSE OF REPRESENTATIVES

64
May 13, 2009

response, we'll get the job; half way through, we'll cry poor mouth, the state will bail us out; they've done it before, they'll do it again. And we will play up -- prey upon the "polite" we, "private" bad, "private" employer puts these poor people in. That'll get to the legislature. We're off the hook.

Now I don't know if that'll happen, but, folks, it's possible because we are breaking new ground here. So this isn't an easy vote. How do you look the people that were in the hall and maybe the gallery in the eye and say we don't want help you? We want to help everybody. We're facing an \$8-plus billion deficit over two years. And we've all said, in one way or the other, not only can't we help everybody, we're going have to cut back from everybody in one form or another. And, yet, by this bill in isolation, we're breaking new ground in the other direction.

Keep that in mind when the vote is told. It is not an easy vote. It is not easy to look at good hardworking people who are residents of the State of Connecticut and say I can't help you. It's not easy. But remember, folks, when you're fair to one group, you become unfair to another. So if we spend money in the manner in which this bill proposes we spend money or change policy in that manner, who pays for it on

ckd
HOUSE OF REPRESENTATIVES

65
May 13, 2009

the other end? Another program? Another group? The taxpayers? Who pays for it on the other end? That's what we have to keep in mind. Thank you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

I thank the distinguished Republican leader. From -- the gentleman from Waterbury, Representative Noujaim.

REP. NOUJAIM (74th):

Good afternoon, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Good afternoon, sir.

REP. NOUJAIM (74th):

Mr. Speaker, I would like to extend the gratitude to Representative Cafero because here lies numerous issues that we debated and discussed during the public hearings and during the meetings of the Labor and Public Employees Committee in reference to this subject. And, Mr. Speaker, during all of those debates, I struggled and honestly I struggled quite a bit because on one hand I wanted to be fair to those people who were coming and saying our children will not have health insurance plan after June 30th if you do not support this bill. While on the other side would say, can we afford this bill. It was very tough.

One sometimes must do -- think his brains and other times one must think with his heart. And you say to yourself, what -- what do I do in this situation? We have a bill before us that will help and support some people but, as Representative Cafero has said, it will at the same time hurt others where we are setting a precedent, and I am concerned about that precedent. And, with that in mind, Mr. Speaker, I do have a few questions about them and the amendment that I would like to pose for Representative Ryan if I may.

DEPUTY SPEAKER GODFREY:

Please frame your question, sir.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker. Representative Ryan, through the Speaker. Do we have any other possibilities of any other contracts of this nature that someone might come in the future and say, well, you did it for A, why wouldn't you do it with B? And if we do it for this company, why don't we do it for the other company if we bail them out? Through you, Mr. Speaker. Do we have the possibility of running into the same issue with the same type of group of people?

DEPUTY SPEAKER GODFREY:

ckd
HOUSE OF REPRESENTATIVES

67
May 13, 2009

Representative Ryan.

REP. RYAN (139th):

Thank you. And thank you, Representative Noujaim for the question. I think these are special circumstances because this is work that might have been typically done by state workers, but it's work that we have essentially outsourced to these individuals who are working in state buildings. And I can't think of any other circumstance where this would arise.

DEPUTY SPEAKER GODFREY:

Representative Noujaim.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker. And, through you, Mr. Speaker, I'm glad that Representative Ryan mentioned the work for the state versus working for a private employer.

So, through you, Mr. Speaker, if I may ask Representative Ryan to speak again in reference to the hourly rate that those employees are receiving for the job that they are performing for the State of Connecticut. Through you, Mr. Speaker. Well, actually for the private employer who is contracted by the State of Connecticut.

DEPUTY SPEAKER GODFREY:

ckd
HOUSE OF REPRESENTATIVES

68
May 13, 2009

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. Does Representative Noujaim mean the current rate or what they would be if we passed this bill?

DEPUTY SPEAKER GODFREY:

Representative Noujaim, would you care to clarify your question?

REP. NOUJAIM (74th):

Thank you, Mr. Speaker. Yes, both if I may.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Currently they are paid 12 -- excuse me -- 14.50 -- roughly, as an average, 14.57 an hour. And, with new hirers, if this bill should pass, would be getting paid 12.25 hour, a difference of about \$1.84 an hour.

DEPUTY SPEAKER GODFREY:

Representative Noujaim.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker. And, Mr. Speaker, through you, again, if those same employees are employed by the State of Connecticut what would their hourly rate be, current and the future? Through you,

ckd
HOUSE OF REPRESENTATIVES

69
May 13, 2009

Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. I -- I really don't have that information with me. I'm going to guess it would probably be -- and it would be a guess, somewhat more.

DEPUTY SPEAKER GODFREY:

Representative Noujaim.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker. I apologize I did not hear the answer. Did the Representative say higher or lower? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan..

REP. RYAN (139th):

Through you, Mr. Speaker. I'm sorry I didn't speak loudly enough. I would think and, again, this is just an educated guess that it would probably be more. But I can't give you tell you -- give you any idea how much more.

DEPUTY SPEAKER GODFREY:

Representative Noujaim.

REP. NOUJAIM (74th):

Thank -- thank you, Mr. Speaker. So if those employees are working directly for the State of Connecticut, it would cost the State of Connecticut more money plus their health benefits? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. I -- that would be an assumption I think you could easily make, and, again, I also want to make the point one more time that if we did not provide the health care benefits, I think we'd have a real concern because of the low wages these folks are getting paid that they'd be eligible for HUSKY and we would probably be paying for health care costs at a higher rate if they were part of that program.

DEPUTY SPEAKER GODFREY:

Representative Noujaim.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker. I -- I appreciate the Representative's answer, and I did not -- I did hear it the first time and I do agree with that. The one thing that I would like to ask the Representative is during the debate -- and we were talking about this

ckd
HOUSE OF REPRESENTATIVES

71
May 13, 2009

bill and even now the -- from what I understand, the rate of benefits is 30 percent as compared to the hourly rate paid to those employees. My question is, during the conversation that the Representative and the chairman of the Labor Committee had with the contractor or the people who are proponent of this bill, did they ever indicate that they would try to reduce the -- the benefits rate, perhaps, to 28 percent or 27 percent to go along with the prevailing rate that is out there in the industry -- in the private industry? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. The 30 percent rate had to cover all their benefits that include vacation time, sick days, holidays, pension contributions, as well as health care benefits. And my understanding is that the rate they were not able to buy a package that was supply them the health care benefits with the amount of money that would be provided at the 30 percent rate.

DEPUTY SPEAKER GODFREY:

Representative Noujaim.

REP. NOUJAIM (74th):

Thank you. Thank you, Mr. Speaker. And moving right along if I may, I heard Representative Ryan today and in the past say that our expenditures that is associated with the State of Connecticut would be \$73,000 this year but would be able to save about \$82,000 next year. Is that true if this bill is implemented? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative --

REP. NOUJAIM (74th):

Just to confirm for legislative intent.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. That is some figures that I was given if we use a 5 percent turnover rate. If the turnover rate is actually higher, there would be great -- there would actually be savings of this year. Say, for example, if there was an 8 percent turnover rate, we could realize savings this year of about \$40,000. And, obviously, if the rate -- turnover rate is greater, then we would realize more savings because we would be hiring more workers at a lower rate.

DEPUTY SPEAKER GODFREY:

Representative Noujaim.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker. Mr. Speaker, I see in the amendment a new language that I had not read before in the previous bill or when we debated the bill, and I would like to direct the good Representative's attention to line 79 through 81 and ask the question in reference to those three lines. Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Proceed with your question, sir.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker. Through -- Representative Ryan, in line 79 to 81 of the amendment, it specifically says that now their labor configuration has been changed and will be changing in the future. So they will be called laborer -- laborer or janitor, and it will to be changed into light cleaner, heavy cleaner, furniture handler or window cleaner, as appropriate. This is on line 79 to 81.

Would this mean, Mr. Speaker, through you that a window cleaner cannot handle furniture, cannot do any light cleaning or heavy cleaning? He or she just have to adhere to the contract, the union contract, by only doing windows and nothing else. Through you, Mr.

ckd
HOUSE OF REPRESENTATIVES

74
May 13, 2009

Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Thank you, Mr. Speaker. I -- I appreciate the opportunity to explain this language. As you mentioned earlier, the basis for the new standard wage would be a private contract that was arrived at, in Hartford, with private contractors dealing with private buildings and all our individuals recognized the fact that the terminology used in that contract differed in the terminology that was used in the contract of the people who service the state buildings with their individual contractors. So in order to make the two contracts relate so that the employees in the state building workers contract would comply with the workers in the private building contract, the terminologies were used to -- these terminologies are used to make them comparable.

I think that having said that the -- this does not change what the individuals would or would not be able to do. That would still be determined by the contract that has been arrived at with the cont -- the state contractors.

DEPUTY SPEAKER GODFREY:

ckd
HOUSE OF REPRESENTATIVES

75
May 13, 2009

Representative Noujaim.

REP. NOUJAIM (74th):

Thank you.

Thank you, Mr. Speaker. I think I'm -- I'm a little concerned with this. I would like to receive some more clarification on it. My concern is if we adopt this bill regardless of the financial situation that we are discussing and have been discussing for the past hour, my concern is that we are giving them such a job classification that is so narrow that even the employer will not be able ask them to do anything else but to do that specific line of work. And if that is the case, it's going to end up having numerous job classifications and it's going to cost us more money because the employer would have to hire more employees to be able to handle all of the duties. It's a very big concern to me, Mr. Speaker. I'd like to ask again for clarification on that. Through you.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you. I can hon -- I do not have a copy of the contract in front of me, but I'm pretty sure it would be determined upon the agreed-upon contract that's in place for the state building contractor

ckd
HOUSE OF REPRESENTATIVES

76
May 13, 2009

workers.

DEPUTY SPEAKER GODFREY:

Representative Noujaim.

REP. NOUJAIM (74th):

Mr. Speaker -- Mr. Speaker, one of my favorite shows, which I love to see. The very first show I saw when I came to this country back in 1972 -- 1971, actually, was Fiddler on the Roof. And Fiddler on the Roof for those of us who do not know that show is the story of a very, very conservative Jewish family where the parents have three daughters. And the daughters started to grow and they began to fall in love. So the first one fell in love with a non-Jewish -- non-Jewish young man. So she came to her parents and she wanted to married this gentleman. So the father would say on this hand I want -- I do not want to allow her to marry him, but on this hand she's my daughter I want to have her happiness. So she married the non-Jewish young man.

The second daughter the same thing happened, and the father would say on this hand, she is my daughter, but, on the other hand, it's my religion. So it's -- it's one of the shows that I love, and it got to a point where the father said, no, no more this hand. I am Jewish, and I'm not going to allow my third

daughter to marry a non-Jewish person. It's a beautiful, beautiful very, very touching.

I try to compare it and paint -- paint a synopsis to this. Probably, Mr. Speaker, you're saying, well what is the synopsis. Here's the synopsis. We have many people that we care about. Many people who are underprivileged, many people who deserve our help. But then I say to myself, you know, where do we stop? Where do we cut? Yes, Mr. Speaker, you can do the dancing, too. Thank you.

I was planning on voting in support of this bill. I really was. Reluctantly, I must say, planning on supporting this bill. But once I got to line 79 and to 81 and knowing full well -- knowing full well how sometimes our dealings and employers dealing with employees and union who would say my job is only to do the windows; my job is only to do the light cleaning; my job is only to do the heavy cleaning, and I cannot touch anything else. That really raises a big concern to me. That language was not on the original bill. It is here in the amendment. I cannot receive an explanation for it and because of that, Mr. Speaker, I will reluctantly, reluctantly, not to be -- not be able to support this legislation. Thank you, Mr. Speaker.

ckd
HOUSE OF REPRESENTATIVES

78
May 13, 2009

DEPUTY SPEAKER GODFREY:

Thank you, sir.

Tradition.

Gentleman from New Canaan, Representative
Hetherington.

REP. HETHERINGTON (125th):

Thank you, Mr. Speaker. I would like to direct
several questions to the proponent, if I may.

DEPUTY SPEAKER GODFREY:

Representative Hetherington, if you'll just stand
up. I'm just having a little trouble seeing you
because of the group of people in the aisle here. If
we can just have the distinguished maj -- Minority
Leader perhaps take his guests to the side. Since
he's talking to two particularly good friends of mine,
I'm very reluctant to do so but there we go.

Representative Hetherington, please frame your
question.

REP. HETHERINGTON (125th):

Thank you, Mr. Speaker. I would like to go back
and make sure that I have an understanding of some of
the basics of this. Would this bill, as a practical
matter, be limited to just people who perform
janitorial services at state buildings in Hartford?
Through you, Mr. Speaker.

ckd
HOUSE OF REPRESENTATIVES

79
May 13, 2009

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. No. It would be -- it would apply to anybody who provides those services throughout the state. This is not just the Hartford area. The private contractors in the Hartford area is going to be the basis for determining the standard wage would be applied to all of the cleaning individuals, people at UConn, people at UConn in Stamford, anywhere across the state. So it would be a statewide standard wage replacing a standard wage that has been determined in the past according to region.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

Thank you. Through you, Mr. Speaker. But is it limited to people who provide the property maintenance or the janitorial work and food service work, is it -- is it limited to certain categories of work? Is that -- is that correct? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Yes. In that respect, yes, that's what the

ckd
HOUSE OF REPRESENTATIVES

80
May 13, 2009

standard wage applies to -- to whom the standard wage apply, okay.

REP. HETHERINGTON (125th):

And is the reference point for determining that wage a union contract covering 500 people, limited to Hartford County, that is, when -- that is, if I may just perhaps clarify that, when you look for the determining standard wage, do you look just at union contracts in Hartford County? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Thank you, Mr. Speaker. Through you. If I understand the Representative's question, I think he's asking the basis for determining the standard wage. What's the contract that's going to be used? It is the City of Hartford contract for a contract that is for over -- that is going to be in effect for a group of over 500 people.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

So, through you, Mr. Speaker. You can apply the standard -- you would apply the standard wage to

workers performing this kind of work for the state, anywhere in the state. But, in determining the standard wage, you would look only, only, to a union contract in effect in Hartford County covering more than 500 people. Is that -- is that correct? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. Yes, that would be true. Like I mentioned earlier, some cases it's higher; some cases it's lower. So this is -- and I guess it caused a lot of issues the fact that it did vary across the state. And, in my understanding, it could even vary between buildings within the City of Hartford for some strange reason. So this is going to give us one standard rate, standard wage across the state that I think may make the whole process easier for a lot -- the individuals involved.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

So, through you, Mr. Speaker. So someone performing janitorial services at the Department of Motor Vehicles office in Norwalk, for example, would

receive a standard wage determined by a union contract in effect in Hartford; is that correct? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

If the DMV in Norwalk has these -- a contract of providing the cleaning services, the answer to that would be, yes.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

What -- what if there is more than one union contract in Hartford covering 500 people? Having no idea whether that is a realistic possibility or not, but what is there is more than one? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

The -- on bill -- line 20 of the bill it says, under the collective bargaining agreement covering the largest number of hourly nonsupervisory employees employed within the City of Hartford, so it would be the largest group over 500.

ckd
HOUSE OF REPRESENTATIVES

83
May 13, 2009

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

I see. Do we have any idea of the number of people that would be affected by this -- by this proposal? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Six hundred workers. Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

That's 600 workers for the entire state? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

That is my understanding, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

Is there any ceiling under the number of -- on the number of people that might potentially be covered by this? Through you, Mr. Speaker.

ckd
HOUSE OF REPRESENTATIVES

84
May 13, 2009

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

I -- through you, Mr. Speaker, I guess that would depend upon DAS and how many contracts or RFPs they put out there. I guess as long as the services were needed, they could do more people but I think as we've talk about the financial situation in the state, I think, that's less like -- that's less likely. I think is probably going to be the number for awhile.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

It -- are there any difficulties in properly classifying workers? I mean, I can imagine that some workers might do more than one kind of work. For example, if you had a food service worker who worked in a kitchen and also cleaned up the kitchen, would that -- would that be a janitorial worker or a food service worker? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. This -- this bill only is dealing with the -- how the standard wage is

determined to pay the individuals. Nothing that's currently in existence to what work they would be doing or any of that nature would be changed by this bill. These are all things that are currently in existence, would continue to be in existence. The only thing this bill would change is how they would be paid.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

Yes. But that they -- people who will be covered by this, through you, Mr. Speaker, are defined by the kind of work they do; isn't that right? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Right. And they are currently defined that way now as they get the current standard wage.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

I -- I'm sorry. Could -- could the gentleman repeat that -- his last response? I couldn't -- I didn't get that.

ckd
HOUSE OF REPRESENTATIVES

86
May 13, 2009

REP. RYAN (139th):

Through you, Mr. Speaker. --

DEPUTY SPEAKER GODFREY:

Representative Ryan, do you care to repeat that?

REP. RYAN (139th):

Through you, Mr. Speaker. Again, that's all -- that's all currently in effect. The type of work each individual does is currently in effect as they're doing their work. This just -- and they're getting their standard wage that's currently in existence. This Bill changes nothing of that. None of those circumstances would change. That's what's currently taking place in their contract. Just the hourly rate -- the standard wage that they would be paid is the only thing this bill is dealing with.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

Final question. Through you, Mr. Speaker. We are, in effect, reopening contracts that exist with private employers because we're changing the -- the terms of wage. Is -- is that a problem? Does that open these contracts for rebidding? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. I don't believe it does. It just determines what the individuals are going to get paid and the State, I think, compensates the contra -- contract as according to what the standard wage is I believe is how that would work.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

I --I thank the -- the gentleman and thank you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Thank you, sir.

Will you remark further on House Amendment Schedule A?

Representative Miller.

REP. MILLER (122nd):

Through you, Mr. Speaker. Just a couple of questions.

DEPUTY SPEAKER GODFREY:

Please proceed, sir.

REP. MILLER (122nd):

Through you, Mr. Speaker, to Representative Ryan. The University of Connecticut has a branch operations.

They have one in Stamford. If they have a company that's doing work in Stamford, under contract, if this contract -- if the wages paid under this bill are more, could that company now solicit the state to pay the additional wages that might be less than they're getting now? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. For the current workers, nothing would change. It would only be for the new hires. So -- and I think in that -- that's one of the circumstance I believe where they would actually be getting less with the new hirers in the future, but, for the current workers, it would remain the same.

DEPUTY SPEAKER GODFREY:

Representative Miller.

REP. MILLER (122nd):

And, through you, Mr. Speaker, last question. The Governor had an office in Bridgeport. I'm not sure if the services were part of the building maintenance for, I guess, it's a bank building or -- or owned by a bank. I'm not sure if they paid for all the janitorial services or if the Governor's office

ckd
HOUSE OF REPRESENTATIVES

89
May 13, 2009

was -- I -- had hired people just to do that one particular section of the building. Would they be covered under this if they were independent from the building maintenance for the entire building? If you follow my question?

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

If the scenario you depicted, through you, Mr. Speaker, and there was a private contractor doing the cleaning in that portion of the building, again, I'm really talking off the top of my head here. I don't know if that's the case. I believe that -- this is what would occur. Yes.

DEPUTY SPEAKER GODFREY:

Representative Miller.

REP. MILLER (122nd):

I thank the Representative for his answers, and I thank you, the Speaker.

DEPUTY SPEAKER GODFREY:

Thank you, sir.

Gentleman from Manchester, Representative Thompson.

REP. THOMPSON (13th):

Through you, Mr. Speaker.

Mr. Speaker, I was cautioned one evening recently to stick to the bill. So I'm addressing the question that I believe originally raised by the Minority Leader Representative Cafero who raised the dilemma of entering into a situation which may give one company an unfair advantage over another company. And I believe the culprit in this was our health care situation in our state in our country. That the cost of health -- providing health care benefits increased dramatically almost over night to this one employer which affected a number of people and most of them, if not all of them, are low-income people -- low-income workers. And that story can be repeated over and over again across our country. So what do you do? Well, I think the decision that we're making with this legislation and with previous action was that we came to the aid of the company but, more directly, the aid of the workers who are faced with the prospect of losing their health insurance benefits.

I would like to remind the legislature, my colleagues, about six, seven years ago, we were on the way to expanding our health insurance program for children and low-income families when we hit a rough spot in our economy and changes were made to the -- at the expense of low-income families and their children.

Many of whom lost access to benefits. We've since corrected that.

But let me tell you about one -- one of other changes we made at that time was we changed the standards by which a child would be eligible to participate in the Birth to Three Program and because that child -- after those changes -- weighed a few ounces more at birth or had a different level of lead poisoning, and so on, were no longer eligible for that program. When we inquired of the Department of Health several years later through the Birth to Three Program, what was the cost of that? Well, the cost to that was about 800 kids were not eligible for that benefit one year and another 800 the next year. And I hope I'm not too far off with these numbers. I'm using the phrase "about" but, nevertheless, they came back and they explained, well, the long range costs of those children not getting into that program when they would have been admitted a year or two before spells out in cost of special education about \$23 million. So it cost the State about \$23 million to make that change.

Well, we go back on the path to doing the right thing, and we restored eligibility for that group. See, when a child enters the Birth to Three Program

and is eligible to receive benefits immediately from birth -- sometimes it's later, sometimes not any earlier certainly but it's a good thing they have prenatal care as well -- but 50 percent of those children at that time would not require special education when they hit school. Another 25 percent who weren't covered immediately would probably not lead -- need it after the first grade, and so on. And those are statistics that have changed. Recently, we were informed that if the child enters the program at birth and receives the appropriate care and treatment, 65 percent of that -- that class will not require special ed when they reach school age. So sometimes it's a very good investment to help out employers, but it's even a better investment to help out the beneficiaries of health care from day one.

In the last rankings I saw of the World Health Organization, the United States ranked 37th in the world in the effectiveness of our health care program. And a large part of that is due to the fact that millions of people are uninsured and do not have access to adequate health care. In fact, of the last 18 years, that number grew from 30 million to almost 50 million today. Here, in Connecticut, it's estimated we have about 300 uninsured people, which is

an estimate made about a year ago. Well now after the economy suffered that number has more than doubled. So it means we have to find ways of providing health care to 700,000 people who may not be able to show up with health insurance.

