

**PA13-19**

SB0619

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**JOINT  
STANDING  
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ALFRED L. MARDER: I am Alfred Marder, chairman of the City of New Haven Peace Commission and I'm here to testify on behalf of the Commission in favor of proposed bill Number 619.

We wish to congratulate this Committee for recognizing the immediate importance of coming to grips with the issue of how does Connecticut deal with the crisis of unemployment, with the dependence on manufacturing of killing machines when our people are demanding the end of war as a foreign policy and the serious reduction of the military budget.

Let's dispense at once with the argument that this is a national issue. You were elected to protect the good and welfare of the people in your district and you are trying to cope with the results of national policies that -- that have established almost 1,000 foreign military bases and spend over \$1 trillion annually in killing machines.

We read every day that our sons and daughters are fighting in countries whose location most of us are unaware. You are struggling with how much to cut from the essential services, what classes to cut in our schools, how to raise revenue from our struggling neighbors. There is no money coming in to deal with these burning needs because we have made the Pentagon the largest corporation in the world with a military budget that devours 60 percent of the total federal budget.

I am here also representing the over 23,000 New Haveners who cast their ballots in the November elections for a resolution we introduced calling for the reduction of the military budget, transferring those funds for human needs for a conversion from military to civilian production.

Over 23,000 voted yes for the referendum, more than 50 percent of all who voted. We are certain that if we were able to present this resolution statewide we would get the same results from your districts.

We are calling upon you to vote favorably for this legislation that would initiate a commission representative of all sectors of our community affected to consider how to end our dependence upon the production of killing machines. This must include the protection of the workers.

The Commission would have the responsibility of examining new technologies, not dual use for the military, green jobs, infrastructure, the needs of our community. This is not --

REP. PERONE: Sir, can you summarize please at this point?

ALFRED L. MARDER: (Inaudible) I'm almost done.

REP. PERONE: No, no we don't want you to read it, please summarize.

ALFRED L. MARDER: Time is not on our side so there must be a deadline. Further in order for this --

REP. PERONE: You're right time is not on your side. Can you please summarize?

ALFRED L. MARDER: Yes.

REP. PERONE: Thank you.

ALFRED L. MARDER: Further in order for this Commission to function there should be an allocation of funds. We appreciate that this is a bold initiative but we also recognize that

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these are volatile times that require innovative measures to deal with these pressing issues. We have gone to the people for their counsel and they are calling upon you to act.

Thank you.

REP. PERONE: All right, thank -- thank you very much, appreciate it.

SENATOR LEBEAU: So specifically what are you asking us to do --

ALFRED L. MARDER: Asking you (inaudible) --

SENATOR LEBEAU: -- as a state, as a Commerce Committee for the State of -- State of Connecticut?

ALFRED L. MARDER: The bill which was -- has been introduced.

SENATOR LEBEAU: Right.

ALFRED L. MARDER: Right, calls for setting up of a commission, a futures commission, specifically a commission that would represent all sectors of our community, the private sector, the government.

SENATOR LEBEAU: Which -- which may or may not, which may or may not take the -- the kind of direction that you'd want it to, a con -- a conversion of -- of our -- like for instance Pratt & Whitney F35 program, stealth bomber -- stealth program, EB, Electric Boat.

I mean we've got people sitting here who have fought for years to main -- try to maintain those programs. I -- I really have some doubts whether that would be the direction that a commission would go.

And I -- I'm just being honest with you, sir, that I --that -- you know as much as there's -- there's a -- there's a good idea here and I think having a futures commission makes sense, I'm not sure that that would be the direction that we would go in terms of what -- that the commission would go unless you want us to write that in the legislation, looking for military conversion. Would that be part of it?

ALFRED L. MARDER: Well Senator the problems are very pressing. This is not an -- an academic discussion. It's a discussion on cutting the military budget.

SENATOR LEBEAU: Well we don't have the military budget in front of us sir.

ALFRED L. MARDER: Excuse me it's -- it's on the agenda, it's on the agenda and this is going to affect much of the manufacturing in our state and what we are asking for, or what the bill is suggesting, is that a commission be set up involving all the sectors of our community to discuss what are the substitutes for these (inaudible).

SENATOR LEBEAU: Okay.

ALFRED L. MARDER: It requires the expert advice and counsel of those who are deeply involved in (inaudible). We are discussing a deep and effective solution.

SENATOR LEBEAU: Thank you.

ALFRED L. MARDER: You can't have (inaudible).

SENATOR LEBEAU: I think -- I think you've just answered my question very well.

ALFRED L. MARDER: Thank you very much.

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SENATOR LEBEAU: Thank you.

Senator Meyer.

ALFRED L. MARDER: Thank you.

SENATOR MEYER: Thank you, Mr. Chairman.

Mr. Marder I -- so much of Connecticut's economy is based upon our military defense, United Technologies, Pratt & Whitney, Electric Boat, General Electric and so forth.

ALFRED L. MARDER: Correct.

SENATOR MEYER: And you know we were -- we were advised back in 1956 by the President at that time, Dwight Eisenhower, to worry about the military industrial complex and that you seem to be addressing that.

Do you have -- do you have an opinion as to -- or whether or not we should -- we should reduce the defense budget in a manner that it would affect those large companies that contribute so much to our economy in Connecticut?

Are -- are you asking us, in effect, through the futures commission, to -- to cut back federal appropriations for Electric Boat, Pratt & Whitney and the other -- the other defense companies?

ALFRED L. MARDER: Well it's very interesting you -- you quote President Eisenhower because I think he was very prescient. He saw what was happening in our country and what has happened in our country.

To answer directly to your question, I've -- we are advocating a conversion so that these industries should be examining other products

for the marketplace and not dependent upon killing machines because that in itself, if it were refrigerators, it would not create a falling prices -- or falling policy prices. But guns and submarines and drones do create a crisis and in order for business to do well you have to have -- use them and you have to develop a foreign policy which accelerates use.

This is a -- it's a grim story. We don't want to reduce a job for any worker in our state. We want to protect every worker in our state and the only way we can do it is begin examining what other products can we begin to produce, new technology, green jobs, infrastructure, whatever it takes and we need a commission to finally sit down very seriously, using all the expertise that's available, to discuss what are the alternatives.

Years ago, since you mention Eisenhower, when this discussion was taking place in our state and General Dynamics was offered the opportunity by the state for funds and turned it down and said we only produce submarines. Well that to the -- there's no basis for providing employment for our work -- workforce.

I realize that this is a very bold step but I think the time has come for a futures commission in -- in our state.

SENATOR MEYER: Could I just -- Mr. Chairman, just one further comment.

I -- I hear you on this. You're really raising foreign policy issues that are probably more appropriate in Washington, D.C. than here in Hartford. I -- I really liked what President Eisenhower said about the military industrial complex. It gave us a -- a great warning as he left his office but at the same time I'm going

to be a state Legislator who is reluctant to cut back on those major defense companies we have which provide such an economic shot in the arm for Connecticut.

You know those are decisions that really are going to be made in Washington by the Department of Defense and by the National Congress and President more than a state Legislator in New York or -- or here in Connecticut.

ALFRED L. MARDER: May I just conclude by saying that our military budget has become a jobs program and you are coping with the end results of that policy, the difficulties we face in our -- in our state because if the people in New Haven are any sign of what's happening in our country, the military budget is going to be reduced. It has to be reduced. We no longer can afford the expenditures. If that's so, what does it do to Connecticut? That's why we're talking about the commission.

Thank you very much.

REP. PERONE: Thank you very much for your time, appreciate it.

SENATOR LEBEAU: Mr. Marder?

ALFRED L. MARDER: Yes.

SENATOR LEBEAU: I'd just like to comment. My question was right to the point but I -- I'd also like to say that the bill, as we were given the bill, is very vague and did not even mention the word conversion so now we're getting testimony. I can see a lot of folks here are due -- are talking about military conversion. That's why I was asking the question, okay?

And thank you for coming to testify.

ALFRED L. MARDER: Thank you.

REP. PERONE: Thank you very much.

Next is Henry Lowendorf.

HENRY LOWENDORF: Well I'm -- I'm -- my name is Henry Lowendorf. I'm from New Haven and I chair the Greater New Haven Peace Council and I, as -- as did Mr. Marder, I handed in written testimony. I'm going to ad-lib because I've heard your questions and I think the questions are very important and we need to deal with those questions.

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As -- as Mr. Marder has said our economy and the results of our economy and the high unemployment we face is creating demands on our government, both in Connecticut and nationally, that are going to affect the funding that comes into Connecticut in manufacturing, in particular in the manufacturing of weapons.

What we have now are connec -- Congressional delegations throughout the country that are trying to preserve jobs and as Mr. Marder says the military budget is a jobs program. It happens to be the wrong jobs program because if our Pentagon says we don't need this jet fighter and a Congressional delegation from Connecticut says yes we do because we have jobs that are based on that jet fighter, we have a battle going on to create products that nobody wants except the corporations that make the profits and the workers who have good jobs and do a -- an excellent job in building those machines.

What we have is an economy gone crazy because we're building things that we don't need and,

as Mr. Marder has pointed out, that create crises abroad. If you build a nuclear submarine, somebody wants to use it and each of those nuclear submarines could destroy the planet.

So we're asking -- we're asking that there be a commission created to look at what these wonderfully skilled workers can make besides killing machines. We had a crisis in Connecticut in December in Newtown and part of the reason for that crisis is in this country we have a culture of violence.

When you try to solve problems as our nation does through war that sends a message. It sends a message to our young people in -- in New Haven. We have an opportunity in this -- in this proposal to look at alternatives to building machines that nobody wants or nobody can use but keep jobs.

We have an opportunity to do something else and that's what this commission could be and could do.

REP. PERONE: Thank you very much.

Any questions?

Senator LeBeau.

SENATOR LEBEAU: Thank you. Your testimony is really -- I've just read it and it is really good in terms of -- and it's full of facts and data and I would repeat what Senator Meyer just said about us not having a foreign policy in Connecticut. And I do appreciate the need for conversion because there will be hopefully a decrease in military spending going forward.

As sequestration will take place on March 1<sup>st</sup>,

that will have an immediate impact on this state and who knows what's going to happen with that. The F35 program which I spoke of earlier will be immediately impacted and I'm -- I'm not sure that we can do anything about that at all in terms of conversion.

But let me use that as an example. We have the F35 engine program at UTC. It is -- I'm somewhat familiar with it as being the Senator from East Hartford and a lot of the -- not only just Pratt & Whitney but a lot of the aerospace companies in the area are suppliers. There's this whole supply chain that -- that contributes to the -- the stealth fighters components.

The components that are being made are really highly technological and advanced and, as I was saying to our LCO Nick a few minutes ago, in some ways the only reason that these components are being made in the United States is because they can't be made elsewhere because of reasons of security and secrecy.

If you took -- if you -- if you took away the security program, these could go to Mexico, Poland, wherever. So the jobs that you're talking about may not even stay here if there was a conversion because -- but I don't know -- but the -- but let me get -- that's -- that's a little -- that's a little off the track of where I wanted to go.

How do you convert the F35 engine program to peace time?

HENRY LOWENDORF: The point of this commission that we're proposing, and will be a unique opportunity for the State of Connecticut, is to examine exactly that. We -- we sat in a meeting with machinists and with

representatives from Congressman Larson's office and Congressman at that time Murphy's office, we sat with people who have been studying the issue of a trillion dollar military budget, the highest since -- since the end of the second World War, in real dollars, the highest military -- we have no enemies in the world that require these devices.

I'm -- I'm challenging and -- and there's a lot of people who challenge -- even the Pentagon is challenging the creation of devices that have the -- enemies from the last century, adversaries from the last century, not the adversaries we have now. Someone who lives in a cave the F35 is -- right?

People -- people who are on the ground it doesn't work. The point is that -- that -- that these skilled workers we were told can build anything out of metal and anything out of fiberglass. They can make anything. They can make the machinery that makes whatever the world needs. They can make the robots. They can build these things. They can do that but now they are building things that have a very short half-life and if the economy goes in the direction that we expect it to go in and we see cuts in the military budget, if Connecticut doesn't find alternative things for these workers to make, yes those jobs are going south.

SENATOR LEBEAU: I -- I really have to just interject. Some -- there are -- there's -- there's at least one person in the room and maybe a couple remember that in the 90s we faced the same this same question. You know supposedly peace dividend and cut back in the military.

At that time I was the vice chairman as a House

member and I was the vice -- vice chairman of this committee and as such I headed a committee called the Aero-Derived Gas Turbine Task Force. Do you remember that John? John Harrity back there. We were looking -- we were looking for alternatives for jet engines. There just aren't a whole lot, I mean other than peacetime applications.

And you know actually we came up with something but it was already in the planning and it was just -- it happened you know peakers -- ener -- energy burning natural gas using them as -- using the gas turbines as peakers to produce energy electricity.

We've got one in East Hartford that is operated by a company but I think it was built by UTC but then I think they sold off that division of the company and is now operated by somebody else but they use it as a peaker.

Now just -- there just aren't that many -- I don't know. Listen I -- I get the idea.

HENRY LOWENDORF: I'm not an expert, sir.

SENATOR LEBEAU: No, no I get the -- I get the idea, I get the idea.

HENRY LOWENDORF: Right.

SENATOR LEBEAU: We're looking here at a commission and supposedly there are experts out -- out there who can tell us what to do. You know I -- I really have my doubts and that's all I'm telling you.

HENRY LOWENDORF: Right let me just -- let me just say at the end of my written comments I say that some of the stakeholders, if we create this commission, should be the members of these

unions but they should also be members of the peace movement and the environmental movements because those are the movements that are driving, I think, some of these issues.

SENATOR LEBEAU: You're not going to make money. You have to make money. The bottom line is we live in a capitalist system. You may not agree with the capitalist system or you may but on -- on the other hand if -- if -- if you can't come up with an idea that's going to make money, it's not going to happen and it can't be -- it can't be totally funded by the government.