So when it's time for the government to act -- and we're seeing it on the national level, we're going in and bailing out all industries, restoring those industries, putting them back on their feet so they will be able to pay people and provide health care benefits to those people. But we're a long, long way from doing what is right as far health care and health insurance is concerned. And we have nonprofit organizations all over the state who are bending over backwards to fill the void. So I don't think it's a bad thing at all for government to come in and intervene. I do think it's running a risk but tell that to Dell Industry, one of our leading manufacturers, who saw nothing wrong with setting up shop in Ireland some years ago, and they were very quick to inform us how -- why they did that. Well, they had a population that was educated from preschool through the university. They had a health care plan, which the World Health Organization ranked as 17th in the world, while we were being ranked as 37th. And

for those who can afford health insurance, and you and I and everybody else in this House have a wonderful insurance program. I know I experienced -- I was a beneficiary of it about a year ago. And it's really a wonderful thing to have. It gives us a great deal of security.

But if you're a custodian working for this company in Hartford, Connecticut, and you're suddenly are faced with losing your health care benefits, well, you have to turn to people like us and we made a decision. We were not going to let those families go without. That's -- it's a temporary solution, I believe, but it was a solution at the time. And then -- I'm supporting this bill which will continue some of that help. But we will be debating health care in our state in the coming weeks. And I think you ought to be mindful of where we stand as a nation.

Two years ago a national research organization did a study of the impact of overuse of emergency departments in our hospitals, and they costed it out for every state in the country. Well, Connecticut was one of those states that was costed out and they estimated, in 2006, we wasted \$230 million in health care dollars by overuse of emergency departments. Yet, we have people in those departments who are

stretched very thin, who are finding more and more relief by turning and working cooperatively with the federally qualified health centers. We have hospitals that now reach out to prevent more serious incidences, and everybody's doing their part, except we still haven't solved the health care system in our state. Would you imagine that over 300 million people, 50 million of those, one in every six, does not have health care insurance. And even those -- many of those who do have health care insurance, do not have access -- access to health care.

So I could go on like this, but I'm saying it's not the worse thing in the world is that we play a more active role in providing health care to those who cannot afford it and helping businesses, like the auto industry and other industries, get back on their feet so they can continue to provide benefits to their employees, and so on. So we play a very, very, very direct role. And all of you know and have experienced, I'm sure, on a local level when you've been called in your community faces one emergency or another and you do something about it, not always successful as Katrina will tell us but sometimes very successful as we experienced in the 30s in the Great Depression when we came together as a nation, and we

came together as a nation in World War II, Korea and other times. When we helped out the guy who doesn't have -- or the woman who doesn't have enough money to pay for their health care and can't get into a center because it's overflowing into emergency department that should bother us a great deal, and I think it does. And I think we have to address these issues and this one way of doing but I, for one, would like to support Representative Ryan. He'll be surprised at that. I have often differed with him on certain issues but, nevertheless, he's doing the right thing by leading the charge here. And I hope all of us will support this.

And I hope those people who raised the impact on our business system ought to raise that question with -- in regards to how we provide health care in this country and the number of people that do not have access to adequate health care and it doesn't pay off. We ranked 37th in effective health care. We have a number of countries all around us who are providing much more effective, at a reasonable price, and they're all for the better for it.

So I'm for helping out those who need a helping hand when they need it, and I think it's a very appropriate role for our government to be playing at

ckd
HOUSE OF REPRESENTATIVES

97
May 13, 2009

this time. Thank you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Thank you, sir.

Gentleman from Norwich, Representative Coutu.

REP. COUTU (47th):

Thank you, Mr. Speaker. Wow, what an introduction.

DEPUTY SPEAKER GODFREY:

We will have no -- no spontaneous -- nothing spontaneous from the gallery. Representative Coutu, please go on.

REP. COUTU (47th):

Thank you, Mr. Speaker. I'm here today and like everyone else in here, I'd like to continue the trend of helping as many people as we can, but, unfortunately, find ourselves in a situation where we are facing a -- when you add in the 1.4 billion this year -- a total of \$10 billion in deficit.

And a simple question is, through you, Mr. Speaker, we've already, sort of, helped this private organization out. This group of hard working individuals by providing them a \$250,000 earlier this year. Do we have a forecast of how much funding this will require for the next two years for this program? Through you.

ckd
HOUSE OF REPRESENTATIVES

98
May 13, 2009

DEPUTY SPEAKER GODFREY:

Representative Ryan, do you care to respond?

REP. RYAN (139th):

Can I answer? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

That's why -- that's why I asked you to respond.

REP. RYAN (139th):

Through you, Mr. Speaker. As I mentioned earlier depending upon the amount of turnover, we could realize a cost this year of 73,000 with a savings the next year of \$82,000. If it's a higher turnover, we could realize a savings in both those years. The actual cost to pay out the amounts in all the contracts if that that's what the gentleman is asking, I actually do not have that figure.

DEPUTY SPEAKER GODFREY:

Representative Coutu.

REP. COUTU (47th):

Additionally, is there, through you, Mr. Speaker, is there going to be any costs associated with our agencies keeping an eye on the pricing, making sure the prevailing wages are being sustained? Is there any other additional cost that can come from anywhere else from our government, through you.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

If I understand the gentleman's question, I think the answer is, no.

DEPUTY SPEAKER GODFREY:

Representative Coutu.

REP. COUTU (47th):

Thank you, Mr. Speaker.

My concern is has this funding that we're projecting potentially we're going to spend on this -- for this private organization, is that allocated in any of the budgets that are being presented right now? Through you.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. This I imagine it is in the funding to take care of the maintenance of these buildings through DAS.

DEPUTY SPEAKER GODFREY:

Representative Coutu.

REP. COUTU (47th):

My concern is every dollar that we are going to spend no matter how much in hearts we'd like to do that, I view it in my districts that some of the

smaller programs, like Meals on Wheels and things that are critical to the survival of seniors, early education funding for the children, every dollar we spend is going to be taken away from those programs potentially, and among other reasons I have some concerns that we're opening up something where we are, for the most part, changing the way bidders can play the game. They can low ball. They can come up creative ways to request funding from the state and, in my view, this is a slippery slope. As much as I'd like to be a bail out, once again, which has become a common theme in government, I don't know if I can do that in this situation. So thank you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Thank you, sir.

Remark further on House Amendment Schedule A?

Remark further on House Amendment Schedule A? If not, let me try your minds.

All those in favor signify by saying aye.

Opposed, nay. The ayes have it. The amendment is adopted.

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

Representative Hetherington.

REP. HETHERINGTON (125th):

Thank you. Through you, Mr. Speaker. Just a final question or two to the proponent. Twice, savings have been referenced as resulting from the adoption of this bill. I'm not sure I understand how those savings are calculated. Would you -- would the proponent kindly describe those projected savings again?

DEPUTY SPEAKER GODFREY:

Representative Ryan, would you care to repeat that?

REP. RYAN (139th):

Yes. Through you, Mr. Speaker. As people leave their jobs, people that would be hiring will be paid at a lower rate realizing a savings.

REP. HETHERINGTON (125th):

I see.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

Thank you, and thank you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Thank you, sir.

Remark further on the bill as amended? Will you, Remark further on the bill as amended? If not, staff and guests please come to the well of the House.

ckd
HOUSE OF REPRESENTATIVES

102
May 13, 2009

Members take their seats. The machine will be opened.

THE CLERK:

The House of Representatives is voting by roll call, members to the chamber. The House is voting by roll call, members to the chamber.

DEPUTY SPEAKER GODFREY:

Have all the members voted? Have all the members voted? If all the members have voted, the machine will be locked. The Clerk will take a tally.

Will the Clerk will announce the tally?

THE CLERK:

House Bill 6502 is amended by House A.

Total number voting 147

Necessary for passage 74

Those voting Yea 112

Those voting Nay 35

Those absent and not voting 4

SPEAKER DONOVAN:

The bill, as amended, is passed.

Are there any introductions? Distinguished gentleman from East Haven, Representative Lawlor.

REP. LAWLOR (99th):

Thank you, Mr. Speaker, for an introduction.

SPEAKER DONOVAN:

Please proceed, sir.

H – 1070

**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
2009**

**VETO
SESSION**

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SPEAKER DONOVAN:

The House will please come back to order.

Will the Clerk please call House Bill 6502.

THE CLERK:

The State of Connecticut House of Representatives
Calendar for Monday, July 20, 2009. On page 2,
Calendar Number 223, Substitute for House Bill
Number 6502, AN ACT CONCERNING THE STANDARD WAGE FOR
CERTAIN CONNECTICUT WORKERS, as amended by House
Amendment Schedule "A," favorable report of the
Committee on Appropriations.

SPEAKER DONOVAN:

Thank you, sir. Before calling on Representative
Merrill, I'd like to point out to the Chamber that in
order to take up a bill vetoed by the Governor, we
need to follow a two-step process. The first step is
a motion for reconsideration.

Assuming that motion is adopted, we then move on
to a second motion. That motion would be a motion to
repass the vetoed bill.

The first motion, reconsideration, is decided by
a simple majority vote. The second motion is a motion
to repass, and that motion requires a two-thirds vote

or at least 101 members. Representative Merrill.

REP. CAFERO (142nd):

Mr. Speaker.

SPEAKER DONOVAN:

Representative Cafero.

REP. CAFERO (142nd):

Excuse me. A point of parliamentary inquiry,
Mr. Speaker.

SPEAKER DONOVAN:

Please proceed.

REP. CAFERO (142nd):

With regard to the first motion, are there any
restrictions on debate? In other words, do the normal
rules of debate apply?

SPEAKER DONOVAN:

Representative, on your inquiry, the normal rules
apply.

REP. CAFERO (142nd):

Thank you, Mr. Speaker.

REP. MERRILL (54th):

Yes. Mr. Speaker, I move for reconsideration of
House Bill 6502.

SPEAKER DONOVAN:

The question before the Chamber is on

rgd/md/mb
HOUSE OF REPRESENTATIVES

21
July 20, 2009

reconsideration of House Bill 6502. For the benefit of the Chamber, I will note that Representative Merrill was on the prevailing side of this issue when the Chamber passed this measure on May 13, 2009, and is therefore an appropriate member to make the motion for reconsideration.

Is there objection for -- to the motion to reconsider? Is there objection to reconsider?

REP. CAFERO (142nd):

Objection.

SPEAKER DONOVAN:

There is objection. Care to remark further on the motion to reconsider? Care to remark further?

If not, Representative Cafero.

REP. CAFERO (142nd):

Mr. Speaker, just for purposes of inquiry, we're sort of on, at least, unfamiliar ground for me here; in other words, is now the time to debate whether or not to reconsider this bill? Through you.

SPEAKER DONOVAN:

That is correct, sir.

REP. CAFERO (142nd):

And does the substance of the bill play into that discussion?

rgd/md/mb
HOUSE OF REPRESENTATIVES

22
July 20, 2009

SPEAKER DONOVAN:

Representative, the discussion has been limited to whether or not to reconsider the bill.

REP. CAFERO (142nd):

Through you, Mr. Speaker, do I still have the floor with regard to that inquiry or question?

SPEAKER DONOVAN:

It is more appropriate to have in-depth discussion or other questions on the motion to repass the bill as opposed to the reconsideration.

REP. CAFERO (142nd):

Thank you, Mr. Speaker, and I appreciate that. I guess one of the factors that we would consider with regard to reconsidering that bill now would be the consequence, and I guess which would relate to the substance of the bill, if we did not consider it now and frankly, say, waited until the next regular session.

So I'm wondering, through you, Mr. Speaker, if that would be an appropriate question with regard to the motion to reconsider to ask the Majority Leader. Through you, Mr. Speaker.

SPEAKER DONOVAN:

Please proceed, sir.

REP. CAFERO (142nd):

Thank you, Mr. Speaker. Through you to the Majority Leader, I would ask that, obviously, this bill has been vetoed by the Governor, and you are making a motion that we reconsider it. I'm wondering what the consequences are other than the obvious that it would not become law if we did not reconsider it.

Is there a consequence with regard to the substance of the bill that makes it necessary that we reconsider it today? Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Merrill.

REP. MERRILL (54th):

Yes. Through you, Mr. Speaker, in terms of the consequence of what would happen if we did not repass this bill today, the short answer is that the group of people under consideration in this measure would be without health insurance immediately, and therefore, without our action, that will take place without us in the interim. If we do pass it today, they would immediately continue their health insurance.

So that's the short version of what this bill does. Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Cafero.

REP. CAFERO (142nd):

Thank you. And through you, Mr. Speaker, that's certainly very, and I appreciate the answer from the Majority Leader.

Being that this is July 20th, the particular group that we're talking about to provide them with health insurance, have they been without health insurance since July 1st? Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Merrill.

REP. MERRILL (54th):

Well, Representative Cafero, I think that we're spilling into some more detail on the bill, and I would defer to the committee Chair to perhaps answer some of the questions about the exact consequences of the bill.

So with permission, I would yield to --

SPEAKER DONOVAN:

Representative Cafero, would you care to redirect your question?

REP. CAFERO (142nd):

Yes. I would redirect it and be glad to repeat it to Representative Ryan, I believe, the ranking

member of the Labor Committee. And through you, Mr. Speaker, my question to him would be whether or not the particular group that this bill pertains to have been without health insurance since what day or at what point will they be without health insurance? Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Ryan.

REP. RYAN (139th):

Thank you, Mr. Speaker. Through you to the fine majority -- Minority Leader. Excuse me. It's not -- according to my notes, they would have been without health insurance since July 1st, but it's been my understanding that something has been worked out to people to extend their benefits through the end of this month, but surely by the end of this month, they would -- their benefits -- without this bill passing, they would lose their benefits by the end of this month, for sure.

SPEAKER DONOVAN:

Representative Cafero.

REP. CAFERO (142nd):

Thank you. And just for clarification, through you, Mr. Speaker, again to Representative Ryan, the

group that we're talking about currently has health insurance as we convene here today on July 20th. Is that correct? Through you, Mr. Speaker.

REP. RYAN (139th):

Through you, Mr. Speaker, it's my understanding that they -- as of this moment they do, but won't by the end of this month. Even though my -- when we first did this bill, the benefits should have ended on July 1st, but I'm hearing now that something was worked out to extend them through at least this month.

SPEAKER DONOVAN:

Representative Cafero.

REP. CAFERO (142nd):

Thank you, Mr. Speaker. I thank the gentleman for his answer.

SPEAKER DONOVAN:

Thank you.

Will you care to remark further on the bill -- the motion to reconsider? Would you care --

Representative Hetherington.

REP. HETHERINGTON (125th):

Thank you. I believe this falls also within the category of a parliamentary inquiry. With respect to this bill, through you, Mr. Speaker, does this expand

health care coverage as of July 1st, to a group that does not turn -- that did not preceding July 1st, have health care coverage? Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative, just a clarification. It's not a parliamentary inquiry. It's a question to Representative Ryan. Is that correct?

REP. HETHERINGTON (125th):

Yes. That's -- seems to be correct. Thank you.

SPEAKER DONOVAN:

Representative Ryan.

REP. RYAN (139th):

Thank you. Through you, Mr. Speaker, part of what this bill does is change the status -- change the way in which individuals are going to be paid. Currently, they get a -- they get their payment and a 30 percent surcharge to cover their health care benefits due to the fact that the health -- certain benefits to pay for pension, other vacation time, things of that nature.

Due to the increased cost of health care, that 30 percent hasn't been sufficient. We're trying to, with the bill, change how they get paid so that they will continue to get health care benefits.

So what we're basically trying to do is to continue with what they have. I don't believe there would be any introduction of any new benefits but just an attempt to let them keep what they currently have.

SPEAKER DONOVAN:

Representative Hetherington.

REP. HETHERINGTON (125th):

Through you, Mr. Speaker, forgive me, I'm still a little puzzled on this. As I understood this bill originally, it was to redefine the standard wage for certain contract workers and the effect of it would be to extend the benefits, particularly health care, to janitorial workers who did not previously have health care benefits.

So I'm somewhat confused about the continuation of benefits when I thought that the purpose of this bill was to afford those benefits to those people who didn't currently have them. So I would ask the indulgence of the Chairman if he would clarify that for me. Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Ryan.

REP. RYAN (139th):

Yes. Thank you, Mr. Speaker. I guess typically

I would have gone over this as we went for the repassage of the bill and these issues would have been covered.

Ostensibly there weren't -- this group of people didn't have any benefits, I think, before the year 2000, but we now have given them benefits with the implementation of a 30 percent surcharge on their standard wage. As I mentioned earlier, that has become insufficient to pay for the benefits these individuals receive because of the one -- of the big price -- the implications of the increases in health care have problem -- have kind of made it kind of unaffordable at the 30 percent level.

So they would be using the benefit some of them have lost, as they've gone to pay for their particular benefits, days off, things of that nature, over time. And this would be an attempt to assure us that these individuals would have whatever benefits they would have lost restated or restored and to ensure that they would have their health care benefits.

If we don't do anything, the 30 percent would be insufficient to pay for those benefits and they would be losing those particular benefits. That's why we're trying to restate how the standard wage is determined

and assure that they would continue to get health care benefits.

SPEAKER DONOVAN:

Representative Hetherington.

REP. HETHERINGTON (125th):

I thank the Chairman. That's very helpful.

Through you, Mr. Speaker, what is the current estimate of the additional cost required to preserve those health benefits? Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, again, we're getting to the substance of the bill. As I pointed out when I first brought this bill out a couple of months ago, in the current year there would be -- I think the fiscal note reflects this -- a cost of about \$73,000 to the state because of the benefits being restored, but the fact that the new workers that would be coming on after July 1st would be hired at a lower rate, there would end up being a cost savings next year of about \$82,169. But while we're talking about a cost for the current year, keep in mind that if these folks don't get their health care benefits, many of their -- many

of them, as well as their children, will be getting the benefits through the HUSKY plan which would cost money on that end, if you will, in that category.

So one way or the other the state is going to be paying for it. We think it would be more effective to give them the benefits so that their members don't have to be -- there, the families don't have to go on HUSKY so that in the end we would realize a savings in the out years as this program progressed, as new individuals are hired at a lower rate so that there would be money available to pay for the benefits, and in the long run, over the next few years, it would be a cost savings to the state. Thank you.

SPEAKER DONOVAN:

Representative Hetherington.

REP. HETHERINGTON (125th):

Thank you, Mr. Speaker. I thank the Chairman, again. And I probably am getting into the substance of the bill. And I conclude that this is not the appropriate time to discuss the substance of the bill because the motion is strictly on reconsideration and that we will have an opportunity after the motion is disposed of to address the substantive points of the bill. I -- is that correct, Mr. Speaker.

rgd/md/mb
HOUSE OF REPRESENTATIVES

32
July 20, 2009

SPEAKER DONOVAN:

Yes, Representative.

REP. HETHERINGTON (125th):

Thank you. Then I thank the Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Would you care to remark further on the motion to reconsider? Would you care to remark further on the motion to reconsider?

If not, let me try your minds. All those in favor, please signify by saying, aye.

REPRESENTATIVES:

Aye.

SPEAKER DONOVAN:

Those opposed, nay.

REPRESENTATIVES:

No.

SPEAKER DONOVAN:

The ayes have it. The motion to reconsider is adopted.

Representative Ryan.

REP. CAFERO (142nd):

Mr. Speaker.

SPEAKER DONOVAN:

Representative Cafero, for what reason do you rise?

REP. CAFERO (142nd):

Again, a point of parliamentary inquiry, Mr. Speaker. With regard to the motions to reconsider those -- obviously, the opinion of the Speaker that those can be taken by voice vote.

SPEAKER DONOVAN:

That is correct.

REP. CAFERO (142nd):

Thank you, Mr. Speaker.

SPEAKER DONOVAN:

And by a simple majority vote.

Representative Ryan.

REP. RYAN (139th):

Thank you, Mr. Speaker. I move for repassage of the bill.

SPEAKER DONOVAN:

The question before the chamber is on repassage of the bill.

Representative Ryan, you have the floor.

REP. RYAN (139th):

Thank you, Mr. Speaker. Just to remind folks what the bill is about, though we've been discussing

it, it's basically to allow private contract employees who work in state buildings to be paid the same prevailing wage rates and receive the same prevailing benefits as employees working under the union agreement, covering the same work in the largest number of hourly, nonsupervisory employees that has at least 500 employees in Hartford County.

Basically it ties the state pay and benefits for state and wage workers to those provided under private contract or union contract that meets the bill's criteria. And again, as we've already mentioned, the reason to do this is because of the high health care costs, the 30 percent benefit-to-wage ratio. In the current standard wage law is not enough to cover family health benefits for workers or to cover their pensions. If this bill is not implemented, about 500 children and adults will lose their health care coverage at this July.

They've already stopped accruing pension credits and were originally scheduled to lose their family health benefits on February 1, 2009, but again, to -- action was taken to prevent that from happening.

Like we said, this bill may -- involves a lot of sacrifices on the part of the contracted workers. The

union workers will be getting paid at a rate that is lower than the current workers. And as I mentioned just a few moments ago, there will, after the first year, be a savings that offsets the increased costs of health care coverage. And also taking into consideration the fact that the individuals who won't have health care coverage will probably go into the HUSKY program, they'll qualify for HUSKY, and a number of the adults would qualify as well.

So that's why we are looking at this bill. We think it's important. It also has a part of the bill that takes care of nonprofit service providers by allowing them to place more of their clients in good jobs. Under a qualified partnership project it integrates workers with disabilities, and to create jobs with other wage workers in the state of Connecticut buildings.

This law will help workers with disabilities to be hired into state building contractors and be integrated into commercial building work sites.

Initially this bill passed with a fair margin, and I would hope that my colleagues would again vote with me in favor of this bill. Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Representative Craig Miner.

REP. MINER (66th):

Thank you, Mr. Speaker. Mr. Speaker, if I might, just a question or two to the proponent.

SPEAKER DONOVAN:

Please proceed, sir.

REP. MINER (66th):

Thank you. Mr. Speaker, as I read the fiscal note, the fiscal note, I believe for this bill as it was passed as an amendment, talks about potential significant costs to the state in '10 and '11. Is that correct? Through you.

SPEAKER DONOVAN:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, that is what the fiscal note says, but as I said earlier, it does not take into account the extra costs that the state will incur due to the increased number of children and spouses who will be eligible for HUSKY.

And it also does not take to account the minimum wage structure for the new employees and the fact that

they would be hired at a lower starting wage than the current employees, and that's where the savings would be realized. And we think in the end, it will actually be of savings to the state.

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker. And I thank the gentleman for his answer. I -- the Office of Fiscal Analysis is a nonpartisan budgetary group that puts together these opinions. And I guess if I had my opinion, the fiscal note is the fiscal note. And I know we have a budget for HUSKY. I know we have a budget for what our contracts are.

And am I wrong in being concerned that when the fiscal note says that future contracts will be increased as a reflection of the additional cost? That this is the -- I'm concerned by not going along or not paying attention to the fiscal note that we will be somehow misguided in thinking that this is not going to cost us more money.

We've looked at fiscal notes on all of these bills. Every single one of them tells a story. Sometimes it's the way we want to believe it is.

Sometimes it's not. It's not in favor of the issue that we're trying to get passed. We are currently operating under a deficit. '09, we ended the year in a fiscal deficit of almost a billion dollars, and there's a veto in place that would keep this bill from moving forward, but by overriding the veto, as I understand it, whatever the costs that are going to be incurred under this bill will be obligated to the state of Connecticut.

I understand the argument that they're going to be getting health insurance in one place or the other, whether it's under this increased contract or whether it's under the HUSKY program. And I don't know that when you boil it all down that it costs more in one than it does in the other, but I think the fiscal note is pretty clear. And as we go out, not only '10, '11, '12, '13, '14, those of us that have been talking about budgets know this deficit is not going away ladies and gentlemen.

And I think overturning the veto in this particular bill is probably going to run the risk of costing us more money. It may be a more cost-effective way to do it through the HUSKY plan than opposed to overturning this veto. Thank you.

Deputy Speaker Godfrey in the Chair.

DEPUTY SPEAKER GODFREY:

Thank you, sir.

The gentleman from New Canaan, Representative Hetherington.

REP. HETHERINGTON (125th):

Thank you, Mr. Speaker. If I may, through you, Mr. Speaker, to the proponent.

DEPUTY SPEAKER GODFREY:

Of course, sir. Please frame your question.

REP. HETHERINGTON (125th):

Thank you. The bill has been referred to in a -- a way as a "justice for janitors bill," but in fact the bill would include in its calculation of the standard wage more than simply people who do janitorial work. Isn't that correct? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan, do you care to respond?

REP. RYAN (139th):

Through you, Mr. Speaker, generally it takes care -- the janitors, I'd think they'd be the larger

portion of the bill. But there's also some folks who take care of property maintenance and some food service work in state buildings, but generally, it is mostly janitors.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

Thank you. And through you, Mr. Speaker, do we know currently, approximately how many people would actually be covered by the bill? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, as I mentioned earlier, about 600 folks.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

I thank the gentleman. And this -- in the earlier colloquy, the Chairman described how this actually would result in a savings, which I understand depends on new workers coming on board at a lower rate of pay.

And I would ask, through you, Mr. Speaker, on what basis do we determine that new workers would come on board at a lower rate of pay? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, the state has determined that there's at least a 5 percent turnover every year in workers, and that's a low figure. So it's because of those folks turning over and the fact that the new contract would have them be -- the new workers being paid at a lower rate.

So if it's more than 5 percent, there's even more of a savings, quite honestly. Like I said earlier, if it's 5 percent turnover rate, they would -- there'd be a savings in 2010 of \$82,000, 2011 of \$116,000. If it's a higher number it might be more realistic. It would be about 200 -- there'd be a savings immediately, quite honestly, in 2009, with a savings of 274,000 in 2010 and 381,000 -- and 79.

So essentially, because of the sacrifices that the workers have made -- are willing to be made here are the new workers would be getting rate -- paid at a

rate of 12.25 an hour compared to the ones that are now getting paid 14.90 an hour.

So it's because of that savings on an hourly wage that the health care benefits or other benefits could be paid for, and there'd be a savings realized in the long-term

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

I thank the Chairman, and at the risk of belaboring it and seeming dense, which maybe I am, but I would simply ask, but what -- how do we let -- on what do we rest the assumption that the new workers are paid at a lesser rate? I'm sorry. I don't understand how that conclusion is established. Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker. And I'm sorry I wasn't clear about that. This law, once it passed, the minimum wage, because of the contract that's been invoked for over 500 employees -- the janitors, in the private sector, that is their current wage of 12.25 an

hour. And in the new law that would be the wage that would be implemented rather than the federally-derived standard wage.

So it's because of the decrease, that's where the savings would be realized today, and there's nothing wrong with belaboring the Labor Chairman.

DEPUTY SPEAKER GODFREY:

All right. Representative Hetherington, thank you, just trying to recover from that.

REP. HETHERINGTON (125th):

Through you, Mr. Speaker, and at what point would that savings expire? I ask that on the assumption that at some point that that rate is renegotiated so that new workers would be hired at a -- potentially a higher level. Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, I have figures going up to 2015 in both categories of turnovers. I believe that it's generally going to be assumed that the private workers -- I'm just -- give me one second. I'm sorry.

Basically, we're going to be affecting the

private-sector payers in the Hartford area. With -- it's what the vast majority of the private sector's work -- workers in the Hartford area will be getting paid for their janitorial work. And nonetheless, as their contracts are renegotiated, there probably would be a change, but it still would probably be at a lower rate than what we currently see in the standard wage. Like anything else, I guess there's no guarantees as you go to further out, but I think it would probably follow the same pattern that we've seen over the number of years here that the private-sector workers would be getting paid a little bit less and so would our state workers who are working in these capacities.

DEPUTY SPEAKER GODFREY:

Representative Hetherington.

REP. HETHERINGTON (125th):

Thank you, Mr. Speaker, and I thank the Chairman for his responses and for his typical good humor.

Mr. Speaker, when I -- when this bill was originally before this House I voted in favor of this bill because as I talked with some of the people who perform these services I was persuaded that they had a situation that needed to be addressed. And I do believe that in good times we ought to address them --

that, but the fact is that we are not in good times. We're in extremely hard times, hard for people in the private sector, hard for our citizens around the state as they struggle to deal with the financial conditions that we now have to address.

So although I voted for this when it was first before this House, I'm going to oppose it today because, one, I believe that it is going to add costs. I believe that the anticipated savings are speculative and rest on assumptions on which we cannot depend and that will undoubtedly change as the labor contracts in this area are renegotiated.

Second, I believe that -- while I still believe that these workers have a legitimate need, I believe that we should not address needs selectively. I think what we're doing here is a time when we realize we cannot afford to do what we would like to do in many areas, we should not select one particular area at the expense of others.

And third, I'm going to vote for this -- in opposition to this although I voted for it originally because I believe that it is extremely important that our Governor be sustained in her veto at a time when she is struggling as we all are struggling, as the

leaders of the Majority are struggling, to reach a responsible resolution to our state problems. So I think when I -- I review my vote in favor of this to be based upon very different considerations than what faces us now and what the decision that is presented to us to us at this time. One, because I'm concerned about the costs.

Second is because I think that we have to sustain our Governor's veto at a time, when she, working with the leaders of the Majority and others are trying to work at an overall resolution that is best for everyone in our state and not to address these matters on a very selective basis during a particular measure for one group while the rest of the state awaits what kind of justice we are going to have for all.

So, with that, Mr. Speaker, I am urging a vote in opposition to the repassage of this measure. And I thank you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Thank you, sir.

The gentleman from Meriden -- North Branford, Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. I, too, also rise in

support of sustaining the Governor's veto.

This is certainly a difficult bill to vote against, to not support because it is dealing with an important issue, that being health care. But I do have a problem standing here today prioritizing this piece of legislation, a budgetary piece of legislation without having the overall picture of knowing where our budget is going to be, and I think that we should not be prioritizing or elevating one piece, one segment of our state spending over the overall picture.

And I think that in a sense that we are prioritizing this one area over another, and certainly there are other areas in our state Legislature that need funding. We are hearing from our municipalities. We're hearing from nursing homes, rental assistance, and a lot of those programs, a lot of those constituent groups are not getting funding because we do not have the budget.

And I think it's dangerous that we are picking one segment out of the budgetary process to address. And I think where it's unique today -- than it was any other day -- I think this vote would be a simpler vote if it wasn't for the fact that we don't have money.

The state is in deficit spending right now, and this piece of legislation is only going to further it. And my biggest concern is if we are going to interject this spending into the cycle which, as OFA points out, is significant, something else is going to have to be given up for it.

And that's the big question that I have. What are we going to give up by allowing a private contractor to get more money from the state, which is essentially what this bill is doing. It's increasing the standard wage. So in exchange, what are we going to be losing tomorrow? It could be one of our programs that are near and dear to us, and therefore I cannot support this type of legislation in a vacuum.

I think that we need to look at it in the overall budgetary process, and as such, I would strongly urge everybody to sustain the Governor's veto. And thank you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

The gentleman from Southbury, Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker. If I may, just a few questions, through you, to the Chair of the committee.

DEPUTY SPEAKER GODFREY:

Please proceed.

REP. O'NEILL (69th):

Thank you.

As I read the OLR report on this bill, I notice that there is a provision in which it indicated that certain persons with disabilities are excluded from the coverage of this bill. And as I read -- I'm sorry. Let me stop at that point and just be sure that I'm reading the OLR report correctly.

Through you, Mr. Speaker, is it true that certain individuals with disabilities are excluded from the coverage of the bill?

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, what I believe is, after some considerations and discussions, I don't think they have been excluded from the bill.

I think, as we've done in the past, work has been done to make sure that they are included in the bill because of the fact that these folks, if there were -- if their wages were changed along with the -- at the same level that the unionized workers were changed,

their ability to get jobs in public buildings would be diminished.

So to ensure that they are still being able to maintain the jobs they have and continue to get new jobs, the criteria that has been used to pay them is going to be maintained so that their ability, like I said, to work in these buildings would be maintained and hopefully won't in any way hinder their workplace.

So it's to save them their jobs that there might -- their consideration -- it was given to them so that there would be no reason for the contractors not to hire them. So they -- I think they are paid at a little different rate, and we're going to allow that to continue so that they can get the jobs and preserve the jobs that they currently have.

DEPUTY SPEAKER GODFREY:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker. Could the Chair indicate what -- where the language is in the bill that provides for that protection for these individuals? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, I'm going to need a couple of seconds here to make sure we have the right file copy and to be able to refer to the right part of the bill.

DEPUTY SPEAKER GODFREY:

The House will stand at ease.

(Chamber at ease.)

DEPUTY SPEAKER GODFREY:

House will come back to order.

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, unfortunately I don't have a copy with (inaudible) on it, but there is a section under Subsection H, the last line says that the provisions of this subsection shall not apply to any contract covered by the Subsection (o) and (p) of Section 4a-82, which I believe is the issue we're dealing with, which is the Janitorial Work Pilot Program for Persons with Disabilities and Persons with a Disadvantage.

DEPUTY SPEAKER GODFREY:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker. So to be sure because my initial question was, were certain persons with disabilities excluded from the coverage of the bill that is before us, which I believe was the OLR report.

So if I could perhaps restate the question. Are these people with these disabilities excluded from the coverage of this piece of legislation? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, I don't -- my answer still stands that basically their status does not change because we feel that if we're changing their status -- would hurt their ability to be able to work in those facilities.

So we're keeping -- maintaining the program, the work pilot program that allows them to work in these programs and didn't make any changes to it because we thought it would be -- hurt them rather than help them. So for that reason they are excluded from this bill.

DEPUTY SPEAKER GODFREY:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker. So if I understood the answer at the very end it did indicate that the persons with disabilities in the work pilot program are excluded from the coverage of the piece of legislation before us.

And the explanation is offered that is believed that this piece of legislation would hurt that group of individuals' ability to retain their jobs. And if I could ask a follow-up question, why is it that this legislation would hurt the ability of those individuals to retain their jobs? If they had been subject to it, why would this piece of legislation hurt their ability to retain their jobs? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, they are, I believe, paid at a different rate, and for that reason -- and if the rate is commensurate with their abilities to perform the jobs they have -- it's my understanding.

And let's take it into consideration so that they can keep their jobs and work whatever capacity they currently are working in.

DEPUTY SPEAKER GODFREY:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker.

And so the effect of this piece of legislation then would be if they're more applicable to them would be to raise their wages beyond what, apparently the market has determined the value of their services to be. Is that correct? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, I think that is part of it, plus the fact that I believe they currently have the benefits and that their benefits weren't affected by the changes so that would have been no good for them in any way or anything beneficial for them to be included in this bill.

DEPUTY SPEAKER GODFREY:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker. That latter part about them having the benefits, if we could just be clear about it, because I think it was -- that it was phrased that I believe they have the benefits. So the question is do they have the benefits pursuant to some other statutory provision of guarantees that they have health insurance? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through -- because of the special circumstances of those individuals, there are programs that provide them with health care benefits, possibly SSI. So they are currently getting those care -- kind of health care benefits, and again, the reason -- and I don't think they have been adversely affected because they all currently get benefits. And just -- we're just making sure that they can continue to at least hold positions in the workplace that they have had and continue to -- and will to have in the future hopefully.

(Inaudible) is the answer to that.

DEPUTY SPEAKER GODFREY:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker.

Because when I ran across that language, I have to say that I was a little surprised to see that there was an exclusion from the coverage of a statute that was designed to benefit people, low-wage workers, that said it doesn't apply to certain people with disabilities, which includes both mental and physical disabilities. And I know -- and at least I thought, that we did have a provision in the State's Constitution that prohibits the denial of equal protection to people based on, among other things, physical or mental disability.

And so I would ask the Chair of the Labor Committee, during the course of the formulation of this piece of legislation, did anyone look at the issue about whether or not we can, in fact, pass a piece of legislation that explicitly excludes from its coverage individuals based on their mental or physical disability, or would we be in violation of our State's Constitution? Through you, Mr. Speaker.

REP. RYAN (139th):

Through you, Mr. Speaker, I believe this language is put in there at the request of the folks that run

the programs of these members -- these folks are members of because they felt it would adversely affect them.

I think it was under previous legislation that this type of an exclusion occurred, and this is just continued under that format that had already been in place. They wanted to be assured that it would continued to be in place because again, like I said, they thought it would be -- it would hurt them if it -- if they were employed under this bill. So it was not our idea, but like I said, the individuals who run the programs who came to us and asked for this exclusion.

DEPUTY SPEAKER GODFREY:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker. I appreciate that the individuals who ran the program or run the programs wanted to have protection for the programs that they are running. But I -- my question really was directed at the question of whether under -- since our Constitution prohibits discrimination or denial of equal protection of the laws to people with mental or physical disabilities, and this bill seems to

specifically exclude from its coverage people with mental and physical disabilities, was there ever any thought given during the formulation of this legislation about whether or not that -- the bill would violate the provision of the State's Constitution on equal protection for people with mental and physical disabilities? Through you, Mr. Speaker.

REP. RYAN (139th):

Through you, Mr. Speaker, like I said, the exclusion that existed in previous laws, our LCO attorney did formulate this -- did put it together. I think if there was an issue with that, he would have brought it to our attention, and since he didn't, and I'm not an attorney, I can't be sure, but I tend to rely on them.

And he did not bring it to our attention like they typically would if they thought there was going to be a future problem. So I believe that I'm going to have to answer that I don't think it was considered to be a problem.

DEPUTY SPEAKER GODFREY:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker. And we appreciate that answer. I guess I would probably feel better if someone had specifically raised the issue, given that the Constitution is pretty clear about disabilities and our prohibition about denying people equal protection. And it seems on the face of it, facially at least, this statute creates a classification or recognizes a classification of people and then denies them the coverage of the statute.

And I understand that because of the complexities of the health insurance that's available to them today and the health insurance that might be made available to them later, the effect that it's going to have on wages, that they may, in fact, financially benefit from this particular provision, but I'm just wondering about the -- not only the precedent, but the practice that we seem to be engaging in of saying that people with mental disabilities or physical disabilities are going to be excluded from the coverage of the statute.

At least without a more thorough constitutional analysis, it strikes me that this potentially has the possibility of being raised as an issue in litigation about whether or not this is going to have an affect on those folks that is, in fact, a denial of their

equal protection under the State's Constitution.

And I understand that the LCO attorney may not have raised it as an issue. I just wonder if it's the kind of thing that might have escaped everyone's notice while they were working on fine line details focusing on the health insurance benefits aspect of it. Although, as I said, I would have preferred and hope that someone had actually checked to make sure that we could, in fact, pass this kind of legislation without worrying about that kind of litigation. Thank you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Thank you, Representative O'Neill.

The gentleman from Norwich, Representative Coutu.

REP. COUTU (47th):

Thank you, Mr. Speaker. Mr. Speaker, I rise today -- I'm concerned that the current deficit we face, you know, pushing \$8.7 billion and every penny we spend, regardless of the cost of, we will have to think it over quite a bit before we take action. And I have a few questions through you, Mr. Speaker to the Cochairman of the Labor Committee.

DEPUTY SPEAKER GODFREY:

Please frame your question, sir.

REP. COUTU (47th):

Thank you, Mr. Speaker. The first question, you know, I'm not as familiar as you are on this particular track record and how we got to where we're at, but has the state provided any form of health insurance for a private company before? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan, do you care to respond?

REP. RYAN (139th):

Through you, Mr. Speaker, in this particular circumstances we are supplying the contractor and our contracts with a surcharge to be able to -- for the subcontractor to be able to purchase the health insurance.

We don't provide their health insurance. They provide it, but we just want to supply them with the resources that will enable them to pay for the health benefits that they purchase for their workers.

DEPUTY SPEAKER GODFREY:

Representative Coutu.

REP. COUTU (47th):

Again, following up with that, through you, Mr. Speaker, would -- could one say that there's a

possibility that this contract was underbid if they cannot fulfill their obligation to pay for insurance and the wages for their employees?

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through the current law, it is set by law what they're supposed to be paid in the surcharge. So it's not a matter of bidding. It's a matter of what's in law and what they are required to pay. So, no, you couldn't say that.

DEPUTY SPEAKER GODFREY:

Representative Coutu.

REP. COUTU (47th):

The next question, through you, Mr. Speaker. To the state, how much funding has been allocated to fund for this health care? Was there previously an amount that we have to provide for this organization?

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, I don't have those figures available to me right now.

DEPUTY SPEAKER GODFREY:

rgd/md/mb
HOUSE OF REPRESENTATIVES

63.
July 20, 2009

Representative Coutu.

REP. COUTU (47th):

Through you, Mr. Speaker, through the end of the year, assuming that nothing changes with your current numbers, what is actually is the cost to the state to provide the health care for this contracted organization? If you could just repeat that again, and -- I just didn't hear it before.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, I think what he's asking is if this bill was implemented, what would be the cost through the end of the current year? And I mentioned earlier, I don't have those exact figures. I can tell you that the cost -- I remember, I have -- if this is implemented for the fiscal year 2009, not to the end of the year 2009 -- would be 73,500 if there was a 5 percent turnover. If there's an 8 percent turnover, there's actually a savings of \$39,000 to the state. And in both cases the savings increase after this current year.

DEPUTY SPEAKER GODFREY:

Representative Coutu.

REP. COUTU (47th):

Thank you, Mr. Speaker. I heard a lot about this 5 percent number and 8 percent number. And I know in my --

DEPUTY SPEAKER GODFREY:

Please continue.

REP. COUTU (47th):

-- in my section of the state, Southeastern Connecticut, we are looking at an unemployment rate that keeps on rising. I believe we're approaching 9, 10 percent. And through you, Mr. Speaker, there is some analysis done to determine that passes through states, 5 percent turnover for this contractor. When was that analysis done to determine that? Through you.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, I have a footnote and there's no date. I see no dates in the actual footnote. I have the -- I have a footnote with the references. I have the employees. It sounds like it's the current year. Remember, they have come up with the current year, but I have to admit there's no

actual date associated with the footnote.

REP. COUTU (47th):

Okay. My concern is leading to the fact that we're saying this organization is potentially going to be cutting 5 percent turnover each year and we all know that jobs are hard to come by right now.

So if we're forecasting that we're going to save money based on a 5 percent turnover, there's a problem with that analysis because the reality is people aren't leaving their jobs right now, and if this ends up at a 0 percent turnover, then we are going to be on the hook for some time to come. And do we have any analysis that shows if there is a 2 percent turnover or 1 percent turnover, what the extended cost is to the state this year? Through you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, no, I don't.

DEPUTY SPEAKER GODFREY:

Representative Coutu.

REP. COUTU (47th):

Okay. Well, I thank the Cochairman of the Labor Committee, and I will say I have some concerns. I

understand, you know, your position that we could potentially save money based on these employees; if there is a situation, they would go to HUSKY. It could be more expensive. But I'm basing this analysis on the time frame that we really don't even know when the 5 percent turnover was determined. In an environment where we have 10 percent unemployment in the state of Connecticut, something tells me there may be less turnover than what you're predicting.

So I appreciate your answers. I thank you for your time. And thank you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Thank you, sir.

The distinguished Deputy Majority Leader from West Hartford, Representative McCluskey.

REP. McCLUSKEY (20th):

Thank you --

REP. GODFREY (110th):

Deputy Speaker. I apologize.

REP. McCLUSKEY (20th):

It's okay.

Mr. Speaker, I rise briefly in support of repassing this bill. Mr. Speaker, today we're going to be voting on a lot of -- reconsidering some bills

that were vetoed by Governor Rell, and we can disagree on those issues philosophically whether or not it makes sense to override or not.

But for me, Mr. Speaker, this is an intensely real bill. If we don't take action on overturning Governor Rell's veto, some permanent employees, albeit not state employees in the strictest sense who are in this building emptying these garbage cans, cleaning those bathrooms, cleaning our floors -- will not get health insurance -- will no longer have health insurance.

Other state employees during this budget crisis are not scheduled to lose their health insurance coverage in the near term. To me, health care is a real thing, and we should treat those people who provide -- some of the lowest wage workers that are permanently serving us in this Chamber, in the LOB, in Bradley Airport and community colleges, we deserve to treat them with respect. They deserve health care. I urge my colleagues to repass this bill. Thank you, Mr. Speaker.