HENRY LOWENDORF: I -- I have no --

SENATOR LEBEAU: We're at a -- we're at a stage in which that's where we're going.

HENRY LOWENDORF: But you've -- you've got a program that's totally funded by the government. It's a jobs program now.

SENATOR LEBEAU: Not our government -- okay not our government, not the State of Connecticut but I -- but I get your point. I just -- I just really have a lot of doubts about whether this is a -- a viable idea. I -- and I -- there are -- there's other -- there are other people who are going to testify on this bill. Convince me. You've had your shot. Thank you very much.

HENRY LOWENDORF: Thank you.

SENATOR LEBEAU: Wait a second I'm not alone here though. Anybody else have any questions?

(Inaudible) Thank you Steve.

REP. PERONE: Up next would be Todd Berch.

TODD G. BERCH: Good morning, Senator LeBeau, Representative Perone and members of the Commerce Committee. My name is Todd Berch. I'm with the Connecticut AFL-CIO. I'm here today to testify on behalf of the 900 affiliate local unions that represent over 200,000 union members from all 169 towns and cities in Connecticut in support of proposed bill 619, AN ACT ESTABLISHING A FUTURES COMMISSION.

This state had prided itself throughout history as not only being the inventor but the innovator of products used worldwide and our manufacturing workforce is its strength. Though there has been an unfortunate lack of employment throughout most sectors, the manufacturing industry speculates that the highest demand will be for skilled manufacturing workers.

We support the goals of the proposed commission due to the resurgence of manufacturing needs on the horizon. Recently there has been a lack of manufacturing jobs in Connecticut which has resulted in layoffs, plant closing and companies moving to other states and countries.

This has left our -- the labor market with an aging workforce and a lack of mentoring or apprentice programs to form the next generation of skilled workers.

Connecticut has been the fortunate benefactor of defense contracts and the Connecticut AFL-CIO fully supports these industries. Recent discussion about defense budget cuts shows these industries coming under pressure. We support economic conversion strategies that would enable defense contractors to increase opportunities beyond defense manufacturing and have policy to capture commercial manufacturing markets.

It is our understanding that the intent of this commission would take into consideration an alliance of labor, the vocational school system, available skilled workers and industry needs to develop industrial policy creating a viable and sustainable industry that by default would create jobs, an increased standard of living and product demand for Connecticut manufar -- manufactured products once again.

We appreciate the Committee holding this public hearing and would be happy address your questions at this time. Thank you.

REP. PERONE: Thank you very much.

Senator Meyer.

SENATOR MEYER: Thank you, Mr. Chairman.

Mr. Berch, would you assume that -- let's -- let's assume that you're on the futures commission, that we're going to pass this bill, we passed it, the Governor signs it and you're appointed to the commission.

TODD G. BERCH: Labor would appreciate it, Senator.

SENATOR MEYER: And -- and one major purpose of the commission, according to the bill in front of us, is to develop proposals to encourage the growth of new and emerging employment sectors.

What, as a member of the futures commission, would you ask the Connecticut State Legislature to do in order to encourage the growth of new and emerging employment sectors?

TODD G. BERCH: Senator if I may, I don't get to watch too much television due to what I do for a living. 60 Minutes had a -- a special in November with regard to a -- a company in

Nevada. They were chasing something called the skills gap which most of us know about. Fortunately in the State of Connecticut we do have occasional school systems which teach us quite a bit, how to manufacture things, and there's legislation that actually expands that within the colleges.

So that being said, this corporation in Nevada -- Nevada at the -- at that present time had 12 and a half percent unemployment. They -- this one company called Click Bond was making these fasteners for fighter jets. They were expanding their business to actually make these fasteners for airplanes and for trains.

So they wanted to expand their business but they needed this machinery that was actually made in Watertown, Connecticut. They called the company, placed an order and then they found out that in the State of Nevada they don't have the skills or the skilled workers in order to run this machinery.

So Click Bond purchased the company in Watertown, Connecticut. They didn't dissolve it, they didn't order the machines themselves, they -- they bought the company and basically also bought the employees in order to facilitate these employees running these machines to fulfill their needs to expand their growth.

If I were, or I should say if labor was on the commission itself, I would try to match companies through some sort of incentive to bring back production to the State of Connecticut back when it was in its heyday. There seems to be a myth out there that the United States no longer produces goods when in fact we are still the leader. From one survey that I saw we still currently make 21 percent

of the world's gross and manufactured goods followed by China 15 percent and Japan 12 percent.

We do make things here, we make highly technical things here, and it's under the purview of the Legislature and current legislation for this session to actually enhance that.

So if I were on that commission I hope I answered that question for you sir.

SENATOR MEYER: I don't understand your answer.

TODD G. BERCH: Okay. I would just basically look to mirror a company that is looking for skilled labor that's already here in Connecticut. There are -- there are companies that are looking for skilled employees but there are a lot of skilled employees in Connecticut don't -- that don't look to relocate.

If I was a member of the committee itself, I would be looking more for the companies to come here as opposed to having the employees going elsewhere throughout the country to find employment.

SENATOR MEYER: I went into a -- a company last fall in Branford called Munger, M-u-n-g-e-r, and I saw there these absolutely beautiful solar panes. They're -- they're in the business of distributing solar -- solar panels.

TODD G. BERCH: Okay.

SENATOR MEYER: And -- and I -- they -- they took me through the solar panels explaining how they worked and I said this is a wonderful technology industry. Do you -- I asked them do you do the manufacturing of these solar panels

right here in Branford? And they said oh we don't do any manufacturing of solar -- solar panels, it's all done in China. We don't do any manufacturing of solar panels in the United States; it's all done in China.

So one -- one of the challenges to this futures commission is going be to capture some industries that -- and find out why we're -- we're not competitive and not able to do it particularly in manufacturing as you point out.

TODD G. BERCH: Correct.

SENATOR MEYER: And that would, I would think, be a -- a burgeoning industry to really look at and find out why we're not yet able to be competitive and why we're not manufacturing solar panels because otherwise the -- the State of Connecticut is going very much in the direction of solar energy.

TODD G. BERCH: I completely agree with you, Senator, that's why I gave an example. There are multiple sol -- multiple examples out there and again with the -- the high skilled manufacturing base that we do have in the State of Connecticut I completely agree with you on that.

REP. PERONE: Thank you very much.

Any further questions?

Okay, thank you very much for your time.

TODD G. BERCH: Thank you.

REP. PERONE: Okay up next is -- is Phyllis Silverman to speak for Senator Toni Harp.

PHYLLIS SILVERMAN: Hi I'm Phyllis Silverman. I'm

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Senator Harp's legislative aide and unfortunately she can't be here right now. Appropriations Committee is having their budget hearing so she is upstairs if you need me to get her for any kind of answer that you definitely need and I'm here testifying on her behalf on bill 619, AN ACT ESTABLISHING A FUTURES COMMISSION.

Today with Connecticut's unemployment rate over 8 percent, we need to look for ways to expand Connecticut's workforce and create jobs. The bill I am here to speak about, 619, AN ACT ESTABLISHING A FUTURES COMMISSION, does just that.

This bill creates a futures commission that will evaluate the state's education and manufacturing base, identify the current and future needs of a global society and most importantly help Connecticut adapt to changing national and global economies.

While military spending has increased by 51 percent in Connecticut since 2003, Connecticut is a loser in this equation as we only receive 80 cents back for every one dollar we send to the Department of Defense. Currently our state has about 6.3 percent of workers employed in the defense industry which is 40,000 jobs directly tied to the industry and 101,000 are impacted by the defense industry.

As the wars of the past decade wind down that spending will decrease and jobs in the defense industry will disappear. If sequestration happens in D.C., they could be gone quicker than we thought. That is why this bill is so important. It will set up a commission that will allow Connecticut to adapt to changes in the national and global economies before it happens, giving our state the competitive

advantage it needs to retain and create jobs.

The proposed futures commission will set up a framework that allows us to convert many of our military related jobs and infrastructure into non-military industries. This economic conversion will allow us to keep jobs in the state as we retrain our state's workers for other industries.

Much like the economic conversion that took place after World War II, we need to begin thinking about jobs in our state as the wars in Iraq and Afghanistan wind down. If we want to take advantage of the green economy that the Obama administration is pushing, we need to have the infrastructure and trained workers in our state to do so.

A futures commission will identify how we do this, what types of training and education we need to give our workers and ensure that our state has a plan to get it done.

I urge this Legislature to pass this bill and set up a commission that will identify the needs of the future so our state can adapt to a changing world. Making sure we are able to take advantage of new industries and jobs, will allow us to keep Connecticut workers employed and their families healthy.

Thank you.

REP. PERONE: Thank you very much. Did you submit written testimony?

PHYLLIS SILVERMAN: No because this just happened.

REP. PERONE: Okay.

PHYLLIS SILVERMAN: But I will.

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SENATOR LEBEAU: Get it to us, Phyllis.

PHYLLIS SILVERMAN: Okay I'm -- I will make copies now when I go back upstairs.

REP. PERONE: Thank you.

PHYLLIS SILVERMAN: And Senator Harp said she's willing to work with anybody who wants to talk her about this and if you call 0393 and we'll be able to get her to -- to work on this with you, okay?

REP. PERONE: Thank you very much.

PHYLLIS SILVERMAN: Thank you so much for your time.

REP. PERONE: Okay next is John Harrity.

JOHN HARRITY: Good morning, Senator LeBeau, Representative Perone, members of the Committee. My name is John Harrity. I'm director of a program called GrowJobsCT which tries to work with business, labor and the community to keep manufacturing jobs in the state and I'm here to speak in favor of Senate Bill 619, AN ACT ESTABLISHING A FUTURES COMMISSION.

I'm also president of the Connecticut State Council of Machinists which has endorsed this bill and I serve as a co-convenor of the Advanced Manufacturing Working Group of the Connecticut Employment and Training Commission which deals with these issues. I'm not here speaking on behalf of the Working Group or the Commission but the work there informs my opinion about this proposal.

You have my written testimony. I -- I'd -- I'd want to say that machinist union members, like a lot of Connecticut manufacturing workers, are

proud of the contribution that we make to the national defense. The only problem is is that, especially in recent days, we've become more aware of how fragile those defense dollars are in the light of things like sequestration or you had at a certain point a couple of years ago the cancellation the -- of the F22 program which involved 90,000 U.S. manufacturing workers, was there one day and gone the next.

So it's not a question of -- in our view of looking to cut the defense budget as much as it is looking to do with what happens when the defense budget is cut. People talk about taking the defense budget and putting in -- it into the things like healthcare, infrastructure, education. That's great; those are not things our members do. Our members are manufacturing workers. We want to make things.

The question at this point is if the defense budget is cut, what do our members do? What do they make? How do they continue to be employed and how do we continue to sustain manufacturing in the State of Connecticut, something that we're so good at.

And so it's an issue that ought to be studied, in our opinion, and that's why we support the establishment of this commission. There's certainly I -- I think, and I'd be happy under questions to make some suggestions about some areas that we could look at. We really need to look at innovations. We need to look at funding startups and there's certain areas that we can do that in.

There are states -- there are states such as South Carolina that are very ambitious at looking at non-defense commercial growth of manufacturing. There's countries like Germany that put a lot of money into it. I know that

federal questions can't be decided here but as a state we do need to plan on what happens when that pipeline of money dries up and that's why I think that the commission is an appropriate step for the state to take.

So I'd be happy to answer any questions. Thank you.

REP. PERONE: Thank you very much.

Are there any questions? Representative Becker.

REP. BECKER: Thank you, Mr. Chairman.

Thank you, Mr. Harrity, for coming in today. I've saved this question for you because --

JOHN HARRITY: I don't know (inaudible).

REP. BECKER: -- and -- and you'll understand why in a moment.

A VOICE: (Inaudible).

SENATOR MEYER: Which -- which is are -- I'd like to understand the difference between this commission that you're proposing and the Connecticut Employment and Training Commission on which you sit --

JOHN HARRITY: Right.

REP. BECKER: -- and that's why I saved it for you since you're a member of that commission.

JOHN HARRITY: I -- I think -- and -- and as I said in my written testimony I think that the -- the Employment and Training Commission is absolutely involved in a lot of the things that the futures commission outlines in terms of

assessing our current and future needs of our workforce and where the jobs are and where they will be.

It's this particular question of economic conversion which I think politically it's a little bit beyond the Employment and Training Commission and I think needs to have the -- basically the encouragement of the Legislature to study this particular question. And I know that within the vague language of the proposal that that term does not actually come up but I believe that it's the intent that this com -- this commission would particularly study that issue.

REP. BECKER: Okay and I -- but I noticed that, you know, the CETC has within its by-laws the ability to appoint ad hoc committees within it and the members of that commission are such that it -- we've got, you know, a number of commissioners, including the Commissioner of Labor, of Education -- of Higher Education, et cetera. So it seems like all the correct players are there including the Lieutenant Governor that -- that's -- there could be a subcommittee or a committee established within that group to establish just this.

And if you -- its -- if you need the Legislature to prod it along, I'm not sure that we necessarily need legislation to do that. We may just be able to have conversations and encourage this commission to, you know, formulate another committee along the lines you recommend.

I'm just hesitant because we have so many commissions --

JOHN HARRITY: Right.

REP. BECKER: -- and things sort of get lost in the weeds and nobody knows who's doing what. It already seems like the lion's share of what you're asking for does reside within the authority of the CETC and that just a more specific focus on the issue that you're raising, which you correctly point out is not expressly stated in the bill --

JOHN HARRITY: Right.

REP. BECKER: -- might be -- might be warranted in another way to get at it if we were not to get this bill through.

JOHN HARRITY: Well I -- I understand what you're saying and I certainly have considered that myself but I do think, because of -- it's a -- politically it's like a -- a step beyond what we normally do that -- that a separate commission might, in fact, be helpful and the other reason why I like the idea of the futures commission is that it can be constituted more broadly perhaps than the Employment and Training Commission which, you know, you have to appoint people to that commission.

I know they can bring people in on subcommittees but that was the reason why I thought that the futures commission actually works well for this -- this question that is somewhat ticklish I think in some ways.

So -- but I'd be happy for the state to be studying this in -- in any way because we're really kind of on the line here with this.

REP. BECKER: Have you tried raising this within the context of the CETC as a member?

JOHN HARRITY: I -- I did not -- you know I did not because this -- I -- really we began discussing

this in -- in terms of this proposal so we haven't had a -- a meeting of the Commission yet since this proposal came out to be honest.

REP. BECKER: Thank you.

REP. PERONE: Thank you very much for your -- for your testimony.

Representative Vargas.

REP. VARGAS: Thank you, Mr. Chairman.

I'm excited about this fuser -- futures commission. The whole issue of conversion from military to a peacetime economy I think is, from my point of view, something that has been knocking around for a long time and there have been bust and boom cycles in the defense industry before and people have been caught flat-footed.

I think that many times government tends to -- government leaders tend to react rather than to try to plan ahead and I think this commission would focus the attention of the state and to keep players involved in manufacturing and I'm proud to say that I joined the Manufacturing Caucus recently here at the Legislature.

And so I'd just like to -- to give you an opportunity to tell us a little bit about the focus of this futures commission in terms of its ability to -- to deal with the issue of economic conversion rather than burden the larger committee you're serving on with this focus.

JOHN HARRITY: Right. Well I -- and I think that in -- as I have said before that's what I -- I think the benefit of the commission is is that -- is both that specific focus on the one hand

and then a broad outreach in a way -- in a way that doesn't involve so much the -- the politics of -- of the state that -- within the Employment and Training Commission which is doing a terrific job but this is a bit more of a controversial issue. In some ways I think it's something that's good to be handled outside of the normal channels.

And I -- I do think that -- that there's a lot that we could be doing. I think in the area of renewable energy, for instance, that we can produce great products here. We are with fuel cells. There are other -- there -- there are other products that we could be looking at. There's high-speed transportation. There's a hydrogen highway. There's space exploration. These are all things that Connecticut is poised to be a leader in if we're allowed to do it and the only way that that's going to happen is -- is if we plan on that.

And certainly what we've seen in the states that have competed successfully to take jobs away is that they do have long-range planning in order to do that. South Carolina has -- has planned for years and years to grab our fuel cell industry, for instance, and is still working on that.

A country like Germany plans very specifically in order to create peacetime industry and keep people employed so it can be done and we can encourage in that way the federal government to work in this regard.

REP. PERONE: Senator Meyer.

SENATOR MEYER: I don't feel that enthusiasm about this bill. I -- I feel some cynicism about it actually and would like to get your reaction. Let me -- let me explain.

JOHN HARRITY: Sure.

SENATOR MEYER: We're about 25 years downstream from the growth of any Connecticut economy. We have had, for the last 25 years, no net increase in jobs in Connecticut. We've had an increase, we've had decreases, but no net increase in jobs.

JOHN HARRITY: Right.

SENATOR MEYER: The question of the Connecticut economy has been before the Connecticut State Legislature all these years and -- and, you know, it's -- it's the tradition of this Legislature that we have a study commission. We love study commissions. I -- I've only been in Connecticut 11 years but, you know, and I've been in this -- in this Legislature for eight years now.

I don't -- I don't think we need another study commission. I think we know our problems, we're just not doing a very good job of meeting them and to -- to take the -- the current depressed state of our economy and -- and create another commission, you know, I -- I'm going to -- I'm going to find it hard to do that when I know that we're not competitive in costs in many ways, when I know that this could be a great bioscience state. You -- we all know that, we all know those things.

We know we're not competitive in some costs. We know we -- we could have a -- a bioscience crack in this state that could rival anything in -- in the rest of the country. But a study commission, I don't know. After 25 years of no net increase in jobs, really?

Give me a reaction to that.

JOHN HARRITY: Sure, let me give you -- let me give it my best shot. I think that there has been, in the last several years, a much better recognition of how much we've fallen off of best practices and I'll give you an example.

Under the Rell administration, they did put together a commission to look at regulatory problems coming out of the state's Department of Environmental Protection and labor participated in that -- in that special commission and as a matter of fact GrowJobsCT, in conferring with both business and -- and labor partners, we submitted a list of recommendations about how to streamline the environmental protection department.

And that list was then adopted by the Legislature and became law and, as a result, DEEP actually is streamlined and business customers going to DEEP have a much quicker and a more understandable process than they did before because we didn't leave it to the old cynicism to just say well that's the way it is or -- or we can't do any better.

I think that Representative Berger here this morning testifying about getting more clarity about what economic development programs are available to business in the state, is a -- is another great example of providing some clarity that we didn't have before and I really -- I would -- I -- I support his legislation wholeheartedly because there is a -- still a lot of confusion.

We offer a lot of things but there's a lot of confusion about what we offer and -- and what we can do as a state and I think in the same way that this issue of the peacetime economy what else we can do besides military production just has not been looked at seriously in

awhile.

In the same way that before the crash we did not look at what are we going to do besides financial services because financial services was a -- was a cash cow and we were doing pretty good with it.

We have to make adjustments. And what this really -- when you get down to it what -- in many ways it has to do with is how do we sustain manufacturing in a competitive way in the state and that's a burning question. It's one that we wrestled with for years and years but I think it's a good time to take another serious concentrated look at it, especially with the emergence of -- of renewable energy as a -- a global market driver.

We -- that is an area we could definitely be in and -- and I would hope that this commission would help us get there.

REP. PERONE: Thank you very much.

Any further questions? Representative Mikutel.

REP. MIKUTEL: Well I'll -- I'll just have to say that I hear Senator Meyer's concerns about another study commission. I think there are certain issues that we quite understand (inaudible) which is the high cost of business and you know we're developing the need for a -- a biotech industry. We know that that is -- is where a lot of future jobs are going to be going.

So I have to say that I think we have a handle on what the issue is on and we need to just keep focused on -- on that and I mean we know what a stimulus program could do to the state in terms of rebuilding our infrastructure.

There are -- there are many thousands of jobs that -- that can be created by rebuilding our transportation infrastructure.

So I mean I think I'd like to see us move in that direction and I -- I don't know if a commission, in and of itself, will -- will keep the -- our foot the pedal if -- if you know what I mean.

Thank you, Mr. Chairman.

REP. PERONE: Okay, thank you very much and thank you for your testimony.

Bill Shortell.

WILLIAM SHORTELL: I'm Bill Shortell, the political director of the Eastern Territory Conference of Machinists. I also worked at Hamilton Sundstrand and Pratt & Whitney for a total of almost 40 years as a machinist and during that time I saw the number of machinists in Connecticut, working for United Technologies, going from about 40,000 to about 4,000.

SB619

The Senator pointed out the -- that employment has been flat in Connecticut. It hasn't been flat in manufacturing. I think everyone in here knows that. We've lost -- we went from 220,000 manufacturing jobs in 2002 to 160,000 now and losses before that.

This is in a state that founded manufacturing in the United States. We were the beginning of the industrial revolution in the 18<sup>th</sup> century in the United States and Connecticut has been (inaudible) throughout its history. We cannot afford to be cynical anymore. That's the reason why we're pushing for this commission.

I'm glad it got cleared up. It was a little

tardy but fortunately Senator Harp's aide came and cleared up what we knew she wanted this commission to be about and we certainly don't look at it as a study commission. We look at it as an action commission where people like us who are used to action, not academics, not the halls of -- of Legislature either, we're used to doing things with our hands and with our bodies.

And we're going to do this whether this commission is here or not. We expect that this commission will get passed. It has enough political support; it should get passed and we expect to participate on the commission and in our participation we're going to do what, as John pointed out, governments in other parts of the United States and all over the world do, is work hand in glove with manufacturing in this country to save our manufacturing base.

We did that with military production. Now the military production is going away. That wasn't our choice but it's happening. Everybody in here knows it's happening. There's a hundred different schemes to cut the deficit, to put it into social services. There's no plan to keep the manufacturing, the \$100 billion worth of military manufacturing in the United States to keep that manufacturing going.

One of the reasons why our economy is in the doldrums is because we have given up. We have de-industrialized this country. Our state cannot afford to be lagging behind the rest of the world. We need value-added industry. That's what keeps an economy strong. Service jobs are very important but they don't build an economy. They don't have the multiplier effect.

Our skills in this state are still here.

They're disappearing. People are like -- like me and I just retired. The -- the manufac -- the manufacturing workers are getting old in this state but we're still here and we're ready to train a new group of manufacturing workers with your help.

You need to work hand in glove with the -- our Congressional delegation. We can't say this is something that somebody else has to do. We need you. We're looking to you. We expect you to work with us and get this accomplished and turnaround the -- the fall of manufacturing in Connecticut.

REP. PERONE: Thank you very much. Just a -- you know just a global comment for a second. I mean, you know, on the Committee we're very aware that there are 49 other states that are more than happy to take our jobs in manufacturing and -- and that we need to, you know, organically grow new ones and -- and encourage more jobs to -- to come to this state.

So I appreciate your testimony.

I just want to ask if anybody had any -- any questions?

SENATOR LEBEAU: Just a brief comment, Bill. You know I'm the Chairman of the Manufacturing Caucus and the Bipartisan Caucus and we certainly support manufacturing jobs. We're looking at ways through the NGA process to a variety of different processes to -- to try to help create jobs.

And I think there's -- there's some -- there's some value to -- to what you're proposing here today so we'll -- we'll take it and look at it and see what we can go -- go forward okay?

REP. VARGAS: Mr. Shortell, if such a -- such a commission, I've already expressed my enthusiasm for this commission --

WILLIAM SHORTELL: Thank you.

REP. VARGAS: -- if this commission were to be established, do you believe it could act as a catalyst to focus the attention of all the players and to bring the -- the kind of talent to the table that could help us plan for the future?

WILLIAM SHORTELL: Yes, yes, Representative Vargas, I very much believe that. If we can grow past the cynicism that we have in this state that we're not going to be able to increase jobs, that we're -- that manufacturing is going disappear and those of us in the machinists union don't -- can't afford that kind of cynicism and we have the energy for this and we thank Senator Harp and although -- by the way I think everybody knows the whole delegation from New Haven is behind this.

We intend to help supply the enthusiasm to rekindle, to -- to reindustrialize Connecticut and to be part of the reindustrialization of the United States.

REP. VARGAS: You know it's interesting because in the 1960s 90 percent of all the garments and clothing worn by Americans were produced here in the United States of America and today 90 percent is produced outside the country and only 10 percent of garments are manufactured in the United States. We allowed that whole industry to disappear over a 30 year period and I'm hoping this commission, with the enthusiasm of people like you, will make sure that that doesn't happen to manufacturing, that we not only retain our jobs but increase manufacturing

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cah/gbr COMMERCE COMMITTEE

February 19, 2013  
10:00 A.M.

jobs.

WILLIAM SHORTELL: I appreciate that.

REP. PERONE: Well thank you very much.

And we kind of like to bring the hearing to a -  
- a close and briefly reconvene the -- the  
meeting from before and also bring that to a  
close.

And thank you very much for -- for your time.



CITY OF NEW HAVEN, CONNECTICUT  
*A Peace Messenger City*

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## NEW HAVEN PEACE COMMISSION

**TESTIMONY OF ALFRED L. MARDER  
CHAIRMAN, CITY OF NEW HAVEN PEACE COMMISSION  
TUESDAY, FEBRUARY 19, 2013**

**I am Alfred Marder, Chairman of the City of New Haven  
Peace Commission.**

**I am here to testify on behalf of the Commission in favor of proposed bill  
No. 619.**

**We wish to congratulate this Committee for recognizing the immediate  
importance of coming to grips with the issue of how does Connecticut deal  
with the crisis of unemployment, with the dependence on manufacturing  
killing machines when our people are demanding the end of war as a foreign  
policy and the serious reduction of the military budget,**

**Let's dispense, at once, with the lame argument that this is a national issue./  
You were elected to protect the good and welfare of the people in your  
district. You are trying to cope with the results of national policies that have  
established almost 1, 000 foreign military bases and spend over  
one trillion dollars annually in KILLING MACHINES. We read every day that  
our sons and daughters are fighting in cou  
ntries whose location most of us are unaware. You are struggling with how  
much to cut from the essential services, what classes to cut in our schools,  
how to raise revenue from our struggling neighbors. There is no money  
coming in to deal with these burning needs because we have made the  
Pentagon the largest corporation in the world with a military budget that  
devours 60% of the total Federal Budget.**

**I am here also representing the over 23 thousand New Haveners who cast  
their ballots in the November elections for a resolution we introduced calling  
for the reduction of the military budget, transferring those funds for human  
needs; for conversion from military to civilian production. Over 23  
thousand voted yes for the referendum, more than 50% of all who voted. We**



CITY OF NEW HAVEN, CONNECTICUT  
*A Peace Messenger City*

## NEW HAVEN PEACE COMMISSION

are certain that if we were able to present this resolution statewide we would get the same results from your districts.

We are calling upon you to vote favorably for this legislation that would initiate a Commission, representative of all sectors of our community affected, to consider how to end our dependence upon the production of killing machines. This must include protection of the workers. The Commission would have the responsibility of examining new technologies, NOT DUAL USE FOR THE MILITARY, green jobs; infrastructure; the needs of our communities. Time is not on our side so there must be a deadline. Further, in order for this Commission to function, there should be an allocation of funds.

Since this issue has such wide spread affect on the people of our State, the proceedings should have broad public participation, especially from workers whose jobs and livelihoods would be affected. Their experience would provide insight into alternatives to military production.

We appreciate that this is a bold initiative, but we also recognize that these are volatile times that require innovative measures to deal with these pressing issues. We have gone to the people for their counsel. They are calling upon you to act!

Thank you.