DEPUTY SPEAKER GODFREY:

Thank you, sir.

The distinguished Republican Leader,

Representative Cafero.

REP. CAFERO (142nd):

Thank you, Mr. Speaker. Mr. Speaker, in conclusion from this side of the aisle, ladies and gentlemen of the Chamber, Representative McCluskey indicated that this bill concerns many people who give service to buildings such as the state capitol, the LOB, DMVs, Bradley Airport, et cetera.

He also indicated that health care is one of the most important vital benefits one could have and that we should be compassionate to those, especially those who are the lowest paid of those workers with regard to their plight. Compassion, I couldn't agree more. Appreciation for what they do, I could not agree more. Here's my problem with this bill: Representative McCluskey indicated that the very people we are talking about work for private companies, private companies. Yes, they do work and have contracted to do work for the State of Connecticut. We know their faces. We know their stories. We're friends with many. We see them every day, but they work for private companies, and this particular private company, for one reason or another, found itself in a position where they were no longer able to pay their

employees' health insurance.

This private company found itself in a position, for one reason or another, where they were no longer able to pay their employees' health insurance. And what this bill says is that we will pay it for them. We will pay the private company so they can pay their employees' health insurance. Is that a precedent? I believe it is.

The other day when we debated the budget, we talked about the 58,000 -- I believe it is now 63,000 -- Connecticut residents that have lost their jobs in the past year. They work for private companies, companies that decided they did not have enough money to pay those employees their wages or benefits, private companies who said it is less expensive to do business elsewhere, and therefore, we're going to close our doors, 53 -- excuse me -- 58,000 to 63,000 Connecticut residents who have no health insurance, who have no pensions, who have no benefits. Compassion, you bet we have compassion. We should try to do everything we can to help those people regain employment, but are we in a position, as the State of Connecticut, to just say to their employer, wait a minute, if you can't pay the

benefits, we'll pay for you. Is that the precedent we want to set?

When in the history of this state has the State of Connecticut given money to private companies when they have been unable to meet their obligations to their employees? It is a very dangerous precedent indeed. There is no doubt that my heart, my compassion, and anything we can do within our bounds we should do to help, not just, the people that are subject to this bill, but every person who got that pink slip, every person who's without health care. But this is not the way to do it, especially when we here in the state of Connecticut don't have enough money to pay our bills.

Right now, in the state of California and, instead of paychecks, they're giving certificates of IOUs because they're out of money. They cannot even pay their own employees. And yet, by virtue of this bill, we will be paying someone else's employees. I ask you to consider that, consider that and the entire economic circumstance we find ourselves in as we consider this bill. Thank you, Mr. Speaker.

Speaker Donovan in the Chair.

SPEAKER DONOVAN:

Thank you, Representative.

Care to remark further? Would you care to remark further?

If not, will staff and guests please come to the well of the House. Members take their 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 by roll call, 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 has been properly cast.

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

Will the Clerk please announce the tally.

THE CLERK:

House Bill Number 6502.

Total Number Voting	141
Necessary for Passage	101
Those voting Yea	106

Those voting Nay 35

Those absent and not voting 10

SPEAKER DONOVAN:

The bill is repassed.

Will the Clerk -- members of the Chamber.

Will the Clerk please call House Bill 6600.

THE CLERK:

On page 2, Calendar 403, Substitute for House Bill Number 6600, AN ACT CONCERNING THE ESTABLISHMENT OF THE SUSTINET PLAN AS AMENDED BY HOUSE AMENDMENT SCHEDULES "A" AND "B", favorable report of the Committee on Insurance and Real Estate.

SPEAKER DONOVAN:

Representative Merrill.

REP. MERRILL (54th):

Yes, Mr. Speaker. I would make a motion for a reconsideration of this matter, and the record will show that I was on the prevailing side.

SPEAKER DONOVAN:

The question before the Chamber is a reconsideration of House Bill 6600. For the benefit of the Chamber, I will note that Representative Merrill was on the prevailing side of this issue when the Chamber passed this measure on May 20, 2009, and

**JOINT
STANDING
COMMITTEE
HEARINGS**

**LABOR AND
PUBLIC EMPLOYEES
PART 4
941 - 1243**

2009

REP. RYAN: Next, I believe, was Lori Pelletier. She'll be followed by Tom Carusello. And we know that she'll represent the AFL-CIO, which has 900 affiliated ULP unions representing working men and people from each of 169 cities and towns, and you're here to testify in favor of the following bills.

LORI PELLETIER: Representative Ryan, thank you for That kind introduction. I am Lori Pelletier, and I do serve as the Secretary - Treasurer of the Connecticut AFLCIO, and I am here to testify on behalf of all those people that you so named, and in particular in support of Senate Bill 921, An Act Concerning Collective Bargaining for State Managers, and House Bill 6502, An Act Concerning the Standard Wage for Certain Connecticut Workers.

With regards to House Bill 6502, we need to remember there's no such thing as a bad job. There's just bad pay and benefits. And this bill would go a long ways to help some of the hardest-working people in this state be able to make ends meet in this tough economy. And we hope you could support it.

House Bill 6534, An Act Concerning Labor Union Authorization Cards, we strongly support. This would be geared toward municipal and state workers that choose to join a union, amongst their coworkers, that it would be done through majority sign-up, and it would not need to go through the election process. This is a union certification bill. On the national level, the Employee Free Choice Act is dealing with this under federal law. This bill would deal with our state law. The federal law is supported not only by President Obama, but all of our congressional delegation have signed on as original

Representative Esposito.

REP. ESPOSITO: I'm just curious, Tom. In your Opening first paragraph of why would they want to join a union for no good purpose?

TOM CARUSELLO: Did I write that? I'll have to Reread that, Representative. But thank you for pointing that out. Thank you.

REP. ESPOSITO: Thank you thank you for pointing Out that error, I think, unless it's what you wanted to say. I shouldn't put words in your mouth.

REP. RYAN: Any other questions? Senator Prague Thank you, sir. Next --

TOM CARUSELLO: Thank you.

REP. RYAN: And Mr. Springsted, it's because of This didn't copy well, and, so I'm trouble reading, but I think it's Kirk Springsted, and he'll be followed by Brian Anderson.

KIRK SPRINGSTED: Good afternoon, Representative Ryan and members of the Committee. My name is Kirk Springsted, and I'm the vice president of administration for the Connecticut Community Providers Association. I'm here to speak about House Bill 6502, An Act Concerning the Standard Wage for Certain Connecticut Workers. We have specific concerns about the worker retention language in the proposed bill. Since 1979.

CCPA has administered the highly successful Preferred Purchasing Program created by Public Act 77405, and later amended by Public Act 06129. Through the program, Community

providers supply state agencies with products and services made by people with disabilities.

The program creates much-needed employment, employment training, work hours, and wages for people with disabilities. Last year, the program created 290,000 hours of work and \$2.6 million of wages for people with disabilities and included work on 21 standard wage contracts. Such contracts are essentially -- are especially critical to the program as they provide workers with a living wage and opportunity for benefits.

In 2006, I served on the work group that produced Public Act 06129, An Act Concerning the Recommendations of the Disabled and Disadvantaged Employment Security Policy Group. That bill was instrumental in resolving differences between two competing groups advocating for standard wage opportunities for people with disabilities and those with economic disadvantages. The result of the bill was that both groups retained access to standard wage contracts. For workers with disabilities, that access was limited to standard wage contracts of four full-time equivalence or less, and a pilot program with state janitorial contractors. House Bill 6502 compromises Public Act 06129 and further limits access to the standard wage jobs for people with disabilities to the preferred purchasing program. At a time when employment opportunities for people with disabilities are becoming more difficult to find, we ask you to amend H.B. 6502 to assure that individuals with disabilities continue to have access to standard wage jobs in a manner consistent with the provisions of Public Act 06129. We have suggested language, and we would like to work with the Committee and the

jf/med LABOR AND PUBLIC EMPLOYEES
COMMITTEE

2:00 P.M.

Bill's proponents on any language changes.
Thank you.

REP. RYAN: I do remember this being an issue when
We had a bill before, and I guess -- and I'm
glad you came forward with your concerns, and
I think maybe we will -- maybe -- this is your
contact information at the bottom of your
testimony, I take it. Right?

KIRK SPRINGSTED: Yes.

REP. RYAN: Okay. Hopefully, we could probably sit
Down and talk about this to make sure that we
aren't hurting a group of people while we're
to help another group of people.

KIRK SPRINGSTED: Right.

REP. RYAN: So we will do that, I believe, unless
There's some reason -- there might be from
somebody else why we shouldn't. Do we have
any questions for Mr. Springsted? Okay.
Thank you, sir, and hopefully -- (inaudible).

KIRK SPRINGSTED: Thank you for your time, sir.

REP. RYAN: Thank you. And next is Brian Anderson.
If he's not in the room, we'll go to the next
person -- (inaudible). After him was Mr.
Torres.

BRIAN ANDERSON: Good afternoon, Chairman Ryan,
Chairman Prague, members of the Labor and
Public Employees Committee. My name is Brian
Anderson. I'm the lobbyist for AFSCME Council
4, which is a union of 35,000 public and
private employees. We'd like to testify in
favor of Senate Bill 6545, An Act Concerning
the Right to Organize For Certain Employees,
and Senate Bill 6534, An Act Concerning Labor

SB 978

Much, and have a great day.

REP RYAN: Ms. Sarazin, I know I called you next, But if you could just wait a moment, we're going to have Senator Fonfara come up first, and then we'll take you, okay? Thank you.

Senator Fonfara.

SENATOR FONFARA: Thank you, Mr. Chairman. Members Of the Labor Committee. I'm sorry that I've taken someone else's spot, but I'll be very, very brief. Representative Ryan, Senator Prague, I -- you know, this is somewhat déjà vu, Groundhog Day, all wrapped into one for me, in a way.

Some years ago, when we were moving legislation related to the Adriaen's Landing project, I, along with a number of other people, fought to -- I'm here to speak on, if I can say, Raised Bill 6502, I believe, An Act Concerning the Standard Wage For Certain Workers. And when we passed that legislation, several of us fought to ensure, unsuccessfully, I might add, to ensure that workers who worked in the hotel that was part of the project at that time would be able to organize if they so chose.

We were unsuccessful in getting that legislation passed. At the time I argued on the Senate Floor that the people who would be cleaning the rooms, the toilets, vacuuming the floors, making the beds, ought to have just as much right and opportunity to someday take their families on a trip somewhere and stay in a nice hotel, as nice as that that they were making for everyone else who came to visit it. The governor disagreed with me and others at that time, and would not embrace that concept,

jf/med LABOR AND PUBLIC EMPLOYEES 2:00 P.M.
COMMITTEE

and we were unsuccessful.

A few months ago -- actually, more than that now -- in the summer of this past year, we had an opportunity to make a similar statement, or take a similar stand, with respect to this legislation, in an effort to ensure that workers who cleaned this building, who make our lives a lot easier than it would otherwise be, and that of many other state buildings, every night, when most of us are asleep, they're working to make our lives more hospitable. And we approached the FAC Committee at that time and asked them if they would consider, it was a major initiative of several millions of dollars, if they consider breaking off a piece of that to help the workers in state buildings. And we were unsuccessful.

I've mentioned that because, in some ways, some things don't change. We're still in the position of having to fight for basic benefits, basic working conditions for people who make our lives, and that of a number of other people in this state, a lot easier when they come to work. That's what this bill does. And the people who are sitting behind me, many of them will be working tonight, even though they're sitting here today. And they deserve your support -- if I could be so bold as to say that -- and my support, and I hope you'll move this bill forward and that we will be able to find the dollars, even in these tough times, to ensure that workers will be treated right and be given the opportunity to live their lives and raise their families with dignity. I thank you.

REP. RYAN: Thank you, Senator Fonfara. Thanks for Coming down. Do we have any questions of

Senator Fonfara? No, no, don't leave. No -- you're getting off that easily. Senator Prague has a question for you. Prepare yourself.

SENATOR PRAGUE: That's the House version. I wanted

To ask you, John. I think this is the bill that deals with the health benefits for the family members.

SENATOR FONFARA: That is correct.

SENATOR PRAGUE: And if this bill doesn't pass, These folks don't have any health benefits for their wives or their children?

SENATOR FONFARA: Well, I guess it could be done in The way that this building did it, piecemeal, where they find money in their existing budgets, but it's not the way to ensure that the security that their family -- these workers and their families need -- I think we ought to change the law, that's what this bill does, to ensure that they will, going forward, be assured, and have the security, that they'll have health care for themselves and for their families.

SENATOR PRAGUE: Well, in this day and age, where We're fighting for health care for everybody, this bill certainly makes a lot of sense.

SENATOR FONFARA: Particularly, Senator, when the People who rub elbows with us on the elevator, as I said, who work for us here -- work with us, I should say -- that they ought to be treated as -- in the same manner that we treat ourselves.

SENATOR PRAGUE: I agree with you.

SENATOR FONFARA: Thank you.

SENATOR PRAGUE: Thank you for coming to testify.

REP. RYAN: I believe that's it. Anybody else?

A VOICE: I have a question for Senator Fonfara.

REP. RYAN: Thank you, sir. Ms. Sarazin -- thank you for your patience -- sir. And after Ms. Sarazin will be Kia Murrell.

DEB SARAZIN: Good afternoon. Thank you, Senator Prague and Representative Ryan, for allowing me to come before you today.

I respectfully request that the Committee vote in support of S.B. 920, An Act Clarifying Pension Obligations of Contractors and Subcontractors. I am a general contractor, and I do primarily state-funded and federally-funded projects, which require the prevailing wage. We provide certification that our company paid the wages correctly, which is certified payroll. We receive certified payroll from our subcontractors as well, and we transmit them to the proper authorities. These certified payroll affidavits contain statements that the records are correct, the rates paid are correct, and the contributions and benefits paid on behalf of the employee to certain pension-type funds have been made. It is supposed to be a Class D felony to falsify this affidavit.

I recently utilized the same subcontractor on two different prevailing wage projects. This subcontractor was a certified minority business, and we had an affirmative-action plan in place, which laid out the way we would

KIA MURRELL: Thank you, Mr. Chairman.

REP. RYAN: We may have to put a three-minute time limit on the answers too. Thank you for sharing your viewpoint. Any other questions for Ms. Murrell? Thank you, ma'am.

KIA MURRELL: Thank you.

REP. RYAN: Take care.

Next we have Paul Filson, and he'll be followed by Alison Hirst.

PAUL FILSON: Good afternoon, Cochairs Senator Prague and Representative Ryan and distinguished members of the Labor and Public Employees Committee -- I might add, my favorite committee. Of all the committees, this is the best. My name is Paul Filson. I'm the Director of the Service Employees International Union's Connecticut State Council. We represent 53,000 members in Connecticut. And SEIU strongly supports House Bill 6546, and impact statements dealing with budget -- budget implementer and budget reconciliation bills -- as well as Bill 6502, which would fix the standard wage law so that janitors can get health insurance and all. This bill will be addressed in much more detail by folks who follow me, but in general, the standard wage has been an incredibly successful law which has allowed immigrants and janitors to have -- to boost themselves out of poverty and have a decent life in Connecticut. And the standard wage would make sure that they would be able to maintain their health insurance.

Bill number 6546 increases accountability and

you will look into the impact as to the fact that you may not be able to support that project if you do not have the money to be able to either pay for the employees the benefits, the unemployment compensation, the energy, the air conditioning, the heating, the benefits and all of those things associated with it or pay for all of the programs that we have.

So all of these are factors that must enter into the picture, and I'm really glad you are addressing them and talking about them because the state should start operating more and more within our means, and they don't think the state does right now operate within our means.

PAUL FILSON: That's true. And I'll just add something that I'm sure you disagree with, which is that the state does have an option that businesses often don't have, which is to bring in more revenue sometimes in order to support spending.

REP. NOUJAIM: Oh, yeah. You're talking about tax increases. I -- you're right. I do disagree with that.

PAUL FILSON: I figured you might.

REP. NOUJAIM: Definitely.

Now my next question, Madam Chairman -- I'm sorry. I'm going on, but -- but it's important. Mr. Wilson's point -- Mr. Chairman. I apologize again.

On 6502, you talked about the prevailing rate of wages. This is line 16, and it goes to page 2. Let me repeat again. Prevailing rate of wages means the hourly wages paid under a

collective bargaining agreement covering the majority of hourly, nonsupervisory employees employed by the city of Hartford in each classification established by the Labor Commissioners under subsection so on and so on.

PAUL FILSON: Yes.

REP. NOUJAIM: What do you mean by the city of Hartford? Why are we picking on this poor city of Hartford right now?

PAUL FILSON: Well, the reason that we're picking on

The city of Hartford is that -- because the majority of janitors who work in the larger commercial buildings and in the commercial sector in Hartford have decent wages and decent benefits. But I would like to ask you to consider the testimony of the person who is coming after me, who is an expert on this particular bill, to ask that particular question. But in general -- and they can answer it in much greater detail than I can. But in general, the reason that that market was picked is because that market has good wages and good benefits for the majority of the janitors.

REP. NOUJAIM: Okay. My next question is -- and you

Touched upon it -- you did not reference the bill number, but you talked about the check cards.

PAUL FILSON: That's correct.

REP. NOUJAIM: I am presuming that, three months ago, we had an election, a national election. I am presuming you voted in that election.

And I am presuming that you also --

PAUL FILSON: Yes. Several times.

REP. NOUJAIM: Several times, yes. Well, I live in Waterbury, and in Waterbury, they have a motto, a motto that says: "Vote early, and vote often." That's been happening in the past.

PAUL FILSON: Not now, thank God. Not now.

REP. NOUJAIM: But the question I have is, you Voted in that election, and you voted in a gubernatorial election, and you also voted in a municipal election, or state representative election. When you go in to vote, your vote is cast as a secret vote.

PAUL FILSON: That is correct.

REP. NOUJAIM: Secret ballot. So what's the Difference between voting for all of those other -- all of those other functions and all of those positions by a secret ballot versus voting by a card check that is just commonly known and seen by everyone?

HB 6534

PAUL FILSON: I think it's a great question, and I Think there are often real important times when you need a secret ballot. But I'd like to ask you, or you could ask me, did anybody ask me whether I wanted to vote to become a Democrat? If I registered as a Democrat, I'm joining an organization, and I did not have to have a secret ballot on whether or not I could join the Democratic Party, or if I were a Republican, the Republican Party, or if I were an Independent -- well, they don't have a party.

REP. RYAN: Why don't you come back and talk a little while longer. Next, it's my understanding that Mr. Westby and Ms. Hirst are coming up together. If they'd like to come up, and after them will be Mr. Valenzuela. Is Ms. Hirst coming up with you, sir? Is Ms. Hirst coming up with you?

KURT WESTBY: I think she's just staying back there.

She could come and sit right here.

REP. RYAN: We won't let Representative Noujaim ask Any questions if you want to come up.

KURT WESTBY: I feel better, thank you. Good Afternoon. Thank you, Senator Prague, Representative Ryan, and all of the members of the Labor Committee. My name is Kurt Westby, and I am the Connecticut Director for the SEIU Local 32BJ. I'm here to testify in support of Raised Bill 6502, An Act Concerning the Standard Wage for Certain Connecticut Workers. This important legislation will permanently fix the broken standard-wage law and preserve the health coverage of hundreds of Connecticut working families.

Until 2000, most of the hard-working private-sector janitors who cleaned state office buildings made minimum wages with no health care, paid sick leave, or other important benefits. That year, in large part due to the leadership of now Speaker Chris Donovan, the Connecticut General Assembly passed the standard-wage law. That ensured that all workers at state buildings, including those working for contractors, receive wages and benefits that they need in order to support their families.

jf/med LABOR AND PUBLIC EMPLOYEES
COMMITTEE

2:00 P.M.

As you all know, since 2000, when the Standard Wage Law was passed, health care costs in Connecticut have risen over 120 percent. The 30 percent allocation for benefits of the Standard Wage Bill is no longer enough to cover the cost of health care for cleaners and their families, and the Standard Wage Law is no longer effective in meeting its intended goal to ensure workers providing services to the state are receiving health care and pension benefits. As a result of this, hundreds of workers stopped accruing pension benefits credits in July 2008.

The health benefits for spouses and children of the janitors was set to run out on February 1, 2009, and only thanks to your leadership and support, were we able to prevent hundreds of men and women from losing their coverage and hundreds of children from going under the state's HUSKY program, or going to the state's emergency rooms for care. Unfortunately, the provisions in the January Budget Mitigation Bill to continue funding health benefits expires on June 30th of this year. On July 1, the children of state cleaners will lose their health care if their parents' benefits are not fully funded. In addition to the 350 children at risk, over 100 dependent spouses may also lose their health care coverage. Should they lose their health care coverage, many of the cleaners' children will be eligible for the HUSKY program, the publicly funded health care program for uninsured children. The Office of Fiscal Management estimates the cost of adding the children to HUSKY to be upwards of \$1.6 million for the year.

It's time we understand for shared sacrifices, and while we believe the current wages outlined in the standard wage law are fair

compensation for the hard work that state workers -- cleaners are performing, we will support wage-rate adjustments in order to retain family health care coverage. Any amendment to the standard wage law must hold true to the original intent of the law, which is to ensure that all workers at state buildings receive the wages and benefits they need to support their families.

We believe that Raised Bill 6502 is an effective and fiscally responsive permanent solution to the standard wage law. Instead of simply increasing the benefit-to-wage ratio to 40 percent, as we had originally proposed, the new bill does the following: It ties the wage-and-benefit packages of new contracted employees to the private sector's prevailing rate in the city of Hartford, or the county of Hartford, rather than relying on the existing Service Contract Act wage and benefit breakdowns that differ city by city. The new age rate will only impact new employees. All current employees will retain their current wage rate, but will immediately receive the prevailing benefit package, meaning they would receive the same benefit package that our commercial janitors receive, including family medical benefits.