**Seeking Green Jobs and Economic Development Through Military to Civilian Conversion**  
*a proposal to the State of Connecticut Legislature*  
*from the Greater New Haven Peace Council*  
 2012 December

SB619 (

I'm Henry Lowendorf, Chair of the Greater New Haven Peace Council. Thank you for the opportunity to speak today. Thank you for considering ways Connecticut should anticipate and plan its future

Our nation's economy is struggling in part because far too many limited resources are wasted on weaponry, wars and building a national security state

Connecticut's future economy will continue to suffer if we as a nation and state fail to cut the hugely wasteful military budget and transferring the savings toward creating jobs and work that serves human needs. To ensure that we have a robust future economy demands analysis of opportunities missed and demands proposals for capturing those opportunities.

U S wartime spending equals that of all other countries in the world combined<sup>1</sup> U.S. military spending is now 33% greater than the Cold War average and the highest in inflation-adjusted dollars since World War II Over the last decade military spending has grown to over 1 trillion dollars a year, swallowing nearly 60% of federal discretionary spending<sup>2</sup> President Obama's recent State of the Union address recognized the need to repair our nation's crumbling and inadequate physical infrastructure<sup>3</sup>. And the obvious place to find savings for repairing it is by moving funds from the military budget

National polls indicate a large majority want military spending reduced<sup>4</sup>. A referendum on

the 2012 ballot in New Haven asked whether Congress should reduce the military budget, convert military to civilian production and fun human needs. It won by a nearly 6 to 1 margin<sup>5</sup>.

Connecticut's military industries are a significant part of our nation's weapons building. According to the Hartford Courant, nearly 41 thousand Connecticut jobs, 101,000 in total, are directly impacted by the Departments of Defense (DOD) and Homeland Security<sup>6</sup>. Since 2003, military spending has increased in CT by 51% accounting for 6.3% of employment in the state<sup>7</sup>.

Spending in CT mirrors increases in national military spending since 9/11 and the initiation of the wars on Afghanistan and Iraq. With these wars winding down, military-spending cutbacks are expected. Connecticut industries won't be spared. Importantly, CT is already a "loser" state: For every dollar CT taxpayers send to the DOD, the state receives back 80 cents<sup>8</sup>.

Under the guise of "national security" the goal of recent wars has been to assure control of territory, sources of fossil and other fuels and minerals used in manufacturing for the transnational corporations. We send our youth into wars to ensure high profits for the oil companies. The sad irony is that burning the oil causes climate overheating, which then leads to the extreme droughts, storms and floods we are experiencing – which then requires spending precious resources to fix li

<sup>1</sup> Chris Hellman, National Priorities Project  
<http://www.nationalpriorities.org> The U S spends minimally 45% of the world's total military budget

<sup>2</sup> Officially the U S spends over \$700 billion. But including Homeland Security, pension benefits and other war-related costs actual spending tops \$1.2 trillion

<http://www.tomdispatch.com/dialogs/print/?id=175361>

<sup>3</sup> The American Society of Civil Engineers report card gives the U.S. a D

<http://www.infrastructurereportcard.org/>

<sup>4</sup> Program for Public Consultation, the Stimson Center and the Center for Public Integrity

<https://www.documentcloud.org/documents/355447-defense-budget-survey-full-results.html>

<sup>5</sup> 27,550 residents voted on the referendum. 23,398 voted yes

<sup>6</sup> Hartford Courant 2012 Nov 13

<http://www.courant.com/business/hc-defense-contractors-connecticut-20121113,0,7196515.story>

<sup>7</sup> Defense Technology Initiative report - in 2011 \$12.7 billion.

[http://www.defensetech.net/images/CT\\_Defense%20Industry\\_11\\_8.pdf](http://www.defensetech.net/images/CT_Defense%20Industry_11_8.pdf)

<sup>8</sup> Chris Hellman, National Priorities Project  
<http://www.nationalpriorities.org>

fact, the Pentagon itself is the largest single global contributor to greenhouse gases.

The powerful Military Industrial Complex, warned against half a century ago by President Eisenhower, drains finite resources that would otherwise feed, clothe, shelter, educate and provide healthcare to our families<sup>9</sup>. Building and using killing machines encourages a national culture of violence. Yet ignoring Eisenhower's warning, Congressional delegations in every state, under the fig leaf of national security, view the military budget as a "jobs program"<sup>10</sup>. Connecticut's whole Congressional delegation fights to fund weapons manufactured in Connecticut, whether the Pentagon wants them or not<sup>11</sup>. Despite their efforts to protect military industries in CT, jobs in those industries have fallen sharply over the last 30 years<sup>12</sup>. The CT delegation's strategy has proven to be a losing one. **Military is the wrong jobs program.**

Newer technologies are replacing existing ones across the planet and will be part of the crucial global effort to protect our environment, our climate and waters, reverse global warming. They can help build a culture of peace

Moreover, the skilled manufacturing jobs we now have can be converted from producing weapons to new technologies and green jobs. The metal workers who machine parts for military jet engines, helicopters and nuclear subs have the skills and tools needed to manufacture practically anything - wind and wave turbines, high speed rail and ships, robots and machinery and tools needed for

<sup>9</sup> Dwight Eisenhower, "The Chance for Peace," speech to the Amer Soc of Newspaper Editors, 1953 Apr 16

<sup>10</sup> Chris Hellman, National Priorities Project  
<http://www.nationalpriorities.org>

<sup>11</sup> [http://articles.courant.com/2011-01-17/business/hc-jsf-follow-20110114\\_1\\_alternate-engine-pratt-whitney-ge-engines](http://articles.courant.com/2011-01-17/business/hc-jsf-follow-20110114_1_alternate-engine-pratt-whitney-ge-engines), <http://www.military.com/daily-news/2012/08/20/congress-pushes-for-weapons-pentagon-didnt-want.html>

<sup>12</sup> At Pratt & Whitney the Peace Council was told that the workforce has dropped from 40,000 in the '80's to a few thousand today

production, smart energy grids, hydrogen fuel cells and other batteries, new insulating and construction materials. Missing, however, is the political will and the incentives to put the skills and machines to good use, creating green, civilian products in civilian markets. What's missing is government investment to create research, development and demand

After World War II, military industries quickly converted to producing civilian goods. In the 1980's, there was an effort led by the union and peace movements to convert manufacturing from weapons to civilian goods. Because the weapons manufacturers sole client is the Pentagon and their profits are guaranteed, they showed neither interest in producing consumer goods nor in competing in a civilian economy. Twenty years ago that conversion movement fell apart upon the nominal "end of the Cold War." More recently in 2009, a forum at the University of Connecticut began to revitalize the goal of conversion, build its political support and develop possible ways to achieve it<sup>13</sup>.

Countering the loss of manufacturing jobs in our state urgently requires a program for future entering into 21<sup>st</sup> century technology development. Transitioning from the economic drain caused by the U.S.'s enormous military budget must be a significant program focus

Let a Futures Commission start to address needs of Connecticut families for livable-wage jobs by providing the products and services of the new century. Stakeholders in this future - our trade unions and peace and environment movements, must be significantly represented on it. Let it address how our state can proactively work toward redirecting the existing highly skilled workforce away from killing machines and expanding it towards a future secure in producing for human needs, for the environment and for sustainability for future generations.

<sup>13</sup> Peace Conversion Symposium Transitioning to Sustainable Economy 2009 Nov. 14, Dodd Center, UConn, Storrs



# CONNECTICUT AFL-CIO

56 Town Line Road, Rocky Hill, CT 0606  
860-571-6191 fax 860-571-6191

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2/19/2013

Good Morning Senator LeBeau, Representative Perone , and members of the Commerce Committee.

My name is Todd Berch and I am with the Connecticut AFL-CIO.

I am here today to testify on behalf of the 900 affiliated local unions that represent over 200,000 union members from all 169 cities and towns of Connecticut in support of Proposed Bill No. 619 an act establishing a futures commission.

This state has prided itself throughout history as being not only the inventor but the innovator of products used worldwide and our manufacturing workforce is its strength. Though there has been an unfortunate lack of employment throughout most sectors the manufacturing industry speculates that the highest demand will be for skilled manufacturing workers. We support the goals of the proposed commission due to the resurgence of manufacturing needs on the horizon. Recently there has been a lack of manufacturing jobs in Connecticut which has resulted in layoffs, plant closings, and companies moving to other states or countries. This has left the labor market with an aging workforce and a lack of mentoring or apprentice programs to form the next generation of skilled worker.

Connecticut has been the fortunate benefactor of defense contracts and the Connecticut AFL-CIO fully supports those industries. Recent discussion about defense budget cuts shows these industries coming under pressure. We support economic conversion strategies that would enable defense contractors to increase opportunities beyond defense manufacturing and have policy to capture commercial manufacturing markets

It is our understanding that the intent of this commission would take into consideration an alliance of the vocational school system, available skilled workers, and industry needs to develop industrial policy creating a viable and sustainable industry that by default would create jobs, an increased standard of living, and product demand for Connecticut manufactured products once again.

We appreciate the committee holding this public hearing and would be happy to address your questions at this time.

Thank You

<b>PRESIDENT</b> John W Olsen	<b>1<sup>st</sup> VICE PRESIDENT</b> Sharon M Palmer	<b>VICE PRESIDENTS</b> John Ahern	Peter Carroll	Kathleen S Jackson	Robert Proto
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		Michael Calderon	Patrick Gaynor	Michael Petosa	Paul Wallace
		Peter S Carozza Jr	Bill Henderson	Ronald Petronella	Kurt Westby
			Keri Hoehne	Roberta Price	



# GrowJobsCT

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## MANUFACTURING MAKES CT'S FUTURE

365 New Britain Road, Kensington, CT 06037  
Phone: 860-828-0359 Fax 860-828-9542

Testimony of John Harity  
Director, GrowJobsCT

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Regarding Proposed Bill:

**SB 619 – AN ACT ESTABLISHING A FUTURES COMMISSION.**

Commerce Committee  
February 19, 2013

Senator LeBeau, Representative Perone, members of the committee: my name is John Harity. I serve as Director of GrowJobsCT, a coalition of business, labor and community groups, along with elected officials, that focuses on the need to sustain and expand manufacturing jobs in the state of Connecticut.

I am here to speak in support of Senate Bill 619 – AN ACT ESTABLISHING A FUTURES COMMISSION.

I am also President of the Connecticut State Council of Machinists, which has endorsed this bill. In addition, I serve as co-convener of the Advanced Manufacturing Working Group of the Connecticut Employment and Training Commission. I am not speaking here on behalf of the working group or the commission, but that work does inform my opinion of the proposal.

In brief, I would say that much of the information and analysis called for by this proposal is already in process within the framework of the Advanced Manufacturing working group, as well as the state's Departments of Labor and Economic and Community Development. The analysis of the current state of manufacturing and Connecticut's workforce, as well as the future workforce needs, are tasks we are now either undertaking or have on our agenda.

But there is one task that the Futures Commission can tackle that would be difficult for the Advanced Manufacturing working group to take on. That is the issue of how to sustain manufacturing in our state beyond that funded by military procurements, a process often referred to as economic conversion.

Machinists Union members, like all Connecticut manufacturing workers, are proud to serve our nation making products for our national defense. But the ongoing sequestration debate, and other changes in government procurement (like the cancellation of the F-22 fighter jet), teach us that defense spending by itself is simply not secure.

There are those who argue in favor of cutting the military budget. Invariably the rest of the argument is that the funds saved could be used to repair our infrastructure, expand education, improve health care, etc.

But these are not jobs that manufacturing workers are going to perform. Cut the defense budget right now and thousands of Connecticut manufacturing workers would be affected. What would these workers do? What would they make? How would we maintain our historic, and still significant manufacturing base?

These are questions the Futures Commission can and should address. This effort should involve input from manufacturers, manufacturing workers, experts on economic development and the community. The Futures Commission should have the authority and resources to seriously investigate this important question, for the future of all of us in Connecticut.

Thank you.

John Harrity

## THE STRUGGLE OVER THE PEACE DIVIDEND

Diverse forces are now converging in an attempt to carve up the military budget. There are those who would cut it to reduce the deficit. The solvency of the nation, in many people's eyes, is threatened by the size of the debt compared with our GDP. About 30% of our government runs on borrowed cash. The same proportion can be applied to the military budget.

Then there is growing group that wants to "Move the Money" to much-needed social services, like health and education, and also to repair our crumbling infrastructure.

Many parties, on the other hand, believe that the weaponry produced in Connecticut is still militarily necessary. The argument for its continued production, however, is largely economic: \$13 billion annually in military sales, 100,000 jobs.

Given the overall decline in manufacturing in Connecticut, these jobs loom increasingly important.

### TIME FOR CONVERSION

The IAMAW in our national convention in 2012 passed a resolution on Economic Conversion. I have included it in your handout.

We understand the realities of the pressure on the military budget and are making plans for alternative uses of the 'procurement' part of that budget. This is about \$100 billion of the \$700 billion. We advocate re-assigning workers and switching capital to products which have a peacetime use. This does NOT mean abandoning factories and retraining manufacturing workers to be nurses, teachers, and construction workers.

We don't need any more construction workers right now, and most military manufacturing workers are not suited or inclined to training in the social services. In addition, folding up this significant sector of US manufacturing, with no replacement products would have a disastrous impact on the US economy.

Economic Conversion means designing peacetime manufactured products that are in demand, and re-tooling military facilities to produce them. The growing market for green technology and modern transportation on the sea and rails are most often cited.

The two other groups who would cut the military budget, for deficit-reduction and social needs, are not focused on the impact of eliminating so much value-adding industry. \$100 billion is a big chunk of all US metalworking.

Economic Conversion is a difficult, complex question. There is little precedent for using government funds to manufacture anything but weapons. But if we don't try to understand it and embrace it, the likelihood of achieving other benefits of the peace dividend fades, as the defense workers, our unions, and employers resist any change.

We strongly urge that the proposed Futures Commission be enacted, and that a central feature of its work be the outlining of a plan for Economic Conversion.

The military budget is large enough that the goals of all three of the groups, who are preparing for its reduction, can be addressed. To fully achieve them, we need a broader agenda, including new taxes on people who can afford to pay, another IAM strategy.

*Bill Sturtevant Machinist Union*

## RESOLUTION NO. 2

Subject: Economic Conversion Program

(Referred to Resolutions Committee)

Submitted by Lodge's 751-E, 751-F, 751-C, 751-A, 1123, 86, and 1951

WHEREAS the Congress and the Obama Administration are working on our national budget for next year and on into the future; and

WHEREAS spending on defense related programs is projected to decrease significantly into the future; and

WHEREAS many working people employed in these defense-related jobs will then be surplus and laid off; and

WHEREAS many of these workers are represented by the IAMAW and are working under union contracts with "family level" wages and benefits; and

WHEREAS these wages and benefits will be lost unless a program of economic conversion providing alternative union standard jobs is implemented to meet needs for civilian construction, replacement of national infrastructure, and transportation improvements and the many other needs of our national economy; therefore, be it

RESOLVED that the Grand Lodge shall create and fund a working committee with a member from each Territory, to examine and consider various proposals for a national planned Economic Conversion Program, including plans previously put forward by our Union, and to make a report to our 2013 National Planning Committee meeting and be it further

RESOLVED that the Grand Lodge consider and incorporate into our political goals the recommendations of that committee; and be it finally

RESOLVED that the Local Lodges and District of our Union coordinate political efforts with this committee and support and pursue its recommendations.

**H – 1161**

**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
2013**

**VOL.56  
PART 12  
3815 – 4176**

DEPUTY SPEAKER MILLER:

The bill is passed in concurrence with the  
Senate.

(Deputy Speaker Sayers in the Chair.)

DEPUTY SPEAKER SAYERS:

Will the Clerk please call Calendar Number 486.

THE CLERK:

Calendar Number 486, Madam Speaker, on page 28,  
favorable report of the joint standing committee on  
Commerce, Substitute for Senate Bill 619, AN ACT  
CONCERNING THE COMMISSION OF CONNECTICUT'S FUTURE.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Thank you, Madam Speaker.

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

DEPUTY SPEAKER SAYERS:

The question before the Chamber is acceptance of  
the joint committee's favorable report and passage of  
the bill.

Representative Perone, you have the floor, sir.

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REP. PERONE (137th):

Thank you, Madam Speaker.

Essentially what this bill does is it reactivates the Connecticut's Commission on Business Opportunity, Defense Diversification and Industrial Policy and it renames it the Commission on Connecticut's Future.

Essentially what it does is it -- it's based on a 1993 bill that would examine our -- our state's assets with regards to manufacturing in the defense sector and other related sectors and look ahead to see where we might be able to -- to add to those -- to those assets to add to that -- to our capacity in those areas.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

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

Will you remark further?

Representative Lavielle of the 143rd.

REP. LAVIELLE (142rd):

Thank you very much, Madam Speaker. Good afternoon to you. Nice to see you.

I have a few questions for the proponent, if I may.

DEPUTY SPEAKER SAYERS:

Please frame your question.

REP. LAVIELLE (142rd):

Thank you so much, Madam Speaker.

First, I wonder, Representative Perone referred to the prior incarnation of this commission, if we can call it that, and its work on a former report. Do we know what became of that?

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representatives Perone.

REP. PERONE (137th):

Just a point of clarification, Madam Speaker, through you, the report or the -- the entity that created it?

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

First, I'd like to know about the report, if I may.

Thank you, Madam Speaker, through you.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Thank you, Madam Speaker.

The -- I don't have the exact history on -- on what became of the previous report. Essentially, what the object -- object of the -- the previous report, what it would've done is it would've focused on restoring and growing manufacturing, retaining and expanding the state's economic base, coordinating economic development policy and determining the need for regional economic development approaches. It had gone -- the report itself is -- remains -- remains unclear as to -- to what happened, Madam Speaker, but I would -- I would just indicate that -- that makes the need for this bill all the more urgent.

Through you.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

And if I understand properly, the commission that was formed at the time is dormant and not functioning and not meeting at present.

Through you.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Yes, indeed, through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you.

And therefore, reactivating it would be -- would entail complicated action, would it be simply an administrative matter?

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

In a sense, through you, Madam Speaker, in a sense, the bill would pick up from where it left off, but it would also align the -- the state's educational institutions with its manufacturing base and also diversify the -- the state's defense-related industries. So really what it would try to do is take a look at, you know, our current capacities in defense manufacturing and other related areas and try to -- and try to leverage those to further grow our state's economy.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

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Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

I understand from the bill that there may be some changes in the makeup of the membership of the commission this time around. And I wondered if I could ask the good Chair to elaborate on those changes.

Through you.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Through you, Madam Speaker. Thank you.

The -- there would be -- since some of the names of the entities and things have changed over time, the -- I'll just summarize -- essentially, we would have representatives from DCD, education, higher ed, and labor. And then the bill also further outlines what leadership would be and able to -- or allowed to appoint which entity to that committee.

Through you.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

For further clarification, I believe there were some representatives of industries that are eliminated in this new incarnation of the commission.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

I'm actually going to have to counter that clarification with a request for clarification, Madam Speaker, I'd -- that are -- are no longer in the bill or we're going to be a -- becoming a part of the bill?

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

I'd be happy to clarify that. I believe -- and I'll go a little further -- in the bill that we have before us, the new configuration of the membership in the commission that is about to be reformed changes, and I believe -- I'd like to confirm, are there -- there used to be two representatives of service companies on the former commission. I believe one was

a large service company, one was a small service company, and the membership will no longer include representatives of two service companies; if I'm right?

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Thank you, Madam Speaker.

Hold on, just a moment, Madam Speaker. I just want to -- I have to read something. Madam Speaker, through you, it's actually my understanding that there would be a representative of a large manufacturer appointed by the Senate president -- a financial institution appointed by the Senate president of large defense. I mean -- it just -- it goes on and on to speak to the -- at the good representative's question. I don't believe -- while it doesn't mention specifically service -- the service industry, I -- it's my understanding the intent of the bill is that through other characterizations of -- of industries or entities as -- as they are, would -- would encompass those areas, those categories.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

I'll just refer to lines 27 through 30 in the bill. And it appears that one member that used to be appointed by the majority leader of the House, represented a large service-related business, and one that used to be appointed by the minority leader of the Senate, represented a small service-related business, and those two representatives have been replaced by representatives of two other types of organizations, if I'm correct, just want to confirm that. It's again for the -- for the good Chair, it's line 27 through 30 of the bill.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Thank you, Madam Speaker.

Yes. The -- the two persons would be replaced by a representative from a peace organization and an environmental -- I'm sorry -- an environmental organization, respectively.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

And does this reflect a shared view that the service industry in Connecticut, perhaps, is not as important to our economic development in the near term as it might have been 20 years ago?

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Through you, Madam Speaker.

Actually, I think what the bill does is it clarifies and redefines the focus of probably what the original intent of the bill should have been in a sense that there is a significant addition and -- addition of the manufacturing sector in this -- in this bill -- it's represented in this bill. I don't see that the, you know, in the larger sense that the service and the other entities that are related in this bill are mutually exclusive.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

And I thank the -- the good Chair for his answer.

If I'm reading properly on that same page, there is a -- just -- in the -- in the configuration of the, again, the composition of the membership, there's a couple of additions which are two members of manufacturing unions, and then as the representative mentioned, someone who represents an environmental organization appointed by the minority leader of the Senate and a representative of a peace organization appointed by the majority leader of the House. And I wondered if I might ask what exactly is meant by a "peace organization"?

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Through you, Madam Speaker.

Essentially, it's -- it's a member of a peace organization who is -- who has been promoting and discussing the -- the concept of -- of taking --

taking the, you know, what Connecticut has to offer in the areas of -- of our -- our defense economy and talking about where we go from here, essentially. We have 40,000 people employed by the defense industry in the state of Connecticut. As more drawdown happens, you know, through -- pours overseas, as we need to -- and, frankly, as defense contracts -- the nature of defense contracts have changed, to some degree, I'm not saying it's all going to -- it's going to affect every one of the 40,000, we need to look at -- look -- take a good look at taking our existing manufacturing capacity and understanding where we can apply that to -- to help other -- other industries. And I think a lot of the conversation being had by people that have been, you know, on organizations, like a peace industry, have been promoting.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

I understand from our good committee chairman that one of the objectives of the commission is, indeed, to look at some of the ways that our defense

installations, our -- our companies that make products that are related to defense, machinery, who have contracts with the government, and so on, that as circumstances change, contracts change, it might be useful to us in, certainly, in economic context, to repurpose some of the material, the equipment, the factories, the sites, the talent, the skilled people who work at these sites, and I believe the phrase the bill used is "for civilian production" or "for environmentally" -- I don't remember the exact phrase -- but environmentally sustainable types of products and industries. And that -- that make sense if the current economic context goes in that direction.

What I'm curious about is whether someone who -- since I'm so unclear about what a peace organization might be, one of the questions that occurs to me is while someone who has some economic expertise might indeed make that judgment call or who has some expertise in defense or in the environmental industries might make that call, would someone who represents a peace organization necessarily have the economic and regional and developmental knowledge to be able to make that call?

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Through you, Madam Speaker.

Thank you for the question, Representative Lavielle. The appointment is, essentially, made by the Governor and it would be the Governor's office to -- to vet the peace person's qualifications for their -- their ability to contribute to the board. I should also point out that it is a 21-member board. There are 20 other people that are also going to have some input one way or the other.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

The -- let me -- let me ask this, a very simple question, would the New Haven Peace Commission qualify as a peace organization that could be represented on this commission?

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Thank you, Madam Speaker.

Since at the moment all I have to go by is the word "peace" in the -- in the bill and -- and the name of the peace organization mentioned, I really couldn't give the -- the speaker a -- an honest appraisal of whether or not that's the case or not. I don't know, basically.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

And I -- I really appreciate our Chair's candor. The -- I will -- I will tell you the reason for my question and -- and what this provokes in terms of a more extensive inquiry. We had some testimony from a representative of the New Haven Peace Commission. The representative's name was Alfred L. Marder, and he is its chairman. And I think there -- there isn't anybody here who doesn't support peace, so I can't imagine -- I certainly do -- but it appeared that there was more of -- and I don't -- I don't reproach this in any way, I simply mention it in terms of qualifications -- the -- this particular gentleman

seemed to have more of an ideological concern with possible defense conversion than an economic concern. And while I have eminent respect for that particular ideological bent, I really do, I would want to be sure that the commission would be sticking to its purpose as expressed in the bill of focusing on Connecticut's economic future. So I wondered if -- if Representative Perone could just talk to us a bit about the legislative intent in that matter.

Through you.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Thank you, Madam Chair. I'm sorry, everybody's doing that today. Thank you, Madam Speaker.

I -- essentially, once again, the -- the appointment of the person that -- of that -- fills that -- that part of the -- part of the bill would be really vetted by -- by the Governor's office. Now that said, the purpose of the bill -- the purpose of the bill, the intent of the bill is to take the State's existing assets in the area of defense, it's a -- it's a heritage that's been a big part of our state for 200 years, and we don't want to lose any of the

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machining capacity or manufacturing capacity in these areas, but we know that long-term, you know, there's a good chance that we're not going to have, you know, the same defense spending in Connecticut that we've had, so we really need to understand what the -- what -- where we -- where we can invest in and build out our economy long term. You know, I don't see that having a person with a peaceful background necessarily represents a complete ideological shift for the committee.

Through you, Madam Chair -- Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

And just to be clear I am not -- my concern is not an ideological shift. It's just to be sure that when we have a -- a commission with such a serious intent and such a focused purpose on a problem that is really endemic to everything that all the progress we don't manage to be able to make in Connecticut at the moment, that the focus remains on economic issues and motivations and backgrounds and logic as -- as opposed to a more ideological purpose, and as much as we might

admire the ideology itself, which again I will repeat, I do.

Another -- another question I have which is a bit more technical, if we look at lines 70 to 73 and 78 to 79, there's some elaboration here on the purpose of the commission and what it is supposed to do. And in 70 to 72, it talks about evaluating legislation, which concerns the state's economy and its competitiveness, and then further along, 78 to 79, providing a forum that encourages public involvement. These sound to me like activities that are conducted over the long term. So again, the intent of the bill is for this commission to continue to exist in perpetuity.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Thank you.

Through you, Madam Speaker, there have been numerous reports from different think tanks over the years that -- that really focus on -- on the concept of -- of, you know, taking inventory, asset mapping, understanding really what the -- what it -- that individual state's economy can -- can bring to the

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table. Essentially, what that language in this bill does is allows the committee to -- to take recommendations that they -- they think are viable, take those to, as I read this, take those to the public, in and where it's relevant and get input, but by and large, the overall focus of the bill is to -- is to really better understand and then leverage what the state can provide in the area of manufacturing.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

I know that the -- there is a deadline specified in the bill in line 56 that says "on or before December 1, 2014, the commission shall submit a report to the Governor and the Commerce Committee," which I know we'll all be very pleased to get, but the -- I guess my question is will its -- is its work meant to continue beyond that date?

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Through you, Madam Speaker, yes.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

I'm so sorry. I didn't hear the answer. I was looking down, and I -- I -- it's like you take off your glasses and you can't hear. Could I ask the representative to repeat it please, Madam Speaker?

DEPUTY SPEAKER SAYERS:

Representative Perone, could you please repeat your answer.

REP. PERONE (137th):

Sure, through you, Madam Speaker, yeah, I'll actually expand on it a bit.