The bill includes a displaced-worker provision. This protection is necessary in order to ensure a level playing field for competitive bidding and to protect incumbent workers when the state changes contractors. Without the displaced-worker protection, new contractors would be able to underbid incumbent contractors by refusing to hire the incumbent workers and bringing in new workers at a lower rate and with fewer accrued benefits. This mirrors other displaced worker

policies the state has previously adopted, such as the statute protecting workers at Bradley Airport. Originally, we were going to propose that the state increase the benefit portion of the Standard Wage Law to 40 percent. Though that scenario would certainly protect workers' benefits without any future decrease in wages, it would have cost the state over \$1.6 million, and as the workers' wages increase over time, we project that, by 2015, the state would be paying an additional \$2.2 million each year. In contrast, by 2015, our proposal would cost the state \$831,000 less than if we kept the existing language as it is, all this while providing full benefits. A more detailed cost assessment is attached to this testimony, as are some technical changes that we will clarify some of the bill's provisions and ensure that the intent of the law is represented in the language.

Thanks, again, for giving us the opportunity to testify today. I'll be happy to answer any questions.

REP. RYAN: Okay, Mrs. Hirst. You have like -- about

30 seconds left that you didn't use. Do you want to use it up?

KURT WESTBY: For union dues?

REP. RYAN: No, no. Of the time slot allotted.

KURT WESTBY: Oh, for this?

REP. RYAN: No, no. I'm asking her if she wants to Speak. Alison.

KURT WESTBY: Oh, Alison.

SENATOR PRAGUE: But the pension benefit is still there, even though it's at that previous level before the benefits stopped being paid in.

KURT WESTBY: Correct. It's as if -- as of today, it's as if, for pension reasons, it's as if the worker had quit.

ALISON HIRST: Can I just add one point to that? That workers won't accrue benefits for the time that they've already been lapsed, but once this bill goes into effect, they will begin accruing new credits again.

SENATOR PRAGUE: Added to what they've already --

ALISON HIRST: Added to what they had --

SENATOR PRAGUE: -- already accumulated --

ALISON HIRST: -- accumulated previously before July, 2008.

KURT WESTBY: Yes. We agree. We agree, and that's why we're trying to propose a singular prevailing wage rate that, in some cases, is not as high as in certain areas in recognition that the benefit is critically important for this population.

REP. RYAN: Now, I have a question. Is there a Trust -- I understand there's a trust that is incorporated in the employer's union representation that oversees the health care on how they're distributed to employees?

KURT WESTBY: There is a trust fund with employer Trustees and union trustees that run the insurance fund for those employees.

REP. RYAN: And their role wouldn't change at all
With this bill?

KURT WESTBY: No.

REP. RYAN: Do you have any other questions?

Representative O'Brien.

REP. O'BRIEN: I'm trying to understand the
Scenario. We understand that health and
health care costs have been rising pretty
dramatically, so that is the reason for the 40
percent concept. Why was it again that you
were not doing that, that amount.

KURT WESTBY: Well, over the last two years, we've
Come up to the capitol with various
suggestions regarding the increased funding,
such as 35 percent, such as 40 percent. And
quite frankly, we've gotten nowhere. And we
all know there's a huge deficit out there, and
quite frankly, that dominates every
discussion. We haven't been able to do it.
Workers have lost their pension accruals.
They will lose their insurance in the
meantime. So we believe, we don't think
that's going to work, quite frankly. Frankly,
going to 40 percent would be better. But
given our experience recently, I just -- I
question how realistic that is.

REP. O'BRIEN: And the proposal also talks about a
Wage rate that is at a lower scale than the
workers would generally get right now?

KURT WESTBY: For new employees, the wage rate is
Lower than a lot of the service contract
rates, which vary city by city. There would
be one singular rate across the state, based
on the Hartford rate, which is the standard

commercial rate for all private-sector janitors in the area.

REP. O'BRIEN: This in essence saves the state Money.

KURT WESTBY: Eventually it saves the state money. In the first -- in the first two years, in the second set of sheets, it'll show you in the first two years, the state has to come up with about \$300,000 or so. After that, the state saves money, and by 2015, the state saves, by our calculations, about \$850,000 net.

REP. O'BRIEN: So that's -- and this is in order Because of the value of keeping the health care benefits.

KURT WESTBY: Correct.

REP. O'BRIEN: Thank you.

KURT WESTBY: We don't make this proposal lightly Nor easily, but we're dealing with members, some of which are behind me right now, who are in process of eventually losing those benefits, and it's a big deal.

REP. RYAN: Any other questions?

Representative Noujaim.

REP. NOUJAIM: Thank you, Mr. Chairman. Good Afternoon. And thank you for your testimony. I'd like to ask you a couple of questions that I've reading in the bill, just to verify the information that I have, if I may. This is House Bill 6502, lines 55 to 59. It says in here: Such hourly non-supervisory employees shall be granted time off with pay for any legal holiday. If a legal holiday falls on

Saturday or Sunday, employees shall be granted equivalent time off with pay on the Friday immediately preceding such Saturday or Sunday, or given a another day off in lieu thereof." Please help me out of here. Are you telling me that there are employees of the State of Connecticut, who are hourly employees, who are not receiving holiday pay? Because state employees --

KURT WESTBY: Correct. Are there other state Employees who are not receiving --

REP. NOUJAIM: No, no, no. Are there state Employees who are not receiving holiday benefits?

KURT WESTBY: I'm not sure in terms of janitors who Work for contractors. The janitors who work for contractors today are receiving holidays.

REP. NOUJAIM: Okay.

KURT WESTBY: Is that your question?

REP. NOUJAIM: No. My question is the bill, in the New language of the bill, it says that the state should be giving holiday pay to those nonsupervisory hourly employees. When I read that, to me I conclude that, right now, they are not receiving those benefits. Please correct me if I'm wrong. And if I am right, and they are not receiving those benefits, they should be receiving those benefits.

KURT WESTBY: Right. And most -- they are receiving Those benefits. That language is the language that the workers, under our collective bargaining agreements, already have but are potentially in danger of losing, because that

segment of the benefit package is also included, at least in terms of the state agencies that let out these contracts, they have included vacation benefits and holiday benefits in the 30 percent calculation, so the whole thing is a big mix and there's a -- there's a risk that even holidays could be stricken at some point if something isn't done about it.

REP. NOUJAIM: Okay. Thank you. I really appreciate this. And I am glad that I asked the question, because honestly, I'm confused, and I'm going to later on ask our attorney to explain it to me, because if there is a situation where an employee of the State of Connecticut, or subcontractor of the State of Connecticut, is entitled to be receiving holiday pay and are not receiving holiday pay, that is not right, and we should change that. But I want to fully understand it, because honestly, it is confusing me a little.

KURT WESTBY: Well, then I -- you should look at work done by contractors. I could assure you that there is a lot of work done by contractors where workers may very well not be entitled to such holidays.

REP. NOUJAIM: If they are working for a private Employer?

KURT WESTBY: Correct.

REP. NOUJAIM: They are hired by the private employer even though they are performing -- like, when I was going to school myself, I was a janitor. And I was hired by a janitorial agency, and I used to go early in the morning to the museum, and clean the museum at four o'clock. So I was a part-time employee,

jf/med LABOR AND PUBLIC EMPLOYEES
COMMITTEE

2:00 P.M.

essentially, of the janitorial company, not by the museum itself. And obviously, I did not have any wages. I used to earn \$1.85 an hour.

KURT WESTBY: Right. That's the industry that we're talking about.

REP. NOUJAIM: Which was back in 1971, so --

KURT WESTBY: Well, that is -- those working conditions in that industry existed here in Connecticut in 1999, until the Standard Wage Law came into effect. They were all minimum-wage, zero-benefit jobs.

REP. NOUJAIM: Okay. One more question, if I may, again for clarification. The same bill, 6502, line 91 to 96, "The standard rate of wages for any employee entitled to receive such rate, on or before October 1, 2009, shall not be less than the minimum hourly wage for the classification set forth in the federal register of wage determinations." Do me a big favor, please. Give me one classification, from your experience, and give me the minimum hourly wage for that classification. And I know -- you probably know ten of them.

KURT WESTBY: Well, the -- for example, in Hartford here at the capitol, the wage -- the classification for a cleaner is \$15.05 an hour. That's one.

REP. NOUJAIM: Okay.

KURT WESTBY: In other cities, it's different.

REP. NOUJAIM: And would you be kind enough to define cleaner?

COMMITTEE

KURT WESTBY: Would I be?

REP. NOUJAIM: Yes, to define cleaner for me.

KURT WESTBY: A cleaner is a person employed, in our

Case, by a contractor who does the maintenance, the inside maintenance duties of a building.

REP. NOUJAIM: Like a janitorial worker like I used

To do?

KURT WESTBY: Yeah. Dusting, sweeping, mopping, Vacuuming -- that sort of thing.

REP. NOUJAIM: And that, you said \$15.00 an Hour.

KURT WESTBY: In this building, yeah.

REP. NOUJAIM: In this building. Okay. And does This include, also, benefits that the employees are receiving or are they not receiving any benefits in this building.

KURT WESTBY: No, in this building, there's a 30 Percent allocation for benefits, in addition to the \$15.05 wage rate.

REP. NOUJAIM: So you're telling me, then, that the Fringe benefit is 30 percent of the labor cost.

KURT WESTBY: Correct.

REP. NOUJAIM: Hourly.

KURT WESTBY: That's right.

REP. NOUJAIM: And this is standard in the industry.

That's usually the industry's standard for fringes are anywhere from 28 percent to 32 percent, so those employees are falling right there in the middle.

KURT WESTBY: Except that generally -- that the Hartford is a higher wage rate than a lot of the areas. While it may be the standard of 28 to 32 percent for low-wage workers such as these, it's not enough for the benefits. If you look at the State of Connecticut, for example, the -- just the pension and health care cost comes to 59 percent of wages overall, and these are low-paid workers. So if they're low-paid workers, the 30 percent benefit piece is even lower. But that's the problem.

REP. NOUJAIM: But isn't it alarming, though, that Fringe benefits are 59 percent of wages when, in the private industry, the ratio of benefits to hourly wages are somewhere between 28 to 32 percent?

KURT WESTBY: Well, I mean, that's a larger Question. I think we know what's happened to the erosion of the private sector benefits and wages over the years. That's another problem. I think if you take health care out of it, which is what we have to do to have universal health care reform, it pretty much solves that problem. The problem is employers are paying into health care plans way too much than they should be, and there should be health care reform. I think that fixes the problem.

REP. NOUJAIM: Well, that's another story for Another time. But -- but you agree, though, that employers in the private industry are

providing good benefits, but those benefits are not costing more than 28 to 32 percent.

KURT WESTBY: Some employers are supplying Good benefits. Other employers are not supplying any benefits. It depends on the employer.

REP. NOUJAIM: Yes. I understand. I mean there is An exception to every rule.

KURT WESTBY: Yeah.

REP. NOUJAIM: I think the young lady wants to --

KURT WESTBY: She wants to add something to --

REP. NOUJAIM: Right. Something.

ALISON HIRST: Sorry. I just wanted to add, in the Case of this legislation and in the private sector contracts that we basing our -- the prevailing benefits on, our members who work in the private commercial cleaner industry in Hartford actually are currently receiving better and more stable benefits than those that are being contracted through the State of Connecticut, because there is not the 30 percent basis. I mean, I believe that the contracted workers currently, the benefit, the total benefit package is currently somewhere approximately 34 to 36 percent. And what we're trying to do is make sure that they are able -- our members are able to maintain their benefit packages without costing the state more.

REP. NOUJAIM: So what you're trying to do is to Raise everyone to the level that Hartford is paying, rather than trying to make it universal across-the-board for everybody.

ALISON HIRST: No. What we're trying to do is make it universal across-the-board for everybody. In fact, we're proposing that wages for newly-hired employees in state buildings actually are lower to the wage rates that commercial cleaners in the City of Hartford are making. So the idea is to make sure that everybody gets the benefits that the City of Hartford privately contracted cleaners receive. We're willing to, for newly-hired employees. Even lower the wages so that it's all constant and there isn't any disparity amongst whether -- no matter whether you're a contracted worker who works in a state building or a contracted worker who works in a private commercial office building. It would equalize the playing field entirely.

REP. NOUJAIM: But in Hartford they are earning more than they are earning in the State of Connecticut, and in this city. No.

ALISON HIRST: No. They are learning less.

REP. NOUJAIM: Less -- but they're benefits are higher.

ALISON HIRST: Percentagewise, yes --

REP. NOUJAIM: Correct. That's what --

ALISON HIRST: -- but the costs are the same.

REP. NOUJAIM: That's what the gentleman said.

ALISON HIRST: Right. It's the same cost, but a higher percentage, because it's a lower wage, so if you earn less, it's -- that percentage is a ratio.

jf/med LABOR AND PUBLIC EMPLOYEES
COMMITTEE

2:00 P.M.

REP. NOUJAIM: Thank you. I really appreciate your Answer. Thank you so much.

REP. RYAN: Thank you, Representative Noujaim.

Now Senator Prague has a question.

SENATOR PRAGUE: Thank you, Mr. Chairman. You keep mentioning the janitors and the people who keep this building clean, and they do a good job. Talk about what they get in this building. Do I get the right impression when I hear you say that, that the other state buildings pay less?

KURT WESTBY: Some state buildings pay the same. Some pay -- pay less, yes. It depends on the building. The problem with the Service Contract Act, which sets the rates for the Labor Commissioner here, is that there's six different regions that have different criteria, quite frankly, that we don't understand. And neither does the Labor Department. So there are different rates in different regions.

So yeah, there's lower rates, such as -- I'll give you a great example, UConn Health Center. UConn Health Center was at about \$12.00 an hour for five years because no one would raise the rate for five years, and as a result, obviously, that affected their -- eliminated their pensions, and has affected their health care. So there are huge disparities across the state.

SENATOR PRAGUE: Are they all under the same union?

KURT WESTBY: Well, the ones that I'm referring to, in terms of private-sector janitors who clean those buildings, fall under our union, yes. I

don't know of any other labor organization that represents janitors in these buildings, no.

SENATOR PRAGUE: Okay. I suppose at some point in the future, we could have another discussion on this. I'm sort of puzzled as to why people in other buildings -- just because -- and they're doing the same kind of work. They just happen to be in another building that the state owns -- gets less than what they get in this building.

KURT WESTBY: It's crazy. And that's why we're trying to fix it. But Alison?

SENATOR PRAGUE: But this bill doesn't fix that.

ALISON HIRST: This bill actually, in essence, does fix it because the -- instead of basing the wage and benefit rates on the Service Contract Act which is a federal wage standard, what we're doing is saying that the county -- the prevailing rate that we have for the commercial office cleaners in Hartford will affect all workers in state buildings, no matter the geography of the state building, whereas right now, the current law based -- because this Federal Service Contract Act has six different wages throughout the state of Connecticut, the federal government decides what the wages are, and what we're trying to do is take it out of the federal government's hands, since nobody understands how they come to their decisions, and make it standard statewide.

SENATOR PRAGUE: So I just have one more question. As a result of this legislation, will the people who work in this building get less pay than they get now?

jf/med LABOR AND PUBLIC EMPLOYEES
COMMITTEE

2:00 P.M.

KURT WESTBY: No. Eventually new hires will get less pay, potentially. Yeah, this is a two-tier system, right? The trade-off here is pension and health and welfare benefits, family coverage, in terms of maintaining that, for a singular wage package that goes across the whole state. In the case of the legislative office building, new employees would have a lower wage than the existing employees here at the LOB.

SENATOR PRAGUE: Well, I'm not going to pursue that line of questioning, but I don't get it. That's not usually the way we do business, that future employees will get less.

KURT WESTBY: Right. And that's not usually the way

We do business. We would much prefer to go with a 40 percent benefit allocation, which would also solve the problem. We've been trying to get that for years now and have run up against a brick wall every time. So that's the dilemma.

SENATOR PRAGUE: Well, the Labor Committee will be here, and I'm sure that we will be discussing this again. Okay. Thank you very much for coming in. Wait. There's more questions --

REP. RYAN: Thank you. Does anyone else have any questions?

Thank you. Thank you very much for your testimony.

Next we have Juan Valenzuela and then followed by Malgorzata Majewski.

JUAN VALENZUELA: Good afternoon, Representative

Ryan, Senator Prague, everyone. I'm a member of the Union 32 BJ (inaudible). I come here to support the Amendment 6502. Two years ago, three -- I'm working three year at the state capitol building. From last year, we have a problem about the -- the wage, the 30 percent, we are in danger of losing our health insurance benefit for our family. I'm sorry. I come in here to talk for my daughter, RoseMarie. RoseMarie say "Hi."

ROSEMARIE: Hi.

JUAN VALENZUELA: This is my reason why I'm coming Here to talk and try understand what I try to say. My English is not 100 percent very well. But everyone know me. I'm hard working in the building. I try to do the best on my job, only what they want is support for change, something that is danger for the work -- working in this building. And although it's a building from the state, we don't have enough money for our benefits, for our retirement because when the law went -- when -- in 2000, when the law coming, we saw a great victory for our union. But nobody put in the law, inflation. We have it. The premium go high -- elevator. And the raise, kind of like (inaudible). We never -- we match. For that reason, please, take care of us because it's for justice. Justice for (inaudible) too.

When my President say, work in the state; capitol building, we're the janitors -- how much is the pay, he say, \$15. A little mistake. I'm a day porter. My earning is 12. I receive DG at 12.92 DG -- thank you -- I receive eight cents, the raise -- after four or five year. Eight cents. And I lose my health insurance, I had to go to HUSKY good. With eight cents more up, I make \$12.99, no

jf/med LABOR AND PUBLIC EMPLOYEES
COMMITTEE

2:00 P.M.

\$15, because the Labor Department changed the name. I'm porter. Before they changed it, the Labor Department, we earned the same money. And I'll explain something more.

I'm porter. I had to do the heavy duty, plus I do the work of the janitor. I clean toilet. Everyone see me clean toilet every single day, whole building, pick up trash, mop. Everyone see me. They know me. The janitor earning \$15 a week, who moved the furniture. We change everything, the heavy-duty plus the janitor. 12.99 because somebody say a better name is porter for they, but the problem is less money. Why? Why make it a difference. We do the same exact same job. We are janitor, we are porter. We are doing everything for less money. Oh, I received a cent raise -- and I in danger to lose my benefits. My benefits are cut.

For that is why I'm here. Everyone know me. I'm hard-working. Thank you.

REP. RYAN: Thank you very much, Juan. We Appreciate it.

JUAN VALENZUELA: Thank you.

SENATOR PRAGUE: Juan, don't go away. I have a Question to ask you.

JUAN VALENZUELA: Thank you, Senator.

SENATOR PRAGUE: When you weren't doing the Janitorial work, you were earning \$15 an hour?

JUAN VALENZUELA: No. I came in after the change.

SENATOR PRAGUE: Oh, okay.

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COMMITTEE

2:00 P.M.

JUAN VALENZUELA: I came in with a new name.

SENATOR PRAGUE: Okay.

JUAN VALENZUELA: But my co-worker, who was in
(inaudible), they say, oh, we have a contract,
and when they change, we keep the same money.
I have a (inaudible); I have a delegate in my
union. I don't know what's going on until
now. (Inaudible).

SENATOR PRAGUE: So they put you --

JUAN VALENZUELA: (Inaudible) no matter how the
(inaudible) we changed the name, but we didn't
change the wage.

SENATOR PRAGUE: They put you in with a different
Name. You do the same work and more, but you
lost three dollars an hour.

JUAN VALENZUELA: Yes, ma'am.

SENATOR PRAGUE: Okay, Juan. Thank you for coming
Today.

JUAN VALENZUELA: Thank you, Senator.

REP. RYAN: Wait a second, Juan. Juan -- please.

Representative Noujaim.

REP. NOUJAIM: Thank you. Good afternoon, Juan.

JUAN VALENZUELA: Good afternoon.

REP. NOUJAIM: Juan, your English is perfect.

JUAN VALENZUELA: Really?

REP. NOUJAIM: Ah -- perfect. Exactly.

jf/med LABOR AND PUBLIC EMPLOYEES
COMMITTEE

2:00 P.M.

JUAN VALENZUELA: I sound like you.

REP. NOUJAIM: And you know --

JUAN VALENZUELA: It sound like you English. We
Talk in good English.

REP. NOUJAIM: Thank you. And you know something,
Juan? I tell you something first. Bring your
daughter to sit next to you. We love to see
her pretty face. Let her sit next to you.

JUAN VALENZUELA: Only one word to RoseMarie.
RoseMarie, what do you want?

ROSEMARIE: (Inaudible).

JUAN VALENZUELA: That's it.

REP. NOUJAIM: Juan. I'll tell you. Do you know
What every person who has accent -- it seems
that person can speak at least one more
language?

JUAN VALENZUELA: Oh, yeah. I know. I'm proud of
My heritage.

REP. NOUJAIM: Good for you.

JUAN VALENZUELA: Thank you, Senator.

REP. NOUJAIM: I'd like to ask you a question. Who
Is your boss? What is the name of your
employer? Is it the State of Connecticut or
an agency that is subcontracted by the state
--

JUAN VALENZUELA: Contracted.

REP. NOUJAIM: Contracted. So --

JUAN VALENZUELA: It's not his fault. It's no. He is in the middle. He is -- when this company -- I don't give the name -- when he comes and receive that like a legacy, (inaudible) there was another company who left. I think who know everything is my union.

REP. NOUJAIM: Okay. But, well, apparently not. Your union does not know everything, because your union said that you are earning \$15 an hour, and you said, no, you are earning \$12.99.

JUAN VALENZUELA: Oh, you're right. They don't know
Everything.

REP. NOUJAIM: We don't know everything. Nobody knows everything, okay? Because we are not -- we are human. But so, in one day, you were earning \$15 an hour, and then the following day, you were earning \$12.99?

JUAN VALENZUELA: Workers like me, we come in later.

Because when I come in, because the workers don't like the (inaudible), hey, I do the hard job. I work for \$15. Now change the name. (Inaudible).

REP. NOUJAIM: Thank you, Juan. Mr. Chairman,
Madam

Chairman. I really am sorry to say this, but I like obviously to be able to vote with the knowledge of what we are voting on. And as the Madam Chairman said, she's also -- is confused. Perhaps we can ask for clarification in the future to our Committee from and (inaudible) also explain to us exactly what this bill is all about. So when

we render judgment, we'll be able to render it from a knowledgeable point of view, if I may ask this.

REP. RYAN: Well, I think we've actually had this Discussion, but we can have it again. Thank you.

Thank you, Juan.

REP. LAMBERT: Thank you, Mr. Chairman. The people That are earning the \$15 before you came, are they also working for a contractor or are they working for the state?

JUAN VALENZUELA: Contractor. Contractor.

REP. LAMBERT: So you're both working for the same Contractor. I just wanted to make sure to clarify that. Thank you for coming, and thank you for bringing your beautiful daughter.

JUAN VALENZUELA: (Inaudible).

SENATOR PRAGUE: Juan? I got to find an answer for This. Can Mr. Kurt Westby come forward for a second? Juan, don't go away.

Can you tell us why Juan is earning three bucks an hour less?

KURT WESTBY: He has a different classification.

SENATOR PRAGUE: Yes, but who's established that Classification?

KURT WESTBY: The problem -- that's the Service Contract Act, the feds determine many, many different classifications. I gave you an example at the University of Connecticut Health Center, where they're classified as

jf/med LABOR AND PUBLIC EMPLOYEES 2:00 P.M.
COMMITTEE

something different. This is not an unusual thing, where they are classified at lower rates, different rates. He's classified as a porter. Most janitors in this building earn \$15.05 because they're cleaners. There are three different classifications in this building, all done by the Service Contract Act, which the Labor Department carries forth. So that's why I was saying that we have so many different numbers and different classifications and different rates, it makes sense to go to a singular rate.

SENATOR PRAGUE: So does he -- are there
Descriptions of the jobs that these people do?

KURT WESTBY: Yes.

SENATOR PRAGUE: Now, Juan does everything. He
Cleans, he mops, he does the facilities, he
lugs stuff around --

KURT WESTBY: Right.

SENATOR PRAGUE: -- and he's not a janitor?

KURT WESTBY: As far as the Service Contract Act is
Concerned, and those are the ones that
determine the titles and the rates -- no, he's
not a janitor; he's a porter. And there's a
rate affixed to that. I don't say -- look,
I'm not agreeing with it. I've never agreed
with it. And we've challenged many of these
classifications over the years, but this is an
inherent problem that we have with the Service
Contract Act language.

SENATOR PRAGUE: And that's established by the feds
-- is that what you're saying.

KURT WESTBY: Correct. And if you ask the

jf/med LABOR AND PUBLIC EMPLOYEES
COMMITTEE

2:00 P.M.

Connecticut Labor Department -- ask John about that. We've been in his office plenty of times, trying to understand the logic of it, and they don't understand it.

SENATOR PRAGUE: Okay. Yes, Juan.

JUAN VALENZUELA: Senator, in my contract, when I Read, I say I had to change the bathroom three times. Clean up the bathroom is a janitor or a porter, sir?

KURT WESTBY: A janitor, as far as I'm concerned. But not the law.

JUAN VALENZUELA: Mop. A janitor or porter?

KURT WESTBY: Well, it's the same thing. It's the Problem of the service contract federal law, which stipulates your job, not me, nor them, unfortunately, so that's why we'd like to change it to one classification.

SENATOR PRAGUE: We're not going to get this changed

Today, but you've it brought it to our attention, and you've brought it to Mr. Westby's attention, and they're going to try and get it changed.

JUAN VALENZUELA: Thank you, ma'am.

SENATOR PRAGUE: Thank you, Juan.

REP. RYAN: Representative Lambert.

REP. LAMBERT: Thank you, Mr. Chairman. Could you Just clarify one thing. Is there something -- I know you're saying there's a mixture of job description, but is there something that the cleaner does that the porter doesn't do for

that additional \$3? Is there something that, in addition to, that they are trained to do that Juan's not doing?

KURT WESTBY: In my opinion, not much. You know, The cleaner generally works -- the porter generally works during the day. The cleaner generally works during the night. The cleaner usually does more vacuuming, mopping, that sort of thing. The porter might change light bulbs, do other -- change the toilet paper, you know, the daytime tasks that are not quite as invasive to the operation of the building. But, basically, they're all -- as far as we're concerned, they're all cleaners, and they all roughly do the same thing.

REP. LAMBERT: You just made a clarification that

--

Without -- I'm -- so that you can clarify it for me -- are you saying that they get additional money because they work another shift? Is that a -- is that --

KURT WESTBY: No, I'm not saying that. I'm Saying -- I'm saying the Service Contract Act specifies those classifications and rates that I don't understand.

REP. LAMBERT: But you made mention that Juan works During the day, and these other individuals, the cleaners, work at night. And a lot of companies will give a bonus rate to people who work a shift differential. And I'm just trying to make some sense of this.

KURT WESTBY: Well, in -- in actually, in our Industry, the bonus rates, if anywhere, would be for day porters in the private sector industry, because they interact with the public more, and it happens to be the way that

works.

REP. LAMBERT: Thank you.

Thank you, Mr. Chairman.

REP. RYAN: Senator Gomes.

SENATOR GOMES: Kurt, I'm trying to understand this myself. I understand job classifications, but are they -- are they working for the same supervisors?

KURT WESTBY: They can be. I mean -- different Supervisors work different shifts, so -- but they often certainly could be working for the same supervisors. Yes.

SENATOR GOMES: These supervisors work under one entity, and they supervise all these people?

KURT WESTBY: Correct.

SENATOR GOMES: So there's no separation of them to say, well, this group works for this supervisor; this group works for that supervisor; they all work for the same supervisors, so to speak.

KURT WESTBY: In some cases, yeah.

SENATOR GOMES: Now, you say it's a federal law, but
These are not federal employees.

KURT WESTBY: No.

SENATOR GOMES: How do they classify you under Federal law if you're a state employee? And now I'm going to say --

KURT WESTBY: They're not state employees. They're Private-sector employees which fall -- who fall under the NLRA, and therefore there's a connection there. But the reason the Service Contract Act applies to this and sets these rates is because that's the entity under the Standard Wage Law that makes that determination.

SENATOR GOMES: Well, to me this is no different Than the women and the men, equal pay for equal work. And we feel like women should get paid equal pay for equal work. And these people are doing equal -- should be equal pay. This is some technical jargon that doesn't make any sense to you, who represents the union, to them, who are the workers, and it doesn't make any sense to us, either. So something needs to be done --

KURT WESTBY: It's an ongoing problem.

SENATOR GOMES: Something needs to be done on a Federal/state level to clarify this and get these people into the classification for which they work and what money they earn for what work they do. I thank you.

REP. RYAN: Thank you.

SENATOR PRAGUE: I just have to ask you, do the Women get the same wages as the men, at least?

KURT WESTBY: Yes.

SENATOR PRAGUE: Okay.

REP. RYAN: Thank you. Thank you very much for Coming back. Okay, Malgorzata Majewski. And she'll be followed by Felipe Truitarro.

MALGORZATA MAJEWSKI: My name is Malgorzata Majewski. I work for UConn Health Center. I live with my husband and two children in Plainville. Both my husband and I work hard to provide for our family. My husband is machinist. It is good job, but right now, times are tough for his work (inaudible). Fortunately, my job has regular schedule so we can always depend on my paycheck. Beside the job security, one of the greatest benefits for my job is health care coverage for our family.

Our two children, Adrian and Patricia, are on my health care plan. We need our kids to be covered, but for a year, our health care has been at risk, so we've been looking into other options. It's not going to be easy to keep them insured and my husband and I will not be -- be -- to afford health care for ourselves. Through my husband's job we can keep our kids covered about 300 a month. My husband and I will have to keep our fingers crossed because we can't afford the full coverage, which is twice the price.

My family has been readjusting our budget, making sacrifice and living without, and I can understand the state needs to do the same. But cutting off health care for families like mine especially as I spend my days helping to keep a state institution running isn't the way to do it -- it to do. We are not being greedy. We are asking for the basics for our family, job security and health care.

Please, members of General Assembly, amend the Standard Wage Law so my family can depend upon the health care coverage we need. Thank you.

REP. RYAN: Thank you very much for coming in. Do we have any questions for Malgorzata, is that

how you say it?

MALGORZATA MAJEWSKI: Malgorzata.

REP. RYAN: Malgorzata. Okay. Any questions?

Representative Lambert.

REP. LAMBERT: Thank you very much for coming. You know, things twenty years ago were the same thing. I worked at Dick Corporation, and many of the woman like yourself, they worked for the health benefits. It wasn't they were being greedy, but they had to fight, and back then the union fought for health benefits, and people couldn't understand why you didn't want more money. And at that time, it wasn't anywhere near as costly as it is today. And I can see why you are coming here today and fighting to keep your health benefits, because if you have to go out in the private sector, it would be unbelievable for you to get that.

So I thank you for coming here forward today and sharing your story with us.

MALGORZATA MAJEWSKI: Thank you.

REP. RYAN: Anybody else have any questions? Thank You. Next we have Felipe Trevitazzo. And he'll be followed by Diana Colorado.

A VOICE: Felipe is not here.

REP. RYAN: Then I guess he can't testify. Diana, We'll have you testify. We do have Felipe's written testimony. Hello.

DIANA COLORADO: Good afternoon. My name is Diana Colorado. I work in the Norwalk Community College on the overnight shift in

jf/med LABOR AND PUBLIC EMPLOYEES 2:00 P.M.
COMMITTEE

cleaning. (Inaudible), English. Sorry.

DIANA COLORADO THROUGH INTERPRETER: My name is Diana Colorado, and I work as a cleaner at Norwalk Community College. I work the overnight shift so I apologize if my voice sounds tired today. I have some sad news to share with you. A few months ago, my 15-year-old daughter was diagnosed with diabetes.

I'm sorry. Mostly, before this, I mostly used my health care for myself. I have an ongoing fight against skin cancer. But now my daughter also needs regular medication and care for her diabetes.

We are fighting to keep our health care coverage. I am not asking for handouts. I work hard, and I don't want to depend on public assistance. But my family needs health care coverage, and if they're going to lose their health care from my job, we have no other choice.

Please, members of the General Assembly, think about my daughter and pass this bill to amend the Standard Wage Law. Thank you.

REP. RYAN: Thank you. And I'm sorry -- just for the sake of the translator -- and I'm not sure if we need it, can you just identify yourself as the translator?

CARMEN GURLEY: Excuse me?

REP. RYAN: You have to give your name, because you spoke.

CARMEN GURLEY: Oh, I'm sorry.

REP. RYAN: They want it. Just in case they need
It, they'll have it.

CARMEN GURLEY: My name is Carmen Gurley.

REP. RYAN: Thank you. We appreciate your coming
in

And helping out. Do you have any questions
for Diana?

REP. LAMBERT: Diana, thank you for coming and
Sharing this with us. Just tell her we're
sorry about her daughter, and that we, too,
share the fact that she -- we can understand
the urgency that she needs to keep her medical
insurance. And thank you.

CARMEN GURLEY: (Translating Rep. Lambert's words
Into Spanish for Diana Colorado).

REP. RYAN: Do you have any other questions for
Diana? Thank you again for coming in, and we
wish you well, okay?

REP. LAMBERT: Thank you.

DIANA COLORADO: Thank you so much.

REP. RYAN: And now, we've the best for last.
Lindsay Farrell from the Working Families.

LINDSAY FARRELL: Good afternoon, everyone.
Yeah. My name is Lindsay Farrell. I'm from
Connecticut Working Families. Thanks to
Committee Members for holding this hearing.
I'm here to support House Bill 6502 AAC for
the Standard Wage for Certain Connecticut
Workers. You all just heard from the experts
and the people who are most affected by this
so I'm going to keep it short and sweet. But

HB 6534

jf/med LABOR AND PUBLIC EMPLOYEES 2:00 P.M.
COMMITTEE

Working Families supports this bill as a permanent solution to keeping our commitment to securing health and other benefits for low-wage state cleaners and their families.

It should never be the role of the state, as an employer, to perpetuate the cycle of poverty that accompanies low-wage work and the lack of benefits. We commend the Labor Committee and Local 32 BJ for supporting the sacrifices in this bill while recognizing the importance of the spirit of the original standard wage law, and we are glad that the current product both saves the state money and keeps people in their jobs in this crucial time.

On a separate bill, 6534, for card checks, Working Families would also like to support that bill. So I encourage you to pass both of those bills. All done.

REP. RYAN: Do you have any questions for Lindsay? Okay. Well, thank you very much. We appreciate your testimony.

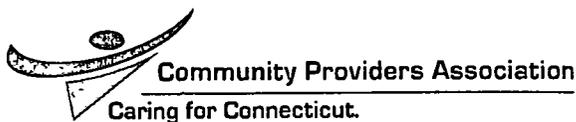
Is there anyone who did not testify, who did not sign up, but would like to? Now I didn't miss a thing. And if you had signed up, I would have made you first. Not really. But you're not signed up with me. Mr. Lawler, you want to speak as well.

MR. LAWLER: (Inaudible).

REP. RYAN: Go ahead. You can go now that's why we

Ask you before we leave. Isn't she retired? She can't testify. She's retired.

JOYCE VOJTAS: Good afternoon.



March 3, 2009

To: **LABOR AND PUBLIC EMPLOYEES COMMITTEE**

From: Kirk A. Springsted, Vice President, Administration,
Connecticut Community Providers Association

Re: Raised H.B. No. 6502 ***AN ACT CONCERNING THE STANDARD WAGE FOR
CERTAIN CONNECTICUT WORKERS***

My name is Kirk Springsted and I am the Vice President of Administration for the Connecticut Community Providers Association. I am here to speak about House Bill 6502. We are concerned about the worker retention language in it.

Since 1979, CCPA has administered the highly successful Preferred Purchasing Program created by Public Act 77-405 and amended in PA 06-129. Through the program community providers supply state agencies with products and services made by people with disabilities while creating much needed employment, employment training, work hours and wages for people with disabilities in a variety of work settings. Last year the program created 290,000 hours of work and \$2.6 million in wages for people with disabilities and included work on twenty-one standard wage contracts. These contracts are especially critical to the program as they provide workers with a "living wage" and opportunity for benefits.

In 2006, I served on the workgroup that produced Public Act 06-129 – *An Act Concerning the Recommendations of the Disabled and Disadvantaged Employment Security Policy Group*. That bill was instrumental in resolving differences between two competing groups advocating for standard wage opportunities for people with disabilities and with economic disadvantages. The result of the bill was that both groups retained access to standard wage contracts. For workers with disabilities, that access was to be for standard wage contracts of four full time equivalents or less and a pilot program with state janitorial contractors.

CCPA

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CCPA Testimony

H. B. 6502 – *ACC The Standard Wage for Certain Connecticut Workers*

Page 2

H.B. 6502 compromises the intent of Public Act 06-129 and limits access to standard wage jobs for people with disabilities through the Preferred Purchasing Program at a time when employment opportunities for people with disabilities are becoming more difficult to find.

We ask you to amend H.B. 6502 to assure that individuals with disabilities continue to have access to standard wages jobs in a manner consistent with the provisions of P.A. 06-129 (codified in sections (o) and (p) of C.G.S. 4a-82.)

We would be pleased to work with the Committee and the bill's proponents on the language changes.

H.B. 6502 – CCPA Recommended Language Revision (CAPS)

Section 1. Section 31-57f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2009*):

(g) The Labor Commissioner shall, in accordance with subsection (e) of this section, determine the standard rate of wages for each classification on an hourly basis where any covered services are to be provided, and the state agent empowered to let such contract shall contact the Labor Commissioner at least ten days prior to the date such contract will be advertised for bid, to ascertain the standard rate [of wages] and shall include the standard rate [of wages] on an hourly basis for all classifications of employment in the proposal for the contract. The standard rate of wages on an hourly basis shall, at all times, be considered the minimum rate for the classification for which it was established. Where a required employer is awarded a contract to perform services that are substantially the same as services that have been rendered under a predecessor contract, such required employer shall retain all employees who had been performing services under such predecessor contract for at least ninety days following or after the date of first performance of services under the successor service contract. During such ninety-day period, the successor contract shall not discharge without just cause an employee retained pursuant to this subsection. If the performance of an employee retained pursuant to this subsection is satisfactory during the ninety-day period, the successor contractor shall offer the employee continued employment for the duration of the successor contract. THE PROVISIONS OF THIS SUBSECTION SHALL NOT APPLY TO ANY CONTRACT COVERED BY SECTIONS (o) AND (p) OF C.G.S. 4A-82.



Testimony for Connecticut Joint Labor Committee

March 3, 2009

Presented by: Kurt Westby, Connecticut District Director, Service Employees
International Union Local 32BJ

Good afternoon. Thank you Senator Prague and Representative Ryan and all of the members of the Labor committee for holding this important hearing and for giving us the opportunity to testify.

My name is Kurt Westby and I am the Connecticut District Director for the Service Employees International Union Local 32BJ. Local 32BJ represents over 110,000 building service workers in nine states and the District of Columbia, 4,500 of whom live and work in the state of Connecticut. Of the 4500 members in Connecticut, 600 work for private contractors in state office buildings and higher education facilities such as UCONN and the State Capitol building.

I am here today to testify in support of **RAISED BILL 6502: AN ACT CONCERNING THE STANDARD WAGE FOR CERTAIN CONNECTICUT WORKERS.** This important legislation will permanently fix the broken Standard Wage law and preserve the health coverage of hundreds of Connecticut's working families.

Until 2000, most of the hardworking private-sector janitors who cleaned State office buildings made minimum wages with no health care, paid sick leave or other important benefits. That year, in large part to the leadership of now Speaker Chris Donovan, the Connecticut General Assembly passed the "Standard Wage Law" to ensure that all workers at state buildings, including those working for contractors, receive the wages and benefits they need to support their families.

The Standard Wage Law determines the wages of certain service employees who work for contractors that do work for the State of Connecticut. This includes employees who provide food, building, property or equipment services. The Law also requires an additional 30 percent of the employees' wage rate be contributed to health care, retirement and other earned employee benefits.

As you all know, since 2000 when the Standard Wage Law was passed, health care costs in Connecticut have risen over 120% percent. The 30 percent allocation for benefits is no longer enough to cover the cost of health care for cleaners and their families, and the Standard Wage Law is no longer effective in meeting its intended goal to ensure workers providing services to the state are receiving health care and pension benefits. As a result of this, hundreds of workers stopped

accruing pension credits in July 2008. The health benefits for the spouses and children of the janitors was set to run out on February 1st, 2009 -- and only thanks to your leadership and support were we able to prevent hundreds of men and women from losing their coverage and hundreds of children from going onto the state's HUSKY program or going to the State's emergency rooms for care.

Unfortunately, the provision in the January budget mitigation bill to continue funding health benefits expires on June 30th. On July 1, the children of state cleaners will lose their health care if their parents' benefits are not fully funded. In addition to the 350 children at risk, over 100 dependent spouses may lose their health care coverage. Should they lose their health care coverage, many of the cleaners' children will be eligible for the HUSKY program, the publicly-funded health care program for uninsured children. The Office of Fiscal Management estimates the cost of adding the children to HUSKY to be upwards of \$1.6 million for the year.

We understand that times are tough, and we are coming before you today to support a bill with significant sacrifices for cleaners at state buildings.

It is a time for shared sacrifices, and while we believe the current wages outlined in the Standard Wage Law are fair compensation for the hard work state cleaners are performing, we will support wage rate adjustments in order to retain family health care coverage.

Any amendment to the Standard Wage Law must hold true to the original intent of the law -- which is to ensure that ALL workers at state buildings receive the wages and benefits they need to support their families.

We believe that Raised Bill 6502 is an effective and fiscally responsible permanent solution to the standard wage law. Instead of simply increasing the benefit to wage ratio to 40% as we had originally proposed, the new bill does the following:

1. Ties the wage and benefit packages of new contracted employees to the private sector's prevailing rate in the City of Hartford, rather than relying on the existing Service Contract Act wage and benefit breakdowns that differ city by city. 32BJ's master commercial cleaning contract mandates a wage that is substantially less than the current SCA rate, and will result in long term cost savings to the state.
2. The new wage rate will only impact NEW employees. All current employees will retain their current wage rate but will immediately receive the "prevailing benefit package," meaning they would receive the same benefit package that our commercial janitors receive including family medical benefits.
3. The bill includes a displaced worker provision. This protection is necessary in order to ensure a level playing field for competitive bidding, and to protect incumbent workers when the State changes contractors. Without the displaced worker protection, new contractors would be able to underbid incumbent contractors by refusing to hire the incumbent workers, and bringing in new workers at a lower rate, and with fewer accrued benefits. This

mirrors other displaced worker policies the State has previously adopted, such as the statute protecting workers at Bradley Airport.

Originally, we were going to propose that the state increase the benefit portion of the Standard Wage law 40%. Though that scenario would protect workers' benefits without any future decrease in wages, it would have cost the state over \$1.6 million dollars, and, as the workers wages increase over time, we project that by 2015 the state would be paying an additional \$2.2 million each year. In contrast, by 2015 our proposal would cost the state \$831,914 LESS than if we kept the existing language as is – all this while providing full benefits. A more detailed cost assessment is attached to this testimony, as are some technical changes that we will clarify some of the bills' provisions and ensure that the intent of the law is represented in the language.

Thank you again for giving us the opportunity to testify today. I would be happy to answer any questions you may have.

General Assembly
January Session, 2009

Raised Bill No. 6502

LCO No 3569

03569 _____ LAB

Referred to Committee on Labor and Public Employees

Introduced by

(LAB)

AN ACT CONCERNING THE STANDARD WAGE FOR CERTAIN CONNECTICUT WORKERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 31-57f of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2009).

(a) As used in this section: (1) "Required employer" means any provider of food, building, property or equipment services or maintenance listed in this subdivision whose rate of reimbursement or compensation is determined by contract or agreement with the state or any state agent: (A) Building, property or equipment service companies; (B) management companies providing property management services; and (C) companies providing food preparation or service, or both; (2) "state agent" means any state official, state employee or other person authorized to enter into a contract or agreement on behalf of the state; (3) "person" means one or more individuals, partnerships, associations, corporations, business trusts, legal representatives or organized groups of persons; [and] (4) "building, property or equipment service" means any janitorial, cleaning, maintenance or related service, (5) "prevailing rate of wages" means the hourly wages paid under the collective bargaining agreement covering the largest number of hourly nonsupervisory employees employed within the county of Hartford in each classification established by the Labor Commissioner under subsection (e) of this section, provided the collective bargaining agreement covers no less than 500 employees in the classification; (6) "prevailing rate of benefits" means the total cost to the employer on an hourly basis, under a collective bargaining agreement that sets the prevailing rate of wages, of providing health, welfare and retirement benefits, including, but not limited to, (A) medical, surgical or hospital care benefits; (B) disability or death benefits; (C) benefits in the event of unemployment; (D) pension benefits, (E) vacation and personal leave; (F) training benefits, and (G) legal services benefits, and may include payment made directly to employees, payments to purchase insurance, and the amount of payment or contributions paid or payable by the employer on behalf of each employee to any employee benefits fund; (7) "employee benefit fund" means any trust fund established by one or more employers and one or more labor

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- Deleted: covering the majority of hourly nonsupervisory employees employed by the city of Hartford in each classification established by the Labor Commissioner under subsection (e) of this section
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organizations or one or more other third parties not affiliated with such employers to provide, whether through the purchase of insurance or annuity contracts or otherwise, benefits under an employee health, welfare or retirement plan, but does not include any such fund where the trustee, or trustees, are subject to supervision by the Banking Commissioner of this state or of any other state, or the Comptroller of the Currency of the United States or the Board of Governors of the Federal Reserve System; and (8) "benefits under an employee health, welfare or retirement plan" means one or more benefits or services under any plan established or maintained for employees or their families or dependents, or for both, including, but not limited to, medical, surgical or hospital care benefits, benefits in the event of sickness, accident, disability or death, benefits in the event of unemployment, retirement benefits, vacation benefits, legal service benefits, or training benefits

(b) On and after July 1, 2000, the wages paid on an hourly basis to any employee of a required employer in the provision of food, building, property or equipment services provided to the state pursuant to a contract or agreement with the state or any state agent, shall be at a rate not less than the standard rate determined by the Labor Commissioner pursuant to subsection (g) of this section In addition, each hourly nonsupervisory employee shall be granted time off with pay for any legal holiday. If a legal holiday falls on a Saturday or Sunday, employees shall be granted equivalent time off with pay on the Friday immediately preceding such Saturday or Sunday, or given another day off in lieu thereof.

(c) Any required employer or agent of such employer that violates subsection (b) of this section shall pay a civil penalty in an amount not less than two thousand five hundred dollars but not more than five thousand dollars for each offense. The contracting department of the state that has imposed such civil penalty on the required employer or agent of such employer shall, within two days after taking such action, notify the Labor Commissioner, in writing, of the name of the employer or agent involved, the violations involved and steps taken to collect the fine

(d) The Labor Commissioner may make complaint to the proper prosecuting authorities for the violation of any provision of subsection (b) of this section.

(e) For the purpose of predetermining the standard rate of covered wages on an hourly basis, the Labor Commissioner shall establish classifications for all hourly nonsupervisory employees based on the applicable occupation codes and titles set forth in the federal Register of Wage Determinations under the Service Contract Act of 1965, 41 USC 351, et seq., provided that the Labor Commissioner shall classify all housekeeping aides as janitors. The Labor Commissioner shall then determine the standard rate of wages for each classification of hourly nonsupervisory employees which shall be [equivalent to] (1) the prevailing rate of wages paid to employees in each classification, or if there is no such prevailing rate of wages, the minimum hourly wages

set forth in the federal Register of Wage Determinations under the Service Contract Act, plus (2) the prevailing rate of benefits paid to employees in each classification, or if there is no such prevailing rate of benefits, a thirty per cent surcharge on the amount determined in subdivision (1) of this subsection to cover the cost of any health, welfare and retirement [plans] benefits or, if no such [plan is in effect between] benefits are provided to the employees, [and the employer,] an amount equal to thirty per cent of the [hourly wage] amount determined in subdivision (1) of this subsection, which shall be paid directly to the employees. The standard rate of wages for any employee, entitled to receive such rate on or before October 1, 2009, shall not be less than the minimum hourly wage for the classification set forth in the federal Register Of Wage Determinations under the Service Contract Act plus the prevailing rate of benefits for such classification for as long as that employee continues to work for a required employer

(f) Required employers with employees covered by collective bargaining agreements which call for wages and benefits that are reasonably related to the standard rate shall not be economically disadvantaged in the bidding process, provided the collective bargaining agreement was arrived at through arms-length negotiations

(g) The Labor Commissioner shall, in accordance with subsection (e) of this section, determine the standard rate of wages for each classification on an hourly basis where any covered services are to be provided, and the state agent empowered to let such contract shall contact the Labor Commissioner at least ten days prior to the date such contract will be advertised for bid, to ascertain the standard rate [of wages] and shall include the standard rate [of wages] on an hourly basis for all classifications of employment in the proposal for the contract. The standard rate of wages on an hourly basis shall, at all times, be considered the minimum rate for the classification for which it was established. Where a required employer is awarded a contract to perform services that are substantially the same as services that have been rendered under a predecessor contract, such required employer shall retain all employees who had been performing services under such predecessor contract for at least ninety days following or after the date of first performance of services under the successor service contract. During such ninety-day period, the successor contract shall not discharge without just cause an employee retained pursuant to this subsection. If the performance of an employee retained pursuant to this subsection is satisfactory during the ninety-day period, the successor contractor shall offer the employee continued employment for the duration of the successor contract.

(h) Each required employer subject to the provisions of this section shall (1) keep, maintain and preserve such records relating to the wages and hours worked by each employee and a schedule of the occupation or work classification at which each person is employed during each work day and week in such manner and form as the Labor Commissioner establishes to assure the proper payments due to such employees, and

(2) upon written request, submit to the contracting state agent a certified payroll which shall consist of a complete copy of such records accompanied by a statement signed by the employer which indicates that (A) such records are correct, (B) the rate of wages paid to each employee is not less than the standard rate of wages required by this section, (C) such employer has complied with the provisions of this section, and (D) such employer is aware that filing a certified payroll which it knows to be false is a class D felony for which such employer may be fined not more than five thousand dollars or imprisoned not more than five years, or both. Notwithstanding the provisions of section 1-210, the certified payroll shall be considered a public record and every person shall have the right to inspect and copy such record in accordance with the provisions of section 1-212. The provisions of subsections (a) and (b) of section 31-59, section 31-66 and section 31-69 which are not inconsistent with the provisions of this section shall apply. Any person who files a false certified payroll in violation of subdivision (2) of this subsection shall be guilty of a class D felony for which such person may be fined not more than five thousand dollars or imprisoned not more than five years, or both.

(i) This section shall not apply to contracts, agreements or grants which do not exceed forty-nine thousand nine hundred ninety-nine dollars per annum.

(j) On receipt of a complaint for nonpayment of the standard rate of wages, the Labor Commissioner, the Director of Wage and Workplace Standards and wage enforcement agents of the Labor Department shall have power to enter, during usual business hours, the place of business or employment of any employer to determine compliance with this section, and for such purpose may examine payroll and other records and interview employees, call hearings, administer oaths, take testimony under oath and take depositions in the manner provided by sections 52-148a to 52-148e, inclusive. The commissioner or the director, for such purpose, may issue subpoenas for the attendance of witnesses and the production of books and records. Any required employer, an officer or agent of such employer, or the officer or agent of any corporation, firm or partnership who wilfully fails to furnish time and wage records as required by law to the commissioner, the director or any wage enforcement agent upon request or who refuses to admit the commissioner, the director or such agent to a place of employment or who hinders or delays the commissioner, the director or such agent in the performance of any duties in the enforcement of this section shall be fined not less than twenty-five dollars nor more than one hundred dollars, and each day of such failure to furnish time and wage records to the commissioner, the director or such agent shall constitute a separate offense, and each day of refusal of admittance, of hindering or of delaying the commissioner, the director or such agent shall constitute a separate offense.

(k) Notwithstanding subsection (i) of this section, any employer that pays the state for a franchise to provide food preparation or service, or both, for the state shall be required

to certify that the wages and benefits paid to its employees are not less than the standard rate established pursuant to this section

(l) The Labor Commissioner may adopt regulations, in accordance with chapter 54, to carry out the provisions of this section

(m) The provisions of this section and any regulation adopted pursuant to subsection (l) of this section shall not apply to any contract or agreement entered into before July 1, 2000.

(n) As used in this section, (1) "employee benefit fund" means any trust fund established by one or more employers and one or more labor organizations or one or more other third parties not affiliated with such employers to provide from such trust fund, whether through the purchase of insurance or annuity contracts or otherwise, benefits under an employee health, welfare or retirement plan, but does not include any such fund where the trustee, or trustees, are subject to supervision by the Banking Commissioner of this state or of any other state, or the Comptroller of the Currency of the United States or the Board of Governors of the Federal Reserve System; and (2) "benefits under an employee health, welfare or retirement plan" means one or more benefits or services under any plan established or maintained for employees or their families or dependents, or for both, including, but not limited to, medical, surgical or hospital care benefits, benefits in the event of sickness, accident, disability or death, benefits in the event of unemployment, retirement benefits, vacation benefits, legal service benefits, or training benefits

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2009	31-57f

Statement of Purpose:

To tie the wage of certain employees in the state to the prevailing wage paid to the majority of workers of the same classification working in Hartford.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

SEIU Local 32BJ

Memo

To: Joint Labor Committee
From: Kurt Westby, Connecticut District Leader, SEIU Local 32BJ
Date: 3/3/2009
Re: Fiscal Analysis for Raised Bill 6502: The Connecticut Standard Wage

Below and attached is a summary of the projected costs and savings associated with Raised Bill 6502, as well as the assumptions upon which these numbers are based. We projected out two different scenarios:

1. The proposed language in comparison to a no-action scenario whereby the state takes no action, and state contracted cleaners lose their family health coverage and pension; and
 2. The proposed language in comparison to our original proposal to change the CT Benefits rate in the Standard Wage bill to 40%, without changing wages.
1. Costs/savings of Raised Bill 6502 compared with a 30% CT Benefits Rate: (See attached chart for more detail)
 - o 2009: \$251,704 Cost
 - o 2010: \$45,473 Cost
 - o 2011: \$4,734 Cost
 - o 2012: \$105,077 SAVINGS
 - o 2013: \$219,529 SAVINGS
 - o 2014: \$340,880 SAVINGS
 - o 2015: \$468,339 SAVINGS

This represents a total savings of \$22,695 over 5 years with our proposal. Over the course of 7 years (through 2015), this represents a savings of \$831,914.

2. When compared to a 40% CT Benefits Rate, Raised Bill 6502 has the following savings:
 - o 2009: \$1,572,926
 - o 2010: \$1,843,019
 - o 2011: \$1,949,855
 - o 2012: \$2,128,077
 - o 2013: \$2,313,334
 - o 2014: \$2,507,968
 - o 2015: \$2,711,275

In this scenario, is a \$9.8 million savings over 5 years and a \$15 million savings over 7 years through 2015.

These figures are based on the following statistical assumptions:

There is a collective bargaining agreement in effect for the comparable County of Hartford cleaners through the year 2011. After this Contract Period ends, starting 2012 our assumptions are as follows.

- **32BJ Health Costs increase by 5.6% each year starting in 2012** when the master contract ends. This is the average of both the suburban and city health increases for 2010 and 2011.
- 3.5% wage increases for Prevailing Wage and starting 2012 a 3.5% wage increase for New-Hires making the 32BJ Light-Cleaner rate.

The following are the remaining assumptions that are made throughout the entire period:

- CT State Health Costs increase by approximately 3.9% each year.
(This is a combination of a 3.5% increase in benefits and an assumed 8% increase in HUSKY cost for Children.)
- Assuming HUSKY Cost for CT Benefits occurs for only half of 2009.
- There are 321 children receiving HUSKY at a cost of \$2,679 per child in 2008 - increasing by 8% each year. The State of CT pays only half the total HUSKY cost, while the rest is paid by the federal government.
- 32BJ Proposal Health Costs use the Suburban Rate for all buildings except for 6 sites which receive City Health Rates.
- 5% Turnover per year.
- New-Hires receive Light Cleaner Wage Rates after they have worked for 1 year. As per our contract, prior to working for 1 year, New-Hires are paid as follows:
 - Start at \$1 less prior to working 6 months – We are assuming 50% of New Hires that start each year. (i.e.: 50% of the 5% who are starting New-Hires)
 - Working between 6 and 9 months receive \$.50 less per hour – assuming 25% of New Hires that start each year.
 - Working between 9 and 12 months receive \$.25 less per hour – assuming 25% of New Hires that start each year.
- Seniority is based on the date each member first started working at the site according to IUAS. One thing to note is that it looks like some of the buildings may not have accurate start dates where for example each person would have the same start date listed. There are other seniority lists we have available, such as when the Employee first joined the union, but again this source has a similar problem of inaccurate dates, just at different buildings.

Juan Valenzuela

State Capitol Day Porter

Labor Committee Public Hearing in support of RB 6502

AAC The Standard Wage For Certain CT Workers

March 3, 2009

Members of the Labor Committee, thank you for hearing my testimony today.

My name is Juan Valenzuela, and I work as a Day Porter here at the LOB and the State Capitol building. Many of you already know me since we work in the same building.

Today, I want to take the opportunity to introduce you to someone you don't know.

This is my daughter, RoseMarie. She's four-years-old, and she's one of the children who will lose her health care if you don't pass this bill to amend the Standard Wage Law.

I know that you're looking to save money from the State budget, but cutting off this little girl's health care is not the way to do it.

RoseMarie's not alone. Felipe has a son, Diana has two children and Margaret has two children who all depend on the health care we receive through our jobs as cleaners at state buildings.

Beyond our families, there are another 350 children who will lose their health care.

We're working hard, and we don't want to put our children onto HUSKY and other public health care programs.

The truth is: we don't make enough to pay for health care premiums, and if our children lose their health care, many of them will end up on HUSKY. For more than a year, we've been asking you to amend the Standard Wage Law, and we can't wait another moment. Please, move swiftly to pass this bill to amend the Standard Wage Law.

Malgorzata Majewski
UConn Law Center Cleaner
Labor Committee Public Hearing in Support of RB 6502

AAC The Standard Wage for Certain CT Workers
March 3, 2009

My name is Malgorzata Majewski, and I work as a cleaner at the UConn Law Center.

I live with my husband and two children in Plainville. Both my husband and I work hard to provide for our family.

My husband is a machinist. It's a good job, but right now, times are tough, and his work has been unsteady.

Fortunately, my job has a regular schedule so we can always depend on my paycheck.

Besides the job security, one of the greatest benefits of my job is the health care coverage for our family. Our two children, Adrian and Patricia, are on my health care plan.

We need our kids to be covered, but for a year, our health care has been at risk, so we've been looking into other options. It's not going to be easy to keep them insured, and my husband and I will not be able to afford health care for ourselves.

Through my husband's job, we can keep our kids covered for about \$300 a month.

My husband and I will have to keep our fingers crossed – because we can't afford the full family coverage which is twice the price.

My family has been readjusting our budget, making sacrifices and living without, and I can understand that the State needs to do the same. But cutting off health care for families like mine, especially as I spend my days helping to keep a state institution running, isn't the way to do it.

We're not being greedy. We're just asking for the basics for our family – job security and health care.

Please, Members of the General Assembly, amend the Standard Wage Law so that my family can depend on the health care coverage we need.

Felipe Trevitazzo
Bradley Airport Cleaner
Labor Committee Public Hearing in Support of RB 6502

AAC The Standard Wage for Certain CT Workers
March 3, 2009

My name is Felipe Trevitazzo, and I work as a cleaner at the Bradley Airport.

I'm here today for my family, and for my co-workers families and for the families of state-building cleaners across Connecticut.

Please, Members of the General Assembly, do not let our families lose their health care coverage.

Since I came to the United States 20 years ago, I have been working hard to earn a living and to support my family. I have never asked for a hand-out, and I'm not asking for one now.

I believe – as I think most people in Connecticut agree – that health care is a basic necessity. And I just cannot understand why our state would deny family health care to the workers like me, who keep things running at the State Capitol here, the Bradley airport, the train stations in Stamford and Bridgeport.

I have a son. He's seven-years-old. He's a healthy kid, thank God, but he gets bumps and bruises and needs to go to the doctor for regular check-ups.

My wife is a diabetic. She keeps everything under control, but she needs regular medication to do so.

My family – like so many – depends on our health care coverage. So, I'll ask again, please, don't let our families lose our health care. Pass the bill to amend the Standard Wage Law.

Diana Colorado
Norwalk Community College cleaner
Labor Committee Public Hearing in support of RB 6502

AAC The Standard Wage For Certain CT Workers
March 3, 2009

Good afternoon. I want to thank the members of the Labor Committee for raising this important bill.

My name is Diana Colorado, and I work as a cleaner at Norwalk Community College. I work the overnight shift, so I apologize if my voice sounds tired today.

I have some sad news to share with you. A few months ago, my 15-year-old daughter was diagnosed with diabetes.

Before this, I mostly used my health care for myself – I have an ongoing fight against skin cancer – but now my daughter also needs regular medication and care for her diabetes.

What's worse is that on top of our fight against her diabetes, we now are fighting to keep her health care coverage.

I'm not asking for hand-outs. I work hard and I don't want to depend on public assistance, but my family needs health care coverage, and if we're going to lose the health care from my job, we'll have no other choice.

Please, Members of the General Assembly think about my daughter and pass this bill to amend the Standard Wage Law.



HEADQUARTERS
200 Myrtle Street, New Britain CT 06053
Telephone (860) 229-7700 Fax (860) 229-6847
www.cwresources.org

March 3, 2009 LABOR AND PUBLIC EMPLOYEES COMMITTEE

Raised H.B. No. 6502 AN ACT CONCERNING THE STANDARD WAGE FOR CERTAIN CONNECTICUT WORKERS

My name is Ronald Buccilli and I am the President of CW Resources, Inc. Thank you for allowing me to comment on Raised Bill No. 6502.

We, CW Resources, Inc.(CW), oppose H.B. 6502 as written for we believe that it eliminates opportunities for persons with disabilities to obtain standard wage jobs. Making such jobs available to our clients were an essential part of legislation passed Unanimously by the Legislature in 2006 as Public Act 06-126 and codified in the Connecticut General Statutes as **4a-82 sections (0) and (p)**.

CW, a community rehabilitation agency, has serves over 900 persons with disabilities per year, 45 persons with economic disadvantages per year and we provide meals to 4,000 seniors per year. CW has employment sites throughout Connecticut. From the Greater Hartford and Waterbury areas, from Groton and New London areas and from the Bridgeport and New Haven areas, CW provides meaningful employment opportunities to those we serve. CW is a significant participant in the *State Preferred Purchasing Program* through the Connecticut Community Providers Association. Last year This program created more than 286 valuable community jobs of more than 60,000 labor hours resulting in \$679,235.

The *State Preferred Purchasing Program* is a key program for CW allowing over 50 of our clients the opportunity to have meaningful standard wage jobs providing livable

Labor and Public Employees Committee, cont.
Ronald Buccilli

wages for them. These wages reduces the amount of entitlements originally received by our workers.

Language in H.B. 6502 requires that a new contractor "shall retain all employees who had been performing services under such predecessor contract for at least ninety days following or after the date of first performance of services under the successor service contract" As written, this language eliminates the ability of workers with disabilities to obtain standard wage jobs through the State's *Preferred Purchasing Program (17b-656)*. This statue requires that 75% of the labor on a contract be performed by people with disabilities. If a provider can not put workers with disabilities on a new contract, they can not comply with the statutory requirement. Sections (O) and (P) of 4a-82 address this concern by allowing providers to obtain standard wage contracts of a limited size. If this language was incorporated into H.B. 6502 we would no further objection to it.

Thank you.



HEADQUARTERS
200 Myrtle Street, New Britain CT 06053
Telephone (860) 229-7700 Fax (860) 229-6847
www.cwresources.org

March 3, 2009 LABOR AND PUBLIC EMPLOYEES COMMITTEE

Raised H.B. No. 6502 AN ACT CONCERNING THE STANDARD WAGE FOR CERTAIN CONNECTICUT WORKERS

My name is William Green and I am a Vice President at CW Resources, Inc. I'm in charge of overseeing our Janitorial Projects with CCPA. Thank you for allowing me to comment on Raised Bill No. 6502. We, CW Resources, Inc.(CW), oppose H.B. 6502 as written because we believe that it eliminates opportunities for persons with disabilities to obtain standard wage jobs. These jobs become even more important in these uncertain economic times. My experience is that during these difficult times, workers with disabilities are the first to loose there jobs and also have the most difficulties in finding new employment. Making such jobs available to our clients is an essential part of legislation passed unanimously by the Legislature in 2006 as Public Act 06-126 and codified in the Connecticut General Statues as **4a-82 sections (0) and (p)**.

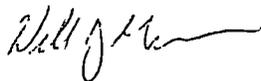
CW, serves over 900 persons with disabilities per year, 45 persons with economic disadvantages per year. The jobs that have been created through *The State Preferred Purchasing Program* have become in invaluable resource of employment for people with disability, any changes to the program which would diminish opportunities for people with disability would have adverse affect on employment opportunity but would also have devastating affect on those already working in the program. Last year this program created more than 286 valuable community jobs of more than 60,000 labor

Labor and Public Employee Committee
William Green

hours resulting in \$679,235. The *State Preferred Purchasing Program* is a key program for CW allowing over 50 of our clients the opportunity to have meaningful standard wage jobs providing livable wages for them. These wages reduces the amount of entitlements originally received by our workers. Language in H.B. 6502 requires that a new contractor "shall retain all employees who had been performing services under such predecessor contract for at least ninety days following or after the date of first performance of services under the successor service contract" As written, this language eliminates the ability of workers with disabilities to obtain standard wage jobs through the State's *Preferred Purchasing Program (17b-656)*.

This statute requires that 75% of the labor on a contract be performed by people with Disabilities. If a provider can not put workers with disabilities on a new contract, they can not comply with the statutory requirement. Sections (O) and (P) of **4a-82** address this concern by allowing providers to obtain standard wage contracts of a limited size. If this language was incorporated into H.B 6502 we would no further objection to it.

Thank you.



William J Green
Vice President Contract Services
CW Resources



**Easter Seals
Employment Industries**
122 Avenue of Industry
Waterbury, CT 06705

**All Kids
Child Care Center**
22 Tompkins Street
Waterbury, CT 06708

128 Avenue of Industry
Waterbury, CT 06705

**Easter Seals Center
for Better Hearing**
22 Tompkins Street
Waterbury, CT 06708

Heritage Village
Professional Bldg.
Southbury, CT 06488

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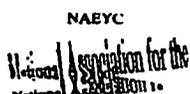
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Accredited by:



February 28, 2009

To: LABOR COMMITTEE

Re: PROPOSED CHANGES TO THE STANDARD WAGE BILL

I am the Director of Vocational Rehabilitation Services at the Easter Seal Rehabilitation Center of Greater Waterbury Inc. The vocational rehabilitation division of our organization supports five-hundred (500) individuals with disabilities in securing and maintaining employment each year.

A significant component of our employment program services involves janitorial cleaning work opportunities afforded through the state's **Preferred Purchasing Program statute**. Presently, we have ninety (90) individuals with disabilities earning a living wage through this program. It continues to create 'real jobs' for persons with disabilities, and has continued to do so over the twenty plus years of our involvement with the program.

Please do not underestimate or fail to realize the enormous role that the preferred purchasing program plays in providing employment for the many hundreds of disabled individuals in our state. It is a thriving and viable program that is making a substantially positive impact on workers with disabilities. In many cases, it is the solitary lifeline and basic means of sustenance for workers with disabilities. Accordingly, the disabled workers provide significant service to the state of Connecticut, each and every day, and make up a solid base as contributing taxpayers.

Furthermore, I want to express my deep concern about the worker retention language, and how it contradicts the pilot program language, unfairly halting the ability of CCPA and the many private disability organizations to gain employment for people with disabilities at standard wages, by requiring providers to retain existing workers and thereby fall out of compliance with the requirement that providers use workers with disabilities on the contract.

Again, this legislation must include language that affords employment opportunities for the many persons with disabilities who are current and potential future workers. Persons with disabilities must be included in the overall language of the CCPA Preferred Purchasing Program.

I am confident that your committee will do its due diligence in assuring that large numbers of persons with disabilities are not excluded from the language of this legislation. Thank you for your time.

Sincerely,


Ron Bourque

Director of Vocational Rehabilitation Services
Easter Seal Rehabilitation Center of Greater Waterbury Inc

Easter Seals Employment Industries

122 Avenue of Industry • Waterbury, CT 06705

Phone: 203.236.0188 • Fax: 203.236.0183 • www.eastersealswaterburyct.org

US: Lawsuit accuses Connecticut nursery of human trafficking

by John Christoffersen, Associated Press
February 8th, 2007

A dozen Guatemalan workers filed a federal lawsuit Thursday accusing one of the nation's largest nurseries of engaging in human trafficking by forcing them to work nearly 80 hours per week, paying them less than minimum wage and denying them medical care for injuries on the job.

The workers, who filed the lawsuit against Imperial Nurseries in Granby and its labor recruiter, say they were promised jobs planting trees in North Carolina for \$7.50 per hour. Instead, they say they were taken in a van to Connecticut without their consent, had their passports confiscated so they would not escape and were threatened with arrest or deportation.

"These workers came here lawfully to earn a living and support their families," said Nicole Hallett, a Yale Law School student helping the workers. "Instead they were defrauded and trapped into conditions of forced labor."

The company referred a call seeking comment to spokesman Peter Hamilton. Hamilton said he was preparing a response and noted that the nursery had fired its labor recruiter some time ago.

Imperial's sales volume places it among the 20 largest landscape nursery growers in the country, according to the lawsuit.

The U.S. Department of Labor is investigating the allegations, a spokesman said. The workers were recruited last spring and early summer, according to the lawsuit, which accuses the defendants of engaging in human trafficking and a pattern of racketeering.

The workers were paid about \$3.75 per hour but also incurred substantial, illegal deductions which further reduced their wages, according to the lawsuit. The workers also incurred substantial debts in Guatemala to pay for their visas and trip to the U.S., according to the lawsuit.

Some of the workers flew to North Carolina, then were taken to Hartford in a small van. Some were forced to sit on the floor during the trip. When they arrived, they were housed in small filthy apartments and slept on the floors, according to the lawsuit.

The work involved preparing flowers, trees, shrubs and other plants to be sold to residential and wholesale consumers.

"I started to think the United States wasn't America but rather Egypt, a place of slavery,"

Marvin Coto, one of the workers, said through a translator.

Coto said he was forced to work in the fields in the rain when he had a severe fever. Other workers suffered back injuries.

"I got tremors from the fever, I'm shaking from the fever," Coto said. "I started crying and said you should let me go free. Every day they forced us to do more and more work. Our hands began to get swollen and they laughed at us and said you can keep working."

Coto, 33, said he eventually took refuge in a church, while other workers fled. Instead of sending money home, the workers said they wound up begging their relatives to send them money.

"My children in Guatemala didn't even have bread to eat," Coto said.

The lawsuit, which seeks back pay and damages, also names the recruiter, Pro Tree Forestry Services. Telephone messages were left for Pro Tree.

Pro Tree employees opened the workers' mail, prohibited them from riding city buses and restricted their travel, the lawsuit alleges.

The workers also say they were subject to verbal abuse, including being called "indios", a racial epithet used to describe indigenous people of Guatemala.

The lawsuit contends the defendants knew or should have known that the labor contractor employed such techniques.

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HB 6502

For more information, contact Michael Wishnie, 203-436-4780.

LAWSUIT OF GUATEMALAN WORKERS AGAINST IMPERIAL NURSERIES TO SETTLE

NEW HAVEN, CT – The twelve Guatemalan workers who filed a federal lawsuit in February against Pro Tree Forestry Services, Imperial Nurseries and others, have announced a settlement of a portion of their case today. Although specific terms of the agreement are confidential, Imperial Nurseries of Granby, Connecticut, and its parent company, Griffin Land & Nurseries of New York, have provided the workers with financial compensation.

The workers contended that Imperial Nurseries was legally jointly responsible for the alleged conduct of Pro Tree Forestry Services of North Carolina, a farm labor contractor that recruited the plaintiffs and brought them from Guatemala. The settlement resolves all claims against Imperial, Griffin and their officers and employees. The lawsuit will continue against Pro Tree and its principals William Forero and Hernando Aranda.

The lawsuit alleges that upon arriving in the United States last year on H-2B visas, the workers were transported by Pro Tree without their consent to Connecticut, where they were forced to work nearly 80 hours per week and paid far below minimum wage. The suit also alleges that the Pro Tree defendants denied the workers emergency medical care and threatened them with arrest, imprisonment, and deportation if they did not meet production standards.

“We are pleased that we have reached a fair resolution with Imperial Nurseries,” said Angel Mendoza, one of the plaintiffs.

“We are happy that we have come together and stood up to protect our rights,” said Marvin Coto, another of the plaintiffs.

The plaintiffs have benefited from the support of a wide range of community members and organizations. In particular, they gratefully acknowledge the support of: Angelo Reyes, Sarahi Uribe, John Lugo, Kica Matos, Antonio Armas, Junta for Progressive Action, Inc., and Unidad Latina en Acción, all of New Haven; Cathleen Caron and the Global Workers Justice Alliance, of New York; Rev. Nelson Negron and the Church of God Pentecost, of Hartford; and Jane Rodas of the International Institute of Connecticut, of Bridgeport.

The workers are represented by the Jerome N. Frank Legal Services Organization at Yale Law School and Pine Tree Legal Assistance of Bangor, Maine.

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Employer _____ Location _____ Phone _____

Supervisor's Name _____ Employment Date From _____ To _____

Starting Wage _____ Ending Wage _____

Responsibilities

Reason for leaving

May we contact this employer Yes No If no, why not?

Authorization For Employment Consideration
(Please initial each paragraph as read and understood)

1. In consideration of any employment by Hollandia, I understand that Hollandia has the right to discharge me or lay me off at any time, with or without cause and with or without notice. It is agreed and understood that this is the entire agreement between Hollandia and myself on the subject of discharge, termination, and/or layoff, and that this agreement may be changed only by an agreement in writing signed by the owner of Hollandia and addressed to me. Init _____
2. I further recognize that if employed by Hollandia, I agree that is partial consideration of my employment, to file a demand for arbitration to resolve any disputes arising from my employment, as required under paragraph 7 below. I agree to file demands within six months after the claim arises or within the applicable statutory limitation periods provided by law, whichever occurs first. Init _____
3. I hereby release all third parties who provide information to Hollandia with or without notice to my, from any and all liability for the transmittal of any information bearing on my histories or qualifications, in connection with any such request. I further authorize and release Hollandia from all liability for forwarding to any other entity to which I may apply for employment, any information concerning histories and/or my qualifications for me as Hollandia has at the time of my application for employment or hereafter acquires. I further release from all liability any and all third parties for any statements made or any actions taken in connection with this application or any other applications made simultaneously herewith, or in connection with any other form of review of my histories or qualifications. I hereby waive on behalf of Hollandia any and all notices I would otherwise be entitled to receive by law in connection with any reference check. Init _____
4. I will hold in strictest confidence and will not disclose to any unauthorized persons, without Hollandia's prior written permission, at any time during or subsequent to my employment, any knowledge not already available to the public, respecting the inventions or respecting the designs, methods, systems, improvements, trade secrets, production techniques, processes, sales promotions and ideas, customer lists or other confidential matters of Hollandia. Init _____

5. I understand that if I have a disability I must timely tell you in writing of my need for accommodation after I know or reasonably should know that an accommodation is needed. I further understand failure to do so will prevent me from alleging a violation of the accommodation requirements imposed by law. Init_____
6. I certify that all information submitted by me in this application is true, complete and correct and understand that if any such information is found to be misrepresented, omitted or otherwise incorrect, it may result in discharge from employment. Init_____
7. In the event that one or more provisions of this application are declared void, the balance of the provisions shall remain in force. Init_____

Employer _____ Location _____ Phone _____

Supervisor's Name _____ Employment Date From _____ To _____

Starting Wage _____ Ending Wage _____

Responsibilities

Reason for leaving

May we contact this employer Yes No If no, why not?

Authorization For Employment Consideration
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7. In the event that one or more provisions of this application are declared void, the balance of the provisions shall remain in force. Init_____

PROPOSED NEW BENEFIT COST COMPARED TO 40% BENEFIT - WAGE SCENARIO

Version: -With HUSKY, -New Hires Start 2010, -SENIORITY CONSTANT for Paid Time Off

Cumulative Cost Savings Over 5 Years: \$ 9,807,212

Cumulative Cost Savings Over 7 Years (through 2015): \$ 15,026,455

		2009		2010		2011		2012		2013		2014		2015	
		Cost	Cost	% Increase	Cost	% Increase	Cost	% Increase	Cost	% Increase	Cost	% Increase	Cost	% Increase	
32BJ Proposed Cost	Hourly	Average CT Wage Rates (Incumbents)*	14.60	15.11	3.5%	15.64	3.5%	16.19	3.5%	16.76	3.5%	17.34	3.5%	17.95	3.5%
		32BJ Wage Blended (New Hires)**	12.25	12.88	5.1%	13.50	4.9%	13.97	3.5%	14.46	3.5%	14.97	3.5%	15.49	3.5%
		32BJ Health***	3.29	3.59	9.1%	3.78	5.3%	3.99	5.6%	4.22	5.6%	4.46	5.6%	4.71	5.6%
		32BJ Pension	0.60	0.65	8.3%	0.70	7.7%	0.70	0.0%	0.70	0.0%	0.70	0.0%	0.70	0.0%
		Average 32BJ Paid Time Off Cost	0.96	0.98	2.1%	1.00	2.5%	1.02	2.2%	1.05	2.3%	1.07	2.2%	1.09	2.1%
	Full Contract	Total Health & Pension for Contract	4,760,392	5,171,902	8.6%	5,465,838	5.7%	5,725,059	4.7%	5,998,919	4.8%	6,288,246	4.8%	6,593,913	4.9%
		Total Wage for Contract	18,246,300	18,703,183	2.5%	19,237,540	2.9%	19,773,541	2.8%	20,323,495	2.8%	20,887,724	2.8%	21,466,553	2.8%
		Total Paid Time Off	1,197,391	1,222,313	2.1%	1,252,667	2.5%	1,280,305	2.2%	1,309,301	2.3%	1,337,618	2.2%	1,366,275	2.1%
		Total Contract	24,204,084	25,097,398	3.7%	25,956,045	3.4%	26,778,905	3.2%	27,631,716	3.2%	28,513,589	3.2%	29,426,741	3.2%
		Savings		Cost Savings Between 32BJ and CT Standard Rate, for Total Contract	1,572,926	1,843,019	17.2%	1,949,855	5.8%	2,128,077	9.1%	2,313,334	8.7%	2,507,968	8.4%
CT Standard Rates	Hourly	Average CT Wage	14.60	15.11	3.5%	15.64	3.5%	16.19	3.5%	16.76	3.5%	17.34	3.5%	17.95	3.5%
		30% Benefits****	4.38	4.53	3.5%	4.69	3.5%	4.86	3.5%	5.03	3.5%	5.20	3.5%	5.38	3.5%
	Full Contract	Total Benefits for Contract including HUSKY for Children	7,530,709	8,055,496	7.0%	8,360,008	3.8%	8,676,982	3.8%	9,007,001	3.8%	9,350,676	3.8%	9,708,654	3.8%
		Total Contract	25,777,009	26,940,417	4.5%	27,905,901	3.6%	28,906,981	3.6%	29,945,050	3.6%	31,021,557	3.6%	32,138,016	3.6%

*This is the weighted average by number of workers across the three different Area Rates

** This is the New-Hire Rate received after working 1 year The total calculation also takes into account the lower wage rates received before an employee has worked for 1 year.

*** This is the Suburban Rate The total calculation takes into account the higher City Rate at certain buildings, as well as the lower rate Part-Time Suburban workers receive who work less than 30 hours per week.

****This hourly rate does not include HUSKY cost The HUSKY Cost is included in the Total Contract Cost

001214

Proposed New Benefit Cost Compared to No Action Scenario

Version: -With HUSKY, -New Hires Start 2010, -SENIORITY CONSTANT for Paid Time Off

Cumulative Cost Savings Over 5 Years.

22695.30605

Cumulative Cost Savings Over 7 Years (through 2015):

831914.1976

		2009		2010		2011		2012		2013		2014		2015	
		Cost	Cost	% Increase											
32BJ Proposed Cost	Hourly	Average CT Wage Rates (Incumbents)*	14 60122263	15 11226542	0.035	15 64119471	0.035	16.18863652	0.035	16.7552388	0.035	17 34167216	0.035	17 94863069	0.035
		32BJ Wage Blended (New Hires)**	12.25	12.875	0.051020408	13.5	0.048543689	13.9725	0.035	14.4615375	0.035	14.96769131	0.035	15.49156051	0.035
		32BJ Health***	3.29	3.59	0.09118541	3.78	0.052924791	3.993479037	0.05647594	4.219014502	0.056475936	4.457287294	0.056475936	4.709016765	0.056475936
		32BJ Pension	0.6	0.65	0.083333333	0.7	0.076923077	0.7	0	0.7	0	0.7	0	0.7	0
		Average 32BJ Paid-Time Off Cost	0.956920589	0.976837502	0.020813548	1.001095743	0.024833446	1.02318332	0.0220634	1.046356228	0.022647856	1.068986471	0.021627666	1.091888047	0.021423635
	Full- Contract	Total Health & Pension for Contract	4760392.32	5171901.76	0.086444438	5465838.08	0.056833315	5725058.721	0.0474256	5998919.091	0.047835382	6288245.981	0.048229837	6593912.878	0.048609246
		Total Wage for Contract	18246300.32	18703183.29	0.025039759	19237540.05	0.028570365	19773540.66	0.02786222	20323495.32	0.027812655	20887724.22	0.027762395	21466552.86	0.027711427
		Total Paid Time Off	1197390.905	1222312.859	0.020813548	1252667.098	0.024833446	1280305.195	0.0220634	1309301.363	0.022647856	1337618.496	0.021627666	1366275.146	0.021423635
		Total Contract	24204083.54	25097397.91	0.036907589	25956045.23	0.034212604	26778904.57	0.03170203	27631715.77	0.031846381	28513588.69	0.031915243	29426740.88	0.032025158
CT Standard Rates	Hourly	Average CT Wage	14 60122263	15 11226542	0.035	15 64119471	0.035	16.18863652	0.035	16.7552388	0.035	17 34167216	0.035	17 94863069	0.035
		30% Benefits****	4 380366788	4 533679626	0.035	4 692358413	0.035	4 856590957	0.035	5 026571643	0.035	5 202501648	0.035	5.384589206	0.035
	Full- Contract	Total Benefits for Contract including HUSKY for Children	5706079.026	6167004.338	0.080777941	6405418.254	0.038659599	6653982.158	0.03880526	6913195.74	0.038956158	7183587.734	0.039112446	7465717.859	0.039274265
		Total Contract	18246300.32	18884920.83	0.035	19545893.06	0.035	20229999.32	0.035	20938049.29	0.035	21670881.02	0.035	22429361.85	0.035
Total Contract	23952379.35	25051925.17	0.045905495	25951311.31	0.035900879	26883981.48	0.03593923	27851245.03	0.035979178	28854468.75	0.036020785	29895079.71	0.036064118		
Savings	Cost Savings Between 32BJ and CT Standard Rate for Total Contract	-251704.199	-45472.73881	-0.019340563	-4733.918305	-0.0001718305	-895895466	-105076.9008	-23.1966021	-219529.2613	-1.089224744	-340880.0591	-0.0014727325	-468338.8325	-0.0019310911

*This is the weighted average by number of workers across the three different Area Rates

** This is the New-Hire Rate received after working 1 year The total calculation also takes into account the lower wage rates received before an employee has worked for 1 year

*** This is the Suburban Rate The total calculation takes into account the higher City Rate at certain buildings, as well as the lower rate Part-Time Suburban workers receive who work less than 30 hours per week.

****This hourly rate does not include HUSKY cost The HUSKY Cost is included in the Total Contract Cost

001215



THE KENNEDY CENTER, INC.
Celebrating the Potential of All People

Martin D. Schwartz
 PRESIDENT & CEO

March 3, 2009

To: **LABOR AND PUBLIC EMPLOYEES COMMITTEE**

From: Martin Schwartz, President/CEO, The Kennedy Center, Inc. *MS*

Re: Raised H.B. No. 6502 **AN ACT CONCERNING THE STANDARD
 WAGE FOR CERTAIN CONNECTICUT WORKERS**

The Kennedy Center is a community provider that provides vocational services to approximately 1500 individuals with cognitive disabilities on an annual basis in the greater Bridgeport area. The Kennedy Center has two state standard wage contracts, which employ people with disabilities. It is from this perspective that we respectfully submit our comments on Raised Bill No. 6502.

Making opportunities available for people with disabilities at standard wages was a part of previous legislation passed unanimously by the legislature in 2006 as Public Act 06-129 – An Act Concerning the Recommendations of the Disabled and Disadvantaged Employment Security Policy Group.

We do not oppose H.B. 6502 except as it may contain language that contradicts a portion of Public Act 06-126, which allows community providers to seek standard wage contracts of less than four FTEs without worker retention requirements [Connecticut General Statutes § 4a-82, sections (o) and (p)]. The worker retention language in Raised Bill 6502 could eliminate that protection. We would like to see language on the retention of workers that acknowledges these sections. We understand that the Connecticut Community Providers Association is preparing such language for consideration.

Accredited
 by





CONNECTICUT AFL-CIO

56 Town Line Road, Rocky Hill, CT 06067
860-571-6191 fax 860-571-6190

Testimony before the Labor and Public Employees Committee Tuesday, March 3, 2009

Senator Prague, Representative Ryan and members of the Labor and Public employees committee, my name is Lori Pelletier and I serve as the Secretary-Treasurer of the Connecticut AFL-CIO, which has over 900 affiliated local unions representing the working men and women from every one of our 169 cities and towns, and am here to testify in favor of the following bills.

H.B. No. 6502 (RAISED) Labor and Public Employees. AN ACT CONCERNING THE STANDARD WAGE FOR CERTAIN CONNECTICUT WORKERS. This bill provides some of the lowest wage earners with a chance to make ends meet. This bill makes good economic sense by putting more money in the hands of those who will use it and not stow it away. The Standard wage is a safety net that these workers can't survive without.

H.B. No. 6534 (RAISED) Labor and Public Employees. AN ACT CONCERNING LABOR UNION AUTHORIZATION CARD CHECKS. When workers decide to from a union in the private sector, corporate America spends billions of dollars a year fighting their efforts. This is not the way our government should operate. President Obama and our seven Congressional Representatives support this legislation and have signed on to the Employee Free Choice Act, which is pending the United State Congress as we speak. So while they debate the Federal law governing private sector unionization efforts we have an opportunity to fix Connecticut law with regards to public sector workers. Facts show that unionized workers are better for their local economy and their local community. By enacting this legislation workers would decide whether they wanted to belong to a union, but just as important our state and local tax dollars wouldn't be used against us.

Last year we saw how the Department of Public Safety used tax payer dollars to fight the Lt's in the Connecticut State Police Department, when they wanted to form a union. Those precious tax dollars should have been put to use protecting us instead they were used to trample on workers' rights. Study after study shows that nearly 70% of people would join a union if they could. Our local and state governments should not stand in their way. Tax dollars are not meant to be used to attack the very people who paid them. If workers want to form a union it is their right and our state and local governments should understand that.

S.B. No. 921 (RAISED) Labor and Public Employees. AN ACT CONCERNING COLLECTIVE BARGAINING FOR STATE MANAGERS. We support this legislation. Workers should have the right to collectively bargain, and this legislation would remedy a historic exemption. State managers have bosses, are not elected and do not have the authority to hire/fire each other. Therefore we believe this legislation is completely appropriate for this class of workers.

Thank you to the Committee for holding this public hearing and if you have any question I'd be happy to address them.

PRESIDENT

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