Yes, there is a -- there is a deadline for -- for a deliverable that the -- the good representative had -- had pointed out, but it has been the, you know, over the last 18 months in -- in the history of our state's economic development that, essentially, in order for us to continue to build and improve upon our economy, we need to understand and -- and have and continue efforts made to understand essentially what's -- what's working. So while there will be a deliverable at the end of 2014, I am not -- I would be

-- I find it hard to believe that we would actually then for any sort of reason discontinued that going forward.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

I read the bill the same way, and I -- also because there were some references at another point in the bill, for example, 38 to 42, where there is mention of the appointment by the governor of a chairperson for the commission who would be named from among its membership, but it would be the governor who made the choice.

So another question I have for Representative Perone is whether the intent is for the term of the chairperson who would be named here at a time that would be, I guess you'd call it, midterm for the governor, would -- although the terms -- the bill says that the terms for the chairperson are two years, would this first chairperson's term be coterminous with that of the governor; and were we to have someone else be governor, would this person's term end with

the governor's term?

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Through you, Madam Speaker.

That's not exactly how I -- I interpreted the language of the bill. Essentially, I think that the -- the -- it -- I interpreted as not to be coterminous that, in fact, it would be -- it's, you know, a two-year term beginning in the summer, you know, July 1 and then continuing to 2015.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam -- Madam Speaker.

Something else that I think it would be important for us to be clear on, I noticed that within the membership there is the commissioner of Education, the commissioner of Higher Education, DECD, and Labor, which does indicate to me that there -- there is certainly a lot of, what you might call working across silos, but we also have work being done on workforce

development by a number of different entities. We have a lot of analysis being done in different places. I was just curious how this commission might dovetail with all of the other research and studies and reports that are being conducted at the same time as we try to get this economy back on track?

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Through you, Madam Speaker.

I think it's a -- it's a great question, but I think there's sort of a quality of not really being able to judge that from -- from this standpoint. I mean ideally -- ideally, I think one of -- one of the areas that has hurt our state in the past is having a lot of entities that have -- that have been siloed and there has been no sort of cross-pollination or collaboration of ideas among entities that are -- that are all actually, ironically, trying to do the similar work in different areas. So I would just say that the -- the hope would be that the findings that this committee would come up with, whatever they decide, would dovetail or in some areas mesh or work

synergistically or all of the above with the current entities out there.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

Which bring me to, again, some of the -- the focus of the committee, in line 68, 69, something we talked about a lot and something that I know we -- we spoke of a great deal when we were working in the Job Special Session in 2011 and some other things that we do in the Commerce Committee and things that we discuss when we're working on our budgets. There's a reference in 68 and 69, to the creation of a business climate in the state conducive to long-term planning and capital investments.

So again, I would want to know, would that sort of -- would that sort of focus entail, perhaps, considering the reduction or the possible repeal of certain taxes that we currently have?

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Perone.

REP. PERONE (137th):

Through you, Madam Speaker.

I think as -- as the bill -- or as the bill -- as the committee is charged, I don't -- I don't really find any areas where, you know, that -- where it be, you know, taking on tax policy specifically. With that said, having a -- having an understanding of what may be working or, frankly, what may be working contrary to -- to business development and business growth in the state, is actually one of the things I think this bill would do a very good job at -- at the vetting and clarifying for us.

Through you, Madam Speaker.

DEPUTY SPEAKER SAYERS:

Representative Lavielle.

REP. LAVIELLE (142rd):

Thank you, Madam Speaker.

I want to thank the -- the good Chair of our Commerce Committee for his patience and his willingness to go through all these questions because there's -- there's a lot in this bill, and I think things that are important for everyone to know about.

I do have a few comments, and I -- you know, as I -- as I look at the way that the work of the

commission is outlined, some of it may seem a bit duplicative with other things that are going on and other types of analysis. That said, having a lot of people in one room who combine expertise in different industries, here we have manufacturing, we have specifically defense, we have union representatives, we have management, we have the chairs and ranking members of Commerce, we have several commissioners of several departments that are involved, either with workforce development or with commerce and business in the large sense, having all of those people in the room thinking and working and collaborating on behalf of the citizens and the businesses of our state is not a bad thing, particularly, since the bill has no fiscal note. It's not a bad thing. But here is what I -- what I would say because all of these other things are happening and because we had a commission that sort of went dormant and we are not really sure what may have become of the former report, its conclusions or whether they were ultimately lead to action that if we do such a thing, we need to take it very seriously because, again, the goal of the creation of a business climate in the state conducive to long-term planning and capital investment is just

about the most serious matter we have on our hands right now. We know that budget-wise we are having a terrible time with our expenses continuing to outpace our revenues and the need to replace and repair and upgrade infrastructure and other essentials that require a great deal of funding, and we're not able to do that. Our tax base is shrinking. And if we don't do something to make this environment conducive for business, we will never fix that problem.

So having a group of people in a room who are focused on doing that is -- is fine and it's a good thing, but it needs to be taken very seriously, and this commission needs to be given all the weight and the credibility in the world before both the Legislative Branch and the Executive Branch. Our tax base needs to expand, and one of the things -- and the thing, in fact, that businesses tell us the most when we asked them what Connecticut can do to become more attractive for them to come and build and invest and grow and prosper and create jobs is to stop changing policy, and most particularly tax and regulatory policy.

And what we've seen in the past couple of years is still a lot of selecting one business, giving that

business a one-shot infusion and then hoping that it will continue to grow and thrive and prosper or stay here rather than come here. If this commission can truly focus on making the environment, as a whole, structurally changed, so that all businesses have fewer hurdles in front of them and all businesses have less of a tax burden to deal with, and they can feel completely free to develop as they may, find their markets, and in addition exist in an environment where consumers and other client businesses are not continually strapped by higher and higher taxes, then we may have something there, but this commission has got to be open-minded to considering policies that this administration is not uniquely focused on.

We must be able to consider everything, do it in an open way and try things that we're not doing now that may finally work. And if we do that, I'm persuaded that this commission can succeed.

So under those circumstances, and I don't see any that would prevent them from being created, I would support the bill and I encourage those in the chamber to do the same.

Thank you, Madam Speaker.

(Speaker Sharkey in the Chair.)

SPEAKER SHARKEY:

Thank you, madam.

Would you care to remark further? Would you care to remark further on the bill that's before us?

Representative Noujaim of the 74th.

REP. NOUJAIM (74th):

Thank you -- thank you, Mr. Speaker. Good afternoon, sir.

SPEAKER SHARKEY:

Good afternoon, sir.

REP. NOUJAIM (74th):

Mr. Speaker, as a person who has made my living being a manufacturer for the past 38 years, a bill of this magnitude is certainly music to my ears, especially, since the goal of this piece of legislation is to lay out a strategy for restoring the manufacturing sector and stimulating its growth with the goal of increasing the number of manufacturing jobs in the state of Connecticut. So, to me, it's an important factor and I'm thrilled, very, very thrilled for it.

Mr. Speaker, I think this is the first time this

session that I speak on a bill that is coming from the Commerce Committee, so I would like to extend gratitude to our new chairman for the good work that he is doing in the committee and the genuine interest that he has shown throughout this session and during all of the debates and the public hearings and the voting on bills in the Commerce Committee. He has shown a genuine interest in improving the business climate in the state of Connecticut. I'm very impressed by that, and I would like to thank him for it.

And Mr. Speaker, through you, although I rise in a strong support of this legislation, I do have a few questions for the legislative intent I would like to pose to Representative Perone.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Please proceed, sir.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker.

To Representative Perone, I am looking at line 16 to 18 of this legislation, and line 16, there's an old language that says "a member of the committee is the president of the Connecticut AFL-CIO or his or her

designee" -- it says here "his designee" but it could be his or her designee -- but then in line 17 and 18, it continues to say that we have two new members of the committee, recommended by the president of the Connecticut AFL-CIO, representing manufacturing unions appointed by the Governor. And through you, Mr. Speaker, would this mean to me now that there are three members of the AFL-CIO that are -- who are going to be members of this committee?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Thank you, Mr. Speaker.

First of all, I'd just like to say -- thank the Representative for his kind remarks and for his -- his very helpful and valuable input in the committee through this session. It's been a pleasure to work with you, sir.

I would -- I would just like to point out, essentially, what the bill itself calls for is the appointment of two Connecticut AFL-CIO members to the -- to the board, but I -- I would tend to leave it at that.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Noujaim.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker.

Mr. Speaker, please accept my apology. I did not hear Representative Perone's answer.

SPEAKER SHARKEY:

Representative Perone, could you repeat your answer?

REP. PERONE (137th):

Yes. Mr. Speaker, you know, really I -- I tend to, you know, looking at this, reading the bill, I tend to think it's -- it's three rather than two.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Noujaim.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker.

So I presume here there is an addition of two new members representing the AFL-CIO and that's basically what the language says.

And through you, Mr. Speaker, I have another question on lines 40 to 41. And basically, it says

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the chairperson shall call a meeting of the commission no later than October 1, 2013. So I am sure this bill is going to be effective upon passage, and we are going to wait until October 1 before a meeting is called. Is there a possibility to -- for the chairman or the chairwoman to convene this meeting much earlier seeing that this is an issue that is extremely important to all of us?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Through you, Mr. Speaker.

The head of the board is appointed in July, July 1st, and I think that -- I would imagine the -- and then the appointing of the members would follow concurrently, so I think there's actually -- the extra time was just a -- was built into the -- into the schedule to accommodate seating of the board.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Noujaim.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker.

And through you, Mr. Speaker, so it seems to me that they convene or they call for a meeting in October 2013, and their business should be completed by October 2014, so they only have one year to complete all of the work and to report to the government -- to the Governor and to the Commerce Committee as, through you, Mr. Speaker, and I think this is not a question to Representative Perone but a statement, I think a committee of this magnitude should work really, really hard to produce the results that we all look for. And I hope that some of those members who are right now available and listening or they would hear about our comments in the transcript in the future, will know how important this -- this issue or this avenue is going to be for the manufacturing sector here in the state of Connecticut.

And through you, Mr. Speaker, I do have one more question in line 48. It seems to us that we changed the name of this committee from "developing" a plan to "reporting" and as a manufacturer myself, we always develop a plan and then we just execute the plan and make it happen and make it happen right away. So here it seems to me that we are taking away and developing a plan and working on it to improve the

community of the manufacturing community to simply submitting a report to the Governor and to the Commerce Committee. Through you, Mr. Speaker, was this done for any specific reason, to Representative Perone?

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Through you, Mr. Speaker.

The only clear answer I can give you is, you know, it's based on my work on the Majority Leader's Job Growth roundtable where essentially we had a working group -- we created a list of recommendations and then handed those off to the various committees of cognizance so they could do a deeper dive further about these concepts and turn them into a workable legislation. So I think that's a process that's -- that's helped us in the past and it's -- I think it's a -- made for a better legislation.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Noujaim.

REP. NOUJAIM (74th):

Thank you, Mr. Speaker.

Mr. Speaker, I would like to extend the gratitude once again to Representative Perone and for the Commerce Committee for bringing up this piece of legislation.

And I am very, very excited about line 77 through 79, because basically what they say is with an emphasis on environmentally sustainable and civilian product manufacturing. And that is extremely important because in manufacturing right now many people used to think that -- or still think that manufacturing is -- is my grandfather's manufacturing, where they think that -- that we work in dungeons and we work in oil and we are knee-deep in hazardous waste. Where manufacturing right now is all computerized and the people who are entering the manufacturing field are so much entrenched into training on computerization, very, very clean environment, computerized environment, very clean floors, and state of art equipment and processes. And people who have been entering the manufacturing field are people who are well-trained. And I said it once before and I said it once again, I give Governor Malloy a great deal of credit and thanks for establishing the Step Up program. And in our

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manufacturing facility, we took advantage of the Step Up program to bring the people who have been -- who have lost their jobs in the past and they needed to be trained again, so we brought them in and with the help of the Step Up program, we were able to train them to again learn to -- to receive -- to receive adequate training on equipment that they did not know how to use before. So these are issues that are very important for us in manufacturing.

I am extremely thrilled to support this bill, and I would like to extend the gratitude, once again, to everyone who voted in support of it, and I would ask all my colleagues to support it.

Thank you, Mr. Speaker.

SPEAKER SHARKEY:

Thank you very much, sir.

Would you care to remark further on the bill?

Representative Alberts of the 50th.

REP. ALBERTS (50th):

Good afternoon, Mr. Speaker.

Just for the record, I think Representative Selim is the nappiest dresser of folks that work in dungeons, so --

I had a question as it related to lines 17

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through 18, to the proponent of the bill before us.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Please proceed, sir.

REP. ALBERTS (50th):

Thank you.

I just want to understand that we reference here the two members recommended by the president of the Connecticut AFL-CIO representing manufacturing unions, could this be open as well to members of the General Assembly who also meet this criteria?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Thank you, Mr. Speaker.

Through you, I am actually unclear on that. I know that has been the case in the past where legislators cannot sit on -- on boards set up in -- in this way so I could give an answer either way but that would be -- I would be unsure of that -- that answer.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker.

In -- in going forward beginning in lines 43, there's reference to what the report is going to entail and what the guidelines are for this group in terms of preparing the report. I didn't see any specific guidance in terms of looking at the state's tax structure or incentives for manufacturing institutions. Is there something that I'm missing there?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Thank you, Mr. Speaker.

Through you, no, the -- essentially, the understanding or the focus of the board is to -- is to better understand and -- and analyze and come up with an understanding of what our -- our state's manufacturing capacity is in the area of defense and make recommendations along those lines. There is -- but it is not -- it does not overlap with the -- the state's tax policy.

SPEAKER SHARKEY:

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker.

Looking at the first task of the group beginning in line 45 and ending in line 48, it seems pretty broad, however, it stipulates the objective of ending the loss of manufacturing jobs and causing an increase in such jobs within five years following preparation of the report. Would the proponent believe that that could potentially include the -- the commission looking at our tax structure and making some recommendations for changes and, perhaps, the creation of new incentives?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Through you, Mr. Speaker.

Thank you. That's a great question. I think really the -- the board is really tasked with the -- the job of understanding not only what can help grow our -- our state's economy in this area but also what could serve to be -- or be considered impediments and -- and I would think that in -- in the situation, you

know, on a case-by-case basis where -- where tax policy or -- or any other tax policy voted on by this legislature would -- would come into a conflict or -- or in any way restrict growth would be -- would come into question.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker.

In looking a little further in the bill to lines 52 and 53, there's contemplation of aligning the state's educational institutions with its manufacturing base. I saw that earlier one of the commissioners -- the commissioner of Higher Education is contemplated to be a member. Was there thought given in the formation to possibly including the chairs and ranking members of the Higher Education Committee on this commission, as well?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Through you, Mr. Speaker.

That concept or that -- that topic did not come up to the best of my memory.

Through you.

SPEAKER SHARKEY:

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker.

And I -- and I'm disappointed that it didn't because I think that that's integral in part of what we're doing right now, integrating everything together.

And I guess the -- the last comment that I just wanted to focus a bit on is that as we look at this bill and -- and contemplate it, am I right that we should be thinking about this as a -- as preparing for the transition of some of our manufacturing away from the defense industry, not all of its focused moving away from the defense industry, and I'm thinking in terms of the messages that we send in the chamber, you know, we still have a very vibrant -- United Technologies, for example, I know Norden Systems in Norwalk is very much a contributor to our state's economy, Hamilton Sundstrand, the list goes on and on, so is the -- is the plan really for us to lay the

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groundwork for the -- for the change but not send signals that we are abandoning our present manufacturing base?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Through you, Mr. Speaker.

It's -- as I mentioned earlier, we have 6.3 percent of our state's population employed which comes to about 40,000, and the idea really is that, you know, we -- while we understand that it's a -- it's a vibrant sector, I think that, you know, there's an understanding that defense contracts change over time to some degree. Obviously, you know, we'd like to continue working with the federal government in the defense industry, the defense contractors and -- and its -- but as a, you know, in areas where it -- it may come to pass that we -- we find we have manufacturing capacity that's -- that's not needed by the defense industry, the jobs of those factories ideally I would love to see stay in the state of Connecticut, and I think that's really what the thrust of this bill is.

Through you.

SPEAKER SHARKEY:

Representative Alberts.

REP. ALBERTS (50th):

Thank you, Mr. Speaker.

And I do thank the proponent for his answers. I appreciate the bill that's before us. I appreciate the enthusiasm.

I scratch my head a little bit at some of the changes in term of the composition of the commission, but I understand what the intent is and I respect it, and I think it's -- it's well intended, and at this time I believe it's worthy of our support.

Thank you again, Mr. Speaker.

SPEAKER SHARKEY:

Would you remark further on the bill that's before us?

Representative O'Neill of the 69th.

REP. O'NEILL (69th):

Thank you, Mr. Speaker.

If I may, a few questions, to the proponent of the bill.

SPEAKER SHARKEY:

Please proceed, sir.

REP. O'NEILL (69th):

It's my understanding and -- and there was a bit of a dialogue earlier regarding the replacement of representatives of service-related industries who were on the existing commission and they are going to be replaced by people, I believe, from -- one from a peace organization and another from an environmental organization, and they are going to be replaced with the people they -- those are replacing are a service industry from a large company and a small service company service industry based company. And I guess my question is I can understand the desire to, perhaps, add the environmental or -- or even the peace organization people, but why were these service industries deleted from representation on this commission?

Through you, Mr. Speaker?

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Through you, Mr. Speaker. Thank you.

The -- well, the current topics that -- that are a big -- that are important to the -- the bill, and, essentially, the -- the areas that it -- it tends to focus on is -- is based on -- on, you know, restoring

manufacturing and reversing manufacturing job losses, retaining jobs, coordinating economic development -- development policy, that third -- that third point I think is -- is critical to this. I think that while there is a -- a -- like I said, I never felt or -- and still don't feel that the -- the service economy and - - and what this board is focusing on is -- is mutually exclusive. I think that it is -- but it is -- it is refining its focus on -- on an area that we know and projections have shown us is likely to -- to shift and -- and going forward, we want to make sure that we capture and maintain the -- the capacity of a manufacturing sector.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative O'Neill.

REP. O'NEILL (69TH):

Thank you, Mr. Speaker.

But I notice in, for example, line 49, it talks about the -- part of the mission of the commission is the coordination of economic development policy with capital investment in both public and private sectors. And that conjures in my mind, for example, capital investment coming from the public sector, such things

as the First Five Initiative that the Governor has been implementing. And the ones that come to my mind along the First Five are such things as the Jackson Labs program which this legislator participated in the creation of; the Bridgewater which gets a lot of attention, the Bridgewater Group, a hundred million dollars; the ESPN, funds that were sent to ESPN, NBC Sports. I'm just wondering have -- have any of the First Five been manufacturing companies?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

I'm sorry -- through you, Mr. Speaker, I didn't hear the tail end of -- of that question.

SPEAKER SHARKEY:

Representative O'Neill, could you rephrase the question?

REP. O'NEILL (69th):

Yes. Have any of the First Five companies that have been the recipients of several hundred million dollars, and have -- of capital -- public capital investment, have any of those companies been manufacturing companies?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Through you, Mr. Speaker.

I -- if I -- if the question is whether or not they were -- is the question whether or not they were manufacturing companies?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative O'Neill.

REP. O'NEILL (69TH):

Yes, Mr. Speaker.

My question is, have any of the First Five companies, the companies that have benefited from the First Five program that Governor Malloy has been implementing, which I believe has been expanded now closer to a First Ten, have any of those companies been manufacturing companies?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Through you, Mr. Speaker.

I wish I had a satisfactory answer for the good Representative. I am unsure as to whether or not any of the First Five were -- were manufacturing. I'm -- if it comes to light in the next several moments as we're talking, I will let you know.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker.

It seems to me that there's an inherent problem in this piece of legislation in that, again, by my recollection, First Five and certainly the -- the high profile ones were Jackson Labs which is which is basic research, the Bridgewater Group which is finance, ESPN which is entertainment, NBC Sports which is entertainment, and -- and the other companies that -- that come to my mind, I think one of them was an insurance company, and again, that's a financial services business. It strikes me that what the Governor has been doing has been focusing a substantial amount of money, a very substantial amount of money, to encourage those kinds of businesses to either stay in Connecticut, move to Connecticut or

expand in Connecticut, and the other one that just crossed my mind was UBS, which was given significant amount of money to keep at least a portion of its workforce here in Connecticut.

And so in -- in lines 49 and 50, it talks about trying to coordinate economic development policy with the capital investment strategy of the State of Connecticut that we've just invested half a billion dollars in economic development projects, none of which seem to be related to trying to stimulate manufacturing or convert existing defense contractors to some kind of different type of work, manufacturing or even something else. And so I'm wondering whether this commission with the charge to focus on manufacturing is in alignment with the Governor's policy which seems to be to try to take what's already here and work with that or expand of it, especially, the biotechnology field where it's something of a new initiative with respect to the Jackson Labs.

So the -- I understand the thrust of it, but it seems as if the money -- and we often hear the phrase, you know, put your money where your mouth is, the money is being put into financial services, research, entertainment, and other such industries. It is not

being poured into -- and if -- manufacturing or to try to convert manufacturing facilities to this sort of activity. So I understand the idea is to try to develop a plan, but I'm wondering whether the plan that's going to be developed here is going to receive any more support from the Executive Branch agencies that are charged with directing public capital which would be a decisive factor in determining how successful the plan would be than the last one was back in 1993, which then brings me to another question.

And that is there was a report that was issued back in 1993 by the original commission, and I'm wondering -- and there was recitation of some of the points in it, were any of those points the basis for legislation that was enacted subsequent to that 1993 report, if the proponent of the bill knows?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Thank you, Mr. Speaker.

Through you, off the -- I'm unclear as to whether or not specific legislation came out of the

recommendations made by the -- by the 1993 report.  
However, then as now, there is -- was and is a concern  
that we are not -- that we, as a state, may not be  
paying the right -- the proper attention to such an  
important part of our state's economy, so that is why  
this is -- this legislation has come to pass.

Also, I would just point out I did find out that  
one of the First Five manufacturing companies is  
Sustainable Building Solutions. It's -- it is one of  
-- it is a manufacturer and is considered one of the  
First Five.

SPEAKER SHARKEY:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker.

I heard something about a manufacturer in the  
First Five but I wasn't able to detect all of the  
words. If the gentleman could repeat what he just  
said.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Perone, could you enunciate the  
answer to the question again?

REP. PERONE (137th):

I would be glad to.

Through you, Mr. Speaker, one of the First Five companies was a manufacturer. It's called Sustainable Building Solutions.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker.

I hadn't heard about that one. Is there any additional information as to exactly what it is they manufacture?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Through you, Mr. Speaker, unfortunately, I do not have that at the moment.

SPEAKER SHARKEY:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Mr. Speaker.

Well, it's good to see that some money went to a manufacturer, although I think, at least, the list

that I had just recited indicated that the bulk of the money that the Governor has been dispensing in an effort to try to energize, reactivate, stimulate or preserve the economy has been focused on service industries and not manufacturers. And it seems like that's where the opportunities may exist for the government to intervene if there are, in fact, opportunities to try to preserve or create new jobs in the state of Connecticut.

I'm not opposed to the idea that we should try to do things to try to stimulate the manufacturing sector, although I will say that it -- it is difficult to envision how one is going to be able to, for example, take a company, like Electric Boat or Sikorsky, and find a way to keep them going, manufacturing things for civilians if they are not already doing so. Sikorsky, obviously, manufactures helicopters, some of which end up -- or at least potentially to be placed in civilian hands, but Electric Boat, I'm not sure what the civilian application is for nuclear submarines. And so, if that's one of the objectives as to diversify them, again, I'm not sure how you get there since only governments buy nuclear submarines and they have to

pay a pretty hefty premium for that type of technology that you're talking about there.

This has been the problem. This is why manufacturing over the last 25 years, even in the defense sector, has dwindled in Connecticut because it's very, very hard to compete in Connecticut with all of the problems that we have whether it's our electricity bills, our insurance costs, labor costs, environmental regulations and the list goes on and on of things that make it very difficult for a manufacturer to be successful in Connecticut. And the defense industry remains one of our key manufacturing sectors because if you want to have the best fighter plane, jet engine, helicopter, et cetera, you are prepared to pay a high premium. It's hard, if you're not prepared to pay that premium to compete with either other states or other countries for manufacturing here.

I hope this commission is going to find a way to get there. But it seems to me that the State of Connecticut has long been drifting in the direction -- or moving in the direction of a service-oriented, finance-oriented, research-oriented, pharmaceutical-oriented kind of economic development pattern.

Thank you, Mr. Speaker.

SPEAKER SHARKEY:

Thank you, sir.

Do you care to remark further on the bill that is before us?

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker.

Mr. Speaker, through you, a few questions to the proponent of the bill.

SPEAKER SHARKEY:

Please proceed, madam.

REP. KLARIDES (114th):

Thank you.

Mr. Speaker, through you, in lines 8 through -- oh I don't know, a while after that -- sub b, when we talk about the composition of the commission, if the chairman can explain how the additions were made to the members of the commission.

Through you.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Thank you, Mr. Speaker.

Through you, the -- the -- much of the composition was based on the -- on the prior -- prior board that had gone -- gone dark, essentially, gone fallow, and so in -- in reinstituting the board, I think a lot of the similar recommendations were -- were made, but that is I believe with the exception of the -- of the labor personnel that was mentioned before and the -- and the peace person and the environmental person, it's essentially the same makeup.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker.

And through you, just out of curiosity, were there other -- were there other recommendations of who should be on this board and who should be appointing them and who made the final decision as to what this board would be composed of?

Through you.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

The committee did vote the bill out, but specifically as with regards to whether other -- other backgrounds or other -- other skill sets or, like I said, backgrounds, none that I can recall.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker.

And in line 17 and 18, it appears to me that the two additional board members that were added were two members recommended by the president of Connecticut AFL-CIO representing unions. I was wondering how those two were added as opposed to two other business appointees.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Through you, Mr. Speaker.

I think the -- the concept, essentially, was that there is a business presence in the state of Connecticut and a labor presence in the state of Connecticut and that I think a board reflect that as it -- as it moves forward to better understand them --

strengthens our economy is something that was decided.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker.

I apologize. I didn't really hear that answer quickly -- very clearly.

SPEAKER SHARKEY:

Representative Perone, could you enunciate that answer once more.

REP. PERONE (137th):

Through you, Mr. Speaker.

Yes, I was playing musical chairs at the moment. Essentially, the -- the configuration of the board that the committee voted out -- the feeling of the committee was that the configuration of this board adequately reflected the -- what the state's economy the kind of analysis that the state's - they could do for the state's economy.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker.

Well, I -- you know, I'm a little bit confused as to -- the name of this commission is the Commission on Connecticut's Future, and clearly we should have representation from all -- all walks of life, so to speak, but I guess I'm not clear as to why in lines -- in line 15s -- in lines 15 and 16, president of the Connecticut Business and Energies Association or his designee and the president of the Connecticut AFL-CIO or his designee and then two additional members from the Connecticut AFL-CIO, that doesn't seem to be even in my opinion. If the chairman can explain, please.

Through you.

SPEAKER SHARKEY:

Representative Perone.

REP. PERONE (137th):

Sure, through you, Mr. Speaker.

That said, there are also -- there are also -- there's a representative from a large manufacturer, a financial institution, large defense dependent business, small defense dependent business, small manufacturer, and on, so I guess the point I'm making is that the -- the other categories, you know, within

this -- in this overall much larger category are --  
are well represented and that's why there was a  
feeling that the current configuration of the board is  
balanced.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Klarides.

REP. KLARIDES (114th):

Thank you, Mr. Speaker.

I thank the gentleman for his answers. I just --  
it still appears to me to be lopsided in this regard  
but thank you.

SPEAKER SHARKEY:

Thank you, madam.

Would you care to remark? Would you care to  
remark further on the bill that's before us?

Representative Piscopo of the 76th.

REP. PISCOPO (76th):

Thank you, Mr. Speaker.

Mr. Speaker, just following up on that -- that  
questioning, I think it -- it goes right to the heart  
of this bill. I think the bill is well intended. I  
have no -- no problem with the existing language of,  
you know, the original commission on diversification.

I understand all the intents there and that we have to stimulate manufacturing, but with just the round of the last questioning, you know, like why all of the sudden are we renaming a commission and why are we loading it with -- with two more people from the union and somebody from the peace -- of a peace organization, I just -- it just seems to contradict the original intention of the bill. And I would be better able to support this bill if all of a sudden it wasn't all -- or the commission all of the sudden didn't get lopsided. I -- you know, I put -- I kind of put myself in a member of the public's place. I mean, can you imagine the guy on the couch kind of surfing around, hitting CTN and seeing AN ACT CONCERNING THE COMMISSION OF CONNECTICUT'S -- ON CONNECTICUT'S FUTURE? I mean, he's sitting on his couch saying, what the heck are they doing a commission on Connecticut's future for, aren't -- isn't that what they should be doing every day, thinking about Connecticut's future? So I don't understand why we even need this commission, but I will go with it. I understand the intent. The proponent had some excellent questions and people spoke eloquently for the bill, but I just -- it just

seems that now all of a sudden we're skewing the makeup of the commission to get away from its original intention which is to stimulate manufacturing in the state. So I -- it just seems to contradict itself.

To that end, Mr. Speaker, the Clerk has an amendment, LCO 6978. Will the Clerk please call, and I move adoption.

SPEAKER SHARKEY:

Will the Clerk please call LCO 6978, which will be designated House Amendment Schedule "A."

THE CLERK:

House Amendment "A," LCO 6978, introduced by Representative Piscopo.

SPEAKER SHARKEY:

The gentleman seeks leave of the chamber to summarize.

Is there objection? Is there objection?

You may proceed with summarization, sir.

REP. PISCOPO (76th):

Thank you, Mr. Speaker.

This just brings the -- the existing language back to the existing language. The makeup of that commission that's now changing its name will stay the same and it will have its original intent, and I

believe in the original intent of the legislation. I  
move adoption.

SPEAKER SHARKEY:

Gentleman seeks to adopt the amendment.

Is there further discussion on the amendment  
before us? Is there --

Representative Perone.

REP. PERONE (137th):

Through you, Mr. Speaker.

The -- essentially, the -- the makeup of the  
board, I think is -- the makeup of the board is to  
reflect changes in our economy that have happened over  
-- over time and I think -- and I urge the Chamber to  
reject this amendment.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Thank you, sir.

Do you care to remark? Do you care to remark  
further on the amendment before us?

If not, let me try your minds.

All those in favor of House Amendment "A," please  
signify by saying aye.

REPRESENTATIVES:

Aye.

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SPEAKER SHARKEY:

Those opposed, nay.

REPRESENTATIVES:

Nay.

SPEAKER SHARKEY:

The Chair is in doubt. We will take the vote by roll. Will members -- will members please take your seats. Staff and guests to the well of the House. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll.

The House of Representatives is voting by roll. Will members please return to the chamber immediately.

SPEAKER SHARKEY:

Have all the members voted? Have all the members voted? Will the members please check the board to make sure your vote is 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:

Bill Number 619 House Amendment "A"

Total Number Voting 137

Necessary for Passage 69

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Those voting Yea 48

Those voting Nay 89

Those absent and not voting 13

SPEAKER SHARKEY:

The amendment fails.

Would you care to remark further on the bill that's before us? Would you care to remark further on the bill that's before us?

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

THE CLERK:

The House of Representatives is voting by roll.

The House of Representatives is voting by roll. All members please return to the chamber immediately.

SPEAKER SHARKEY:

Have all the members voted? Have all the members voted? Members please check the board to make sure your vote is 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:

Bill Number 619 in concurrence with the Senate.

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Total Number Voting	136
Necessary for Passage	69
Those voting Yea	121
Those voting Nay	15
Those absent and not voting	14

SPEAKER SHARKEY:

The bill passes.

Will the Clerk please call Number 380. THE

CLERK:

House Calendar 380 on page 19, favorable report of the joint standing committee on Public Health, Senate Substitute Bill 874, AN ACT CONCERNING VARIOUS REVISIONS TO THE DEPARTMENT OF DEVELOPMENT -- DEVELOPMENTAL SERVICES STATUTES.

SPEAKER SHARKEY:

Representative Phil Miller of the 36th -- or not.

Representative -- the distinguished chair,

Representative Johnson of the 49th.

REP. JOHNSON (49th):

Thank you, Mr. Speaker.

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

SPEAKER SHARKEY:

Question's on acceptance of the joint committee's

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GENERAL ASSEMBLY  
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**PROCEEDINGS  
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Total Number Voting 35

Necessary for Adoption 18

Those voting Yea 35

Those voting Nay 0

Those absent and not voting 1

THE CHAIR:

The bill passes. Senator Looney.

SENATOR LOONEY:

Thank you, Madam President. Madam President, would like to add an additional item to the Consent Calendar at this point and that is Calendar page 16, Calendar 311, Senate Bill 1118. Move to place that item on the Consent Calendar.

THE CHAIR:

Seeing no objection, so ordered. Sir.

SENATOR LOONEY:

Thank you, Madam President. And if the Clerk would call as the next item Calendar page 14, Calendar 277, Senate Bill 619.

THE CHAIR:

Mr. Clerk.

THE CLERK:

On page 14, Calendar 277 substitute for Senate Bill number 619, AN ACT CONCERNING THE COMMISSION ON CONNECTICUT'S FUTURE, favorable report of the Committee on Commerce.

THE CHAIR:

Senator LeBeau.

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SENATOR LeBEAU:

Thank you, Madam President. I move acceptance of the joint committee's favorable report and passage of the bill.

THE CHAIR:

The motion is on acceptance. Will you remark, Sir?

SENATOR LeBEAU:

Thank you, Madam President. This is an important bill we have in front of us today. We are moving into an era where there are going to be less federal dollars coming to the State of Connecticut for defense which has been one of our staple industries going back through history but particularly over the last 20 years with the construction and with the building of hundreds if not thousands of helicopters, jet engines, et cetera to -- to submarines at Electric Boat.

And with sequestration and with hard federal times in front of us it -- there's -- there's a -- a reasonable expectation that those dollars are going to be diminished going forward and indeed some of the budgets that we're already looking at do diminish those dollars. So what the Commerce Committee did upon the suggestion of -- of Senator Harp and others particularly out of the New Haven community we -- we've taken a -- a defense conversion approach and we looked at a committee that used to exist, the Connecticut Commission on Business Opportunity Defense Diversification and Industrial Policy and changed it to rename it and to reconstitute and to -- to buff it up and to -- and to make it look to Connecticut future -- Connecticut's future and called it the Commission on Connecticut's Future.

And we changed the membership of the committee, broadening it out I would say for those who are -- have a vested interest in Connecticut's future and particularly in manufacturing and in -- and in trying to convert as the bible would say from -- from guns into plowshares or from weapons into plowshares. So that's what -- that's what this bill is about is to

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create the commission, to do that broad based and to look at our alignment of the State's educational institutions with its manufacturing base, diversification of -- of the defense related industries with emphasis on encouraging an environmentally and sustainable and civilian product manufacturing. So I -- I move passage of the bill, Madam President.

THE CHAIR:

The motion is on passage. Will you remark? Senator Harp.

SENATOR HARP:

Thank you, Madam President. I rise to support this bill. A number of my constituents came to me and were concerned that we really weren't planning for the new economy that we know will exist. And as Senator LeBeau points out with sequestration and the lack of federal funds for many of the businesses that we have in Connecticut it really is timely for a commission to be thinking about where we go economically in the future.

So this commission will evaluate the State's education and manufacturing base. It will identify the current and future needs of the global society and most importantly it will help Connecticut adapt to changing national and global economies. I urge your support.

THE CHAIR:

Thank you. Will you remark? Senator Frantz.

SENATOR FRANTZ:

Thank you, Madam President. I appreciate that. And Senator LeBeau, another good commerce bill. We had some lively discussions during the committee in trying to refine this. And Senator Harp, we appreciate your suggestion to get this ball rolling in the first place. Thank you very much for that. Connecticut is a very vulnerable State these days not just because of sequestration but because of the overall trend in defense spending that started probably about two and a

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half years ago which is not going to benefit the State.

In fact it's going to be -- it's going to have adversarial consequences for our economy. We're also vulnerable in a variety of other areas as well and we can have this discussion some other day as to why we're vulnerable but we are losing too many industries. We're losing financial service companies unfortunately. We're losing private equity firms. We're losing some hedge funds, some rather household name hedge funds to places to our south.

So what the committee felt was very important was to have this particular commission pay close attention to the alignment of educated -- or students graduating and people who are out of work and the needs by current employers in the State of Connecticut but also by definition the -- the friendliness or the business environment here in the State of Connecticut needs to be looked at. If this -- if this commission is filled with the right people and I have no doubt that it will be, there will be some great opportunities to uncover, roll over some stones and find out some opportunities that we have been missing all along and conversely try to fix some problems that we've unintentionally created for ourselves here in the Connecticut State economy.

So I stand very much in favor of it. One quick question of the proponent of the bill, through you, Madam President, if that's okay.

THE CHAIR:

Please proceed, Sir.

SENATOR FRANTZ:

Thank you, Madam President. Can you explain to the circle what a peace officer is? I'm still -- I looked it up. I don't really understand.

THE CHAIR:

Senator LeBeau.

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SENATOR LeBEAU:

I think -- Thank you, Madam President. Through you. I believe that that would be a term or art but I know that we have organizations particularly in New Haven that are dedicated to the propagation of the idea of peace in the world and among ourselves.

THE CHAIR:

Senator Frantz.

SENATOR FRANTZ:

Fair enough. Thank you. Through you, Madam President, thank you Senator. A great job on the -- on the bill so far. I urge my colleagues to support it. Thank you, Madam President.

THE CHAIR:

Thank you. Will you remark? Will you remark?  
Senator Welch.

SENATOR WELCH:

Thank you, Madam President.

If I may I do have a few questions for the proponent of this bill, through you.

THE CHAIR:

Please proceed, Sir.

SENATOR WELCH:

Thank you, Madam President. I guess the first question I have is what happened to the committee that was it that we're now kind of resurrecting? Through you, Madam President.

THE CHAIR:

Senator LeBeau.

SENATOR LeBEAU:

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Through you, Madam President.

I think it's an excellent question. It essentially ceased to meet. Interestingly enough I served on this commission when I was in the House close to 20 years ago. And it actually had some very good -- it came out with a report and it had some -- some good recommendations that were adopted at the time. I think it actually helped to lead our cluster approach at the time.

It also I think was -- as important in pushing specifically aero derived gas turbine engines such as the JP8 engine out of UTC or Pratt and Whitney to be used for the production of energy which we see all over the State these days and all over the country. So there may be some very positive -- hopefully we'll have the same kind of recommendations from this group that we have nearly 20 years ago.

SENATOR WELCH:

And I --

THE CHAIR:

Senator Welch.

SENATOR WELCH:

Thank you. It seems -- it seems a shame that something that was so effective and led to some innovation kind of fell by the wayside which is I think a tragedy and -- and may be part of the problem we're in today. So rather than just reconstitute that board it seems like we've added a few people and I know you -- you mentioned that but if you could specifically highlight just who we are adding and why. Through you, Madam President.

THE CHAIR:

Senator LeBeau.

SENATOR LeBEAU:

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Yes. Thank you, Madam President. The bill adds two representatives of the manufacturing unions. It represents -- it adds a leader. It adds a -- excuse me, a member of a representative of a peace organization which I think was just alluded to. And also an environmental organization I think clearly we wanted to ensure we had some people with their feet on the ground both in terms of -- in terms of manufacturing, a peace organization's so we kept a direction here and an environmental organization because we were hoping that what we recommend will be environmentally sustainable and want to hear from members of -- who would have that kind of orientation.

Through you, Madam President.

THE CHAIR:

Senator Welch.

SENATOR WELCH:

Thank you. That's all I have. Thank you, Madam President. Thank you, Senator LeBeau.

THE CHAIR:

Thank you. Will you remark further? Will you remark further? If not --

SENATOR LeBEAU:

If there's no objection we could add this to the Consent Calendar.

THE CHAIR:

Is there any objection? Seeing no objection, so ordered, Sir. Oops. I'm sorry, Senator Fasano. There is an objection. At this time, Mr. Clerk, will you call for a roll call vote and the machine will be open.

THE CLERK:

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Immediate roll call has been ordered in the Senate.  
Senator please return to the Chamber. Immediate roll  
call has been ordered in the Senate.

THE CLERK:

Have all members voted? If all members voted the  
machine will be closed. Mr. Clerk, will you please  
call a tally.

THE CLERK:

Senate Bill 619.

Total Number Voting	35
Necessary for Adoption	18
Those voting Yea	32
Those voting Nay	3
Those absent and not voting	1

THE CLERK:

Bill passes. Senator Looney.

SENATOR LOONEY:

Thank you, Madam President. Madam President, for  
purposes of a change in marking before going on to  
additional bills an item previously marked for the  
foot of the Calendar, we're going to make a change in  
that marking and that is on Calendar page 39 under  
matters returned from committee. Calendar 309, Senate  
Bill 899. Madam President, if that item might be  
marked as passed retaining its place on the Calendar  
instead of being referred to the foot of the Calendar.

THE CHAIR:

Seeing no objections, so ordered, Sir.

SENATOR LOONEY:

Thank you, Madam President. Madam President, if the  
Clerk would call as the next item Calendar page 21,  
Calendar 367, Senate Bill 804.

THE CHAIR: