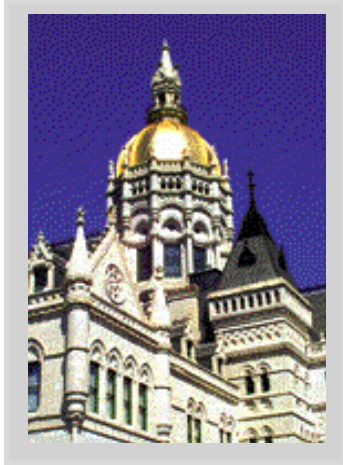




2016 MAJOR ISSUES

TO OUR READERS



Every year, legislative leaders ask the Office of Legislative Research (OLR) to identify and provide brief descriptions of important issues that the General Assembly may face in the coming session.

This report represents the professional, nonpartisan views of staff in OLR, the Office of Fiscal Analysis (OFA), and the Legislative Commissioners' Office (LCO) on possible upcoming legislative issues. It does not represent staff suggestions or recommendations. We identified issues based on interim studies; research requests; non-confidential discussions with legislators, other legislative

participants, and executive branch agencies; and our general subject matter knowledge.

OLR compiled this report on the major issues for the 2016 session in consultation with OFA and LCO. OLR analysts wrote the issue descriptions below, except for the Appropriations Committee description, which OFA provided.

We list the issues according to the committee in whose jurisdiction they primarily fall. Since more than one committee may consider aspects of the same issue, descriptions may overlap. Where appropriate, we provide links to OLR reports and other online documents that contain additional information about particular issues.

Contents	
Aging	2
Appropriations.....	2
Banking	4
Children.....	4
Commerce	6
Education.....	7
Energy and Technology.....	8
Environment	9
Finance.....	11
General Law	13
Government Administration and Elections	13
Higher Education and Employment Advancement..	14
Housing	15
Human Services.....	15
Insurance	16
Judiciary	17
Labor and Public Employees	19
Planning and Development.....	20
Public Health	21
Public Safety and Security.....	22
Transportation	23
Veterans' Affairs	25



AGING

Elder Abuse

[PA 15-236](#) requires the Commission on Aging to study best practices for reporting and identifying elder abuse, neglect, exploitation, and abandonment. The commission must report its findings to the legislature before the start of the 2016 session. The report may prompt legislators to again consider issues related to elder abuse, such as mandated elder abuse reporters, training requirements for direct care workers and financial institutions, and elder abuse reporting requirements.

Read related laws:

- [PA 15-150](#), *An Act Requiring Notice of Abuse Reports Concerning Residents of Long-Term Care Facilities*
- [PA 15-233](#), *An Act Concerning Protective Services for Suspected Elderly Abuse Victims*
- [PA 15-236](#), *An Act Protecting Elderly Consumers from Exploitation*

APPROPRIATIONS

Budget Projections

On November 13, 2015, OFA projected a FY 16 General Fund deficit of \$254.4 million, which represented about 1.4% of total estimated expenditures and reflected the impact of the governor's rescissions of \$102.8 million on September 18, 2015. OFA also projected significant deficits in each of the four subsequent fiscal years covered in its November 2015 Fiscal Accountability Report, ranging from \$552.0 million in FY 17 to \$2,211.5 million in FY 20.

OFA's FY 16 General Fund deficit projection was made up of two components: expenditures and revenues. Expenditures were projected to be \$37.7 million greater than budgeted after taking into account the governor's rescissions of \$102.8 million, and revenues were \$217.5 million less than anticipated in the budget primarily due to revised projections of personal income tax collections. The FY 16 – FY 17 biennial budget anticipated a \$0.8 million surplus in FY 16.

In response to projections of significant deficits in the General Fund, the General Assembly enacted [PA 15-1, December Special Session](#). The act reduces FY 16 allotments of General Fund appropriations to state agencies by \$195.8 million and increases General Fund revenues by an estimated \$135.7 million for a total of \$331.5 million in FY 16. In addition to the changes in the act, other expenditure

adjustments anticipated to be achieved administratively total \$18.5 million. In sum, these actions total \$350.0 million, which equals the agreed upon target for deficit mitigation.

[PA 15-1, December Special Session](#) continues the \$195.8 million allotment reduction of General Fund appropriations into FY 17. The act results in a net reduction of \$17.5 million to General Fund revenues. In addition, other expenditure adjustments anticipated to be achieved administratively total \$15.0 million. In sum, these actions total \$193.3 million, which reduces OFA’s estimated (November 2015) FY 17 General Fund deficit to \$358.7 million.

Budget Spending Cap

Based on [PA 15-244 § 35](#), the state is under the statutory spending cap in the current year, assuming no FY 16 deficiency appropriations are made. Calculations for FY 17 and beyond are based on OFA’s Current Services estimates (November 2015) of all appropriated funds and assume that expenditure amounts in excess of the cap are not built into the subsequent year’s base for cap calculation purposes (see Table 1).¹ Since [PA 15-1, December Special Session](#) does not alter appropriations, the act has no direct impact on the spending cap calculation.

Table 1: Spending Cap Calculations¹ (in Millions)

<i>Items</i>	<i>FY 16 \$</i>	<i>FY 17 \$</i>	<i>FY 18 \$</i>	<i>FY 19 \$</i>	<i>FY 20 \$</i>
Appropriations Allowed by Cap	19,830.2	20,592.2	21,530.3	22,263.5	23,333.7
Estimated Expenditures	19,807.2	20,594.3	22,159.4	22,948.8	23,958.9
Over/(Under) the Cap	(23.0)	2.1	629.1	685.3	625.1

¹Totals may appear to not add up due to rounding

Long-Term Obligations

Unfunded liabilities are legal commitments incurred during the current or a prior year that must be paid at some time in the future but for which no reserves have been set aside. The State of Connecticut’s unfunded obligations are primarily in four areas: (1) bonded indebtedness (debt outstanding), (2) state employee and teachers’ retirement, (3) state employee and teachers’ post-employment benefits, and (4) the generally accepted accounting principles (GAAP) deficit. The state’s

¹ [PA 15-244 \(§ 35\)](#) specified that the spending cap calculation reflect a five-year personal income growth rate calculated on a calendar year rather than a fiscal year basis, and treat appropriations for the unfunded liabilities of the State Employees’ Retirement System (SRS), Judges, Family Support Magistrates and Compensation Commissioners’ Retirement System (JRS), and Teachers’ Retirement System (TRS) as exempt from being counted as general budget expenditures under the spending cap for FY 15 through FY 17.

unfunded liabilities total \$71.1 billion, an increase of \$2.7 billion (3.9%) from last year's reported amount of \$68.4 billion. Table 2 includes the state's unfunded liabilities in six areas.

Table 2: Long-Term Obligations (in Billions)

<i>Unfunded Liabilities</i>	<i>Nov. 2014 \$</i>	<i>Nov. 2015 \$</i>	<i>Difference \$</i>
Debt Outstanding	21.3	22.8	1.5
State Employee Retirement System (SERS) ²	13.3	14.9	1.6
Teachers' Retirement System	10.8	10.8	0
State Post Employment Health and Life	19.5	19.5	0
Teachers' Post Employment Health	2.4	2.4	0
Generally Accepted Accounting Principles Deficit	1.1	0.7	(0.4)
TOTAL	68.4	71.1	2.7

BANKING

Reverse Mortgages

A legislative task force established to study reverse mortgages reported its [findings and recommendations](#) to the Banking Committee in January 2015. In the 2015 legislative session, the committee raised [HB 6801](#), which died on the Senate calendar. The bill would have established counseling requirements lenders must meet before accepting a final and complete reverse mortgage loan application or assessing fees for any such mortgage. The legislature may consider these measures and other proposals on this topic during 2016.

Read OLR's reports:

- [2014-R-0270](#), *Recent Changes in Federal Reverse Mortgage Regulations*
- [2014-R-0271](#), *Reverse Mortgage Counseling Requirements*
- [2014-R-0272](#), *Reverse Mortgage Advertising and Disclosure Requirements*

CHILDREN

Connecticut Juvenile Training School (CJTS)

In July, a Department of Children and Families (DCF)-contracted consultant released a [strategic review](#) of CJTS. The report contained numerous findings and recommendations. Shortly after the review was released, the child advocate's office

²In addition to SERS and TRS, the state appropriates funds for three other pension systems: 1) the Higher Education Alternative Retirement System (ARP), which is a defined contribution plan for which there is no unfunded liability; 2) the Judges Retirement System (JRS), which has an unfunded liability of \$153.7 million; and 3) the state provides retirement benefits for a small group of employees including statutory (e.g. Governor), state's attorneys, and public defenders, which is funded on a pay-as-you-go basis.

(OCA) released a [report](#) on restraint and seclusion practices at CJTS. The report's release, which was followed by the release of footage of incidents at the facility that resulted in restraint and seclusion, captured media and legislative attention.

In August, DCF, which runs CJTS, presented the Juvenile Justice Policy and Oversight Committee with an action plan to address issues cited in the strategic review and OCA report. In December, the governor expressed to the [CT Mirror](#) his intention to close CJTS by 2018.

The Children's Committee will likely examine a variety of proposals pertaining to CJTS, including possibly closing the facility or transitioning the facility to one that provides more therapeutic forms of treatment to its residents.

Read the Strategic Review:

- [Strategic Review of CJTS/Pueblo Girls Program Policies and Practices](#)

Read the OCA report:

- [Investigative Facility Report: Connecticut Juvenile Training School and Pueblo Unit](#)

Read DCF's action plan:

- [CJTS Action Plan](#)

Read December 9, 2015 *CT Mirror* article:

- [Malloy Targets Mid-2018 for Closing Juvenile Training School](#)

Minors Exposed to Family Violence

The Children's Committee will likely pursue recommendations to develop a statewide policy on children who witness domestic violence. A Task Force to Study the State-wide Response to Family Violence, created in 2015, is to issue those recommendations by January 15.

The Connecticut Coalition Against Domestic Violence, testifying last winter in support of the task force, said witnessing family violence can destroy a child's sense of security and leave him or her with long-lasting feelings of helplessness, guilt, and shame. Most children who witness such violence, the coalition said, are younger than eight years old.

Read the task force's minutes:

- [Task Force to Study the Statewide Response to Minors Exposed to Domestic Violence](#)

Therapy Animals in the Courtroom

In 2013 and 2015, the legislature passed laws to facilitate access to therapy animals for children exposed to trauma. This session, the Children's Committee may consider allowing therapy animals to accompany children who must testify as witnesses in a criminal trial.

Read related laws:

- [PA 13-114](#), *An Act Concerning Animal Therapy*
- [PA 15-208](#), *An Act Concerning Animal-Assisted Therapy Services*

COMMERCE

Jump Starting a Sluggish Economy

Current economic indicators are sending a mixed message about the economy's overall health.

For example, the Labor Department recently reported that the state's unemployment rate dropped to 5.1%, and the New England Economic Partnership's forecasters see businesses adding about 25,000 jobs next year, especially as builders and jet engine manufacturers ramp up to meet increasing housing demands and the Pentagon's accelerated schedule for delivering new F-35 jet fighters, respectively.

But the comptroller recently reported that, despite recent job gains, wages are still below prerecession levels, a trend that affects income tax revenue.

Given this mixed outlook, legislators will likely have their hands full separating the economic signals from the noise. Forthcoming reports by the legislature's Tax Panel and Commission on Economic Competitiveness may help them with this task and offer new policy options for stimulating the economy. The Department of Economic and Community Development's (DECD) strategic economic development plan poses "three key guiding questions" for legislators and other policy makers to consider:

1. In which areas do we have current size, depth, and leadership positions?
2. In which parts of the economy are we likely to see the fastest rates of national and global growth?
3. In which high growth areas do we have the talent and ingenuity to compete?

Read OLR's reports:

- [2015-R-0002](#), *State Strategies for Growing Business and Creating Jobs*
- [2015-R-0208](#), *Connecticut's Business Climate Rankings*

Read DECD's strategic plan:

- [2015 Economic Development Strategy](#)

EDUCATION

Reauthorization of Federal Education Law and Implications for Connecticut

Congress and President Obama have reauthorized the 1965 federal Elementary and Secondary Education Act (ESEA) of 1965, known since it was last reauthorized in 2001 as the No Child Left Behind Act. The new law, called Every Student Succeeds Act, shifts authority from the federal government to states, giving states the discretion to determine (1) what it means for a school or district to be successful and (2) when and how to intervene in schools or districts that fail to meet state expectations. The reauthorized ESEA maintains the existing mandatory testing regime in math, English, and science.

In light of this reauthorization, the legislature may consider modifications to Connecticut's current education statutes regarding issues such as (1) intervening in low performing districts and schools or (2) whether to continue to tie student achievement to teacher evaluations.

The new law also reauthorizes a number of federal education grant programs and the legislature could seek changes to better position the state for competitive grants, such as preschool developmental grants.

Read the National Conference of State Legislatures' (NCSL) summary of the law:

- http://www.ncsl.org/documents/capitolforum/2015/onlineresources/summary_12_10.pdf

Read OLR's report:

- [2015-R-0300](#), *Summary of Federal Every Student Succeeds Act, The Reauthorization of the Elementary and Secondary Education Act*

Student Information and Privacy Protections

With private education technology companies collecting vast amounts of information about school children, concern is growing about the use of this information. The state gathers information to measure the success of a school or a district based on individual student test scores. Also, teacher-selected education applications, currently in use in some classrooms, allow data to be gathered informally at the classroom level.

State and federal law protects students' personal information, but the same laws also allow information to be given to private companies. Last session, the legislature enacted [PA 15-142](#) that requires contractors doing business with the state, including the State Department of Education, to establish data security measures to protect student data under the contractor's control. The legislature may consider whether such protections should be extended to cover contractors doing work for local and regional boards of education. It may consider restricting the informal, unregulated use of education applications in the classroom.

Read the law:

- [PA 15-142](#), *An Act Improving Data Security and Agency Effectiveness*

Read OLR's reports:

- [2014-R-0127](#), *FERPA, Recent Changes in Federal Regulations, and State Compliance*
- [2014-R-0274](#), *Using Education Technology to Collect and Analyze Student Data*

ENERGY AND TECHNOLOGY

"Utility 2.0"

Last session, the Energy and Technology Committee began discussing how to modernize electric distribution company regulations in ways that would further encourage them to incorporate renewable energy and distributed energy systems into their business models (also known as "Utility 2.0".) The committee may continue to pursue this initiative this year, particularly by exploring (1) ways to

determine the net value that certain clean energy and distributed energy resources provide and (2) changes to electric ratemaking mechanisms that would incorporate that value.

Read OLR's reports:

- [2015-R-0109](#), *New York's "Reforming the Energy Vision"*
- [2015-R-0256](#), *Community Solar*
- [2015-R-0296](#), *Virtual Net Metering Update*

Zero Emissions Vehicles (ZEV)

During the 2015 Paris Climate Conference, 13 European and North American governments, including Connecticut, announced their intention to make all new passenger vehicles in their jurisdictions ZEVs by 2050. Given that goal, the Energy and Technology Committee may consider proposals to encourage or promote ZEV purchases or increase and maintain the state's network of charging stations. Possible incentives include a sales tax waiver or other tax credits, access to high occupancy vehicle (HOV) lanes, or free parking in certain locations.

The Department of Energy and Environmental Protection (DEEP) currently operates an incentive program for public charging stations and a rebate program (the Connecticut Hydrogen and Electric Automobile Purchase Rebate) for electric vehicle purchases.

ENVIRONMENT

Animal Welfare

A legislative task force established to study the humane treatment of animals in municipal and regional shelters is considering several recommendations for legislative consideration. Proposals may include (1) increasing the penalties for animal abuse, (2) establishing a statewide animal abuser registry, (3) preventing euthanasia of healthy and treatable animals, and (4) requiring licensure and regulation of breeders.

Read related laws:

- [PA 14-205](#), *An Act Concerning Municipal Costs For The Care Of Confiscated Animals And Establishing A Task Force On The Humane Treatment Of Animals In Municipal Shelters*

- [SA 15-19](#), *An Act Concerning The Task Force On The Humane Treatment Of Animals In Municipal Animal Shelters*

Read the task force's minutes:

- [Task Force for Humane Treatment of Animals in Municipal and Regional Shelters](#)

Read OLR's reports:

- [2014-R-0255](#), *Animal Abuser Registry Laws*
- [2015-R-0282](#), *Tennessee Animal Abuser Registration Law*

Disposal of Household Waste

In recent years, the legislature has discussed the methods for disposing of various household wastes. It passed product stewardship laws for several products, including electronics ([PA 07-189](#)), paint ([PA 11-24](#)), and mattresses ([PA 13-42](#)), generally placing the responsibility for the discarded products' collection and management on manufacturers. The legislature considered similar programs for batteries ([HB 6957](#)) and tires ([SB 869](#)) in 2015. It may choose to revisit these proposals during the upcoming legislative session or consider proposals for other products.

Also, a 2015 Environment Committee bill to phase-out single-use carryout bags at certain retail stores ([SB 349](#)) may be re-introduced in 2016, as well as legislation to address the increase in packaging (e.g., use of boxes and filling material) related to the rise in online shopping and door-to-door delivery services.

Read related laws:

- [PA 07-189](#), *An Act Concerning the Collection and Recycling of Covered Electronic Devices*
- [PA 11-24](#), *An Act Establishing a Paint Stewardship Program*
- [PA 13-42](#), *An Act Concerning a Mattress Stewardship Program*

For more information on product stewardship:

- DEEP's [product stewardship website](#)

Pollinator Health

In response to recent declines in pollinator (e.g., bees, butterflies, bats) populations, a 2014 presidential memorandum established a federal Pollinator Health Task Force to create a National Pollinator Health Strategy to promote pollinator health. The goals of the strategy are to (1) restore honey bee colony health to sustainable levels by 2025, (2) increase Eastern monarch butterfly populations by 2020, and (3) restore or enhance millions of acres of land for pollinators over the next five years.

According to NCSL, interest in pollinator health is increasing with state legislatures. At least 14 states enacted legislation related to pollinator health in recent years. In 2016, Connecticut legislators may consider proposals to address pollinator health.

Read related documents:

- President Obama's [memorandum](#), *Creating a Federal Strategy to Promote the Health of Honeybees and Other Pollinators*
- Task Force's [National Pollinator Health Strategy](#), *National Strategy to Promote the Health of Honey Bees and Other Pollinators*
- NCSL Pollinator Health summary [report](#)

FINANCE

Realigning the State's Tax Structure to the New Economy

The new economy, sometimes referred to as the digital economy, poses significant challenges to the state's tax structure. Whereas the old economy was based on the transfer of tangible goods and documents and people interacting in person or by telephone, the new economy is based on digital goods and services and transactions via web-based business platforms. These changes in technology, consumption, and lifestyles do not fit neatly into the current tax structure's terms and concepts, which are based on the old ways of making a living and transacting business. Consequently, the legislature may consider proposals in 2016 to realign the state's tax structure to today's new economy. This could include proposals to (1) expand the range of services and digital goods subject to sales and use tax, (2) better capture sales and use tax from out-of-state sellers and taxpayers, (3) address tax compliance issues that arise from evolving business models (i.e., peer-to-peer businesses, cloud computing, and virtual currencies), and (4) evaluate whether old economy tax incentives are still appropriate.

The legislature's Tax Panel will also present proposals to align the state structure with the new economy without necessarily increasing or decreasing revenue flows. The Commission on Economic Competitiveness may also weigh in with recommendations to reduce the uncertainty businesses and other taxpayers face when tax administrators attempt to apply current tax rules to the new economy's transactions.

Read OLR's reports:

- [2013-R-0298](#), *The "Sharing Economy" and Public Policy*
- [2014-R-0173](#), *Uber's On-Demand Car Service*
- [2015-R-0104](#), *Sales and Use Tax Exemptions*
- [2015-R-0250](#), *Room Occupancy Tax on Airbnb*

For more information:

- "The New Economy and Its Tax Challenges," *State Tax Notes*, July 27, 2015 (available in the legislative library)
- "[Connecticut State Tax Basics](#)," presentation by Commissioner Kevin Sullivan to the Commission on Economic Competitiveness, November 5, 2015

Statutory Debt Cap

In its most recent fiscal accountability report, OFA projected that the state will exceed the statutory debt cap in FY 18 and FY 19. (The cap applies to the amount of General Fund-supported state debt the legislature can authorize to 1.6 times the estimated net General Fund tax revenue.) To avoid exceeding the cap and to allow the legislature to approve bonding for new infrastructure projects, the legislature may seek to re-prioritize these projects, a task that may require reducing or cancelling existing authorizations for projects that have not moved forward.

Read OLR's reports:

- [2015-R-0068](#), *Connecticut's Bonding Process*
- [2015-R-0267](#), *Tax-Supported Debt Per Capita*
- [2003-R-0275](#), *State Bonding Limit—90% Threshold*

For more information:

- OFA's [Fiscal Accountability Report](#), November 13, 2015

GENERAL LAW

Occupational Licensing

The legislature often considers proposals to amend the licensing or registration requirements of the state's regulated occupations, many of which are within the purview of the General Law or Public Health committees.

A recent report on occupational licensing prepared by the federal treasury and labor departments and the Council of Economic Advisors has garnered a lot of attention from policymakers on both sides of the aisle. The report analyzes the (1) growth of state licensing in recent decades, (2) costs and benefits of licensing requirements, and (3) impacts these requirements have on workers. It also recommends ways to protect consumers through licensing certain occupations without placing undue burdens on workers or limiting access to goods and services. Legislators may take the recommendations into account when considering changes to the state's licensing or registration requirements.

Read the federal report:

- [Occupational Licensing: A Framework for Policymakers](#)

GOVERNMENT ADMINISTRATION AND ELECTIONS

Campaign Finance

In 2015, the Government Administration and Elections Committee favorably reported a bill ([sSB 1126](#)) that, among other things, would have (1) expanded reporting requirements associated with independent expenditures (e.g., who is subject to disclosure and what information must be disclosed) and (2) created a category of spenders called "coordinated spenders" and defined their expenditures as contributions subject to campaign finance reporting and limits. In 2016, the legislature may consider these and other proposals relating to campaign finance.

Voter Registration

According to recent media reports, nearly 20 states considered "automatic voter registration" proposals in 2015. In two states, California and Oregon, the proposals became law. (A third state, Delaware, established such a program administratively in 2010.) Generally, under these proposals, eligible individuals who interact with certain government agencies, such as motor vehicle departments, are automatically

registered to vote unless they opt out. If an individual does not opt out, the agency electronically transfers the voter registration information to election officials. In 2016, the legislature may consider proposals to establish automatic voter registration in Connecticut.

HIGHER EDUCATION AND EMPLOYMENT ADVANCEMENT

Armed Police Officers at Community Colleges

In December 2015, the Board of Regents for Higher Education (BOR) repealed a policy that generally prohibited the state's community colleges (except Naugatuck Valley Community College) from employing armed police officers. BOR approved a new policy that allows community colleges to employ armed officers if, among other things, the college's police department is designated as a "special police force" under state law.

Existing law provides for special police forces at UConn, the UConn Health Center, and the four institutions in the Connecticut State University System. The legislature may consider proposals to establish special police forces at the community colleges.

Outcomes-Based Financing

In 2015, the legislature passed [SA 15-20](#), which established a task force to develop a strategic outcomes-based plan for financing higher education that is aligned with the goals and benchmarks for higher education recommended by the Planning

Commission for Higher Education. The legislature may consider proposals to implement the task force's recommendations, which must be submitted to the Higher Education and Employment Advancement Committee by January 1, 2016.

Read related law:

- [SA 15-20](#), *An Act Establishing a Task Force Concerning Outcomes-Based Financing*

Student Financial Aid

In 2015, the Planning Commission for Higher Education established a working group to review the state's student financial aid programs (e.g., the Governor's Scholarship Program) in the context of the commission's goals. These goals include ensuring that higher education is affordable for Connecticut residents and developing a globally competitive workforce and economy in Connecticut. In 2016, the legislature may consider proposals to implement the working group's recommendations.

Read the planning commission's minutes:

- [Planning Commission for Higher Education](#)

HOUSING

Housing for Millennials

Media reports indicate that many young professionals are burdened by a difficult job market and student debt and often cannot afford mortgage payments. While the Connecticut Housing Finance Authority offers down payment assistance and low-interest mortgages to many homebuyers, the legislature may consider policies aimed at increasing homeownership specifically among millennials. And as the state works to renew the vitality of its urban centers, proposals may focus on promoting urban renting and homesteading initiatives, both of which it considered in recent years.

Landlord and Tenant Duties Regarding Bed Bug Infestations

As renters in the state continue to feel the effects of a nationwide increase in bed bug infestations, the legislature may consider proposals establishing a framework for identifying and treating bed bug infestations in rental properties. Proposals from recent sessions specified separate duties and responsibilities for landlords and tenants, including notice, inspection, and treatment requirements.

Read OLR's reports:

- [2013-R-0120](#), *Maine's Bedbug Law*
- [2010-R-0375](#), *OLR Backgrounder: Bedbug Legislation – New York*

HUMAN SERVICES

Eligibility for Home Care

The Connecticut Home Care Program for Elders (CHCPE) provides home- and community-based services to frail seniors as an alternative to nursing home care. Generally, CHCPE applicants must wait until the Department of Social Services (DSS) processes their application and determines they are eligible before they can receive services through the program. Last session, the Human Services Committee considered legislation that would have established a pilot program to fund CHCPE services for up to 90 days for certain applicants DSS determined presumptively eligible for Medicaid coverage ([SB 271](#)). Though the bill did not pass, DSS established a "Fast Track" eligibility pilot program modeled after the bill.

The Human Services Committee may consider proposals to expand the pilot and implement presumptive eligibility for more or all CHCPE applicants.

Read OLR's report:

- [2015-R-0215](#), *Medicaid Long-Term Services and Supports*

Heating Assistance Programs

[PA 15-5, June Special Session, § 107](#) required the Low-Income Energy Advisory Board to recommend ways to improve the implementation of heating assistance programs, particularly those created to benefit low-income households, by coordinating and optimizing existing energy efficiency and assistance programs. They must submit their report to the Appropriations, Energy and Technology, and Human Services committees by January 1, 2016. The legislature may debate proposals based on the board's recommendations.

Read OLR's reports:

- [2015-R-0107](#), *Home Energy Improvement and Assistance Programs*
- [2014-R-0081](#), *Energy Efficiency Financing*

INSURANCE

Insurance Coverage for Opioid Analgesics

According to the U.S. Food and Drug Administration, prescription opioid analgesics are an important component of pain management. Abuse and misuse of them, however, have created a growing public health problem. Abuse-deterrent formulations are coming onto the market to target known routes of abuse. The legislature considered a bill in 2015 to require health insurance policies that cover prescription drugs to provide coverage for abuse-deterrent opioid analgesics on a basis no less favorable than for covered nonabuse-deterrent opioid analgesics ([SB 21](#)). The legislature may reconsider this bill or raise other proposals.

Interstate Insurance Compact

In 2015, the Insurance and Real Estate Committee considered [SB 755](#), under which Connecticut would have had to adopt the National Association of Insurance Commissioners' Interstate Insurance Product Regulation Compact. The compact streamlines the regulatory filing process for insurers in member states by providing a central point of electronic filing for certain insurance products. The compact currently has 44 member states. The legislature may again see proposals in 2016 to join the compact.

Visit the compact's website for more information:

- <http://www.insurancecompact.org/>

Territorial Rating and Telematics in Automobile Insurance

Three bills considered during the 2015 legislative session would have changed how territorial ratings (i.e., ratings based on where a vehicle is primarily garaged) are applied to automobile insurance. [SB 238](#) would have required insurers to use telematics data (i.e., monitoring devices that track an insured's driving information), when available, instead of territorial ratings in determining auto insurance premiums. [HB 6163](#) would have changed the statutory weighting formula to 50% territorial loss-cost data and 50% statewide average loss-cost data from the current 75%/25% weighting. [HB 6866](#) would have prohibited territorial rating. The legislature may again consider bills to change the role territory plays in automobile insurance premiums.

Read OLR's report:

- [2015-R-0234](#), *Territorial Rating in Auto Insurance*

JUDICIARY

Bail Reform

On November 6, 2015, Governor Malloy proposed changing the bail system to ensure that defendants are not imprisoned while awaiting trial because they are unable to pay small amounts of bail. The Connecticut Sentencing Commission, at the governor's request, has agreed to study the bail system in Connecticut and other states and the possibilities for reform.

The legislature may consider proposals on this topic this session.

Read:

- Governor's letter to the Connecticut Sentencing Commission: <http://www.ct.gov/ctsc/lib/ctsc/11.5.15GovMalloyRequest.pdf>
- Criminal Justice Policy Advisory Committee, statistics on the pretrial population, September 2015: http://www.ct.gov/opm/lib/opm/cjppd/cjabout/20150923cjpac_handout.pdf

Corporation and Business Law

In 2014, the legislature created a 17-member [Commission on Connecticut's Leadership in Corporation and Business Law](#) to develop a 10-year plan to, among other things, establish Connecticut as a leading and highly desirable place to organize business entities and adjudicate corporate and business law matters. The commission must recommend legislation and policy changes based on an examination of the impact of statutes and common law in Connecticut, Delaware, New York, and other states on organizing and retaining businesses in Connecticut.

In September, the commission completed its [draft report](#). This session, the legislature may consider the commission's recommendations and other policy changes intended to further the legislation's objective.

Juvenile Justice

During the 2015 session, the legislature enacted several juvenile justice measures. [PA 15-84](#) made a number of changes related to sentencing and parole release of offenders who were under age 18 when they committed crimes, including requiring the sentencing court to consider certain mitigating factors of youth. [PA 15-183 § 1](#) changed when juvenile cases may or must be transferred to adult criminal court, including (1) eliminating automatic transfers for children ages 14 through 17 charged with certain class B felonies and (2) raising the minimum age, from 14 to 15, for the (a) automatic transfer for other class B felonies or more serious crimes and (b) discretionary transfer for felonies not subject to automatic transfer. On November 6, 2015, Governor Malloy [announced](#) several ideas regarding juvenile justice, including (1) further raising the age of the juvenile justice system's jurisdiction through age 20 instead of 17 and (2) allowing low-risk young adults ages 21 through 25 to have their cases heard confidentially, their records sealed, and the opportunity to have their records expunged. The legislature may consider these measures and other related proposals during the 2016 session.

Read the governor's press release:

- [November 6, 2015 Press Release](#)

Read related law:

- [PA 15-84](#), *An Act Concerning Lengthy Sentences for Crimes Committed by a Child or Youth and the Sentencing of a Child or Youth Convicted of Certain Felony Offenses*
- [PA 15-183](#), *An Act Concerning the Juvenile Justice System*

LABOR AND PUBLIC EMPLOYEES

Paid Family and Medical Leave

Last session, the Labor Committee considered expanding the state's family and medical leave law to cover all employees (instead of just those who work for employers with at least 75 employees) and creating a program that would provide employees with limited wage replacement benefits while they were out on the leave ([HB 6932](#)). Ultimately, the General Assembly required the Labor Department to hire consultants to create a plan for implementing a paid family and medical leave program and actuarially determine the employee contributions needed to ensure sustainable funding for the program ([PA 15-5, June Special Session, § 413](#)). The labor commissioner must report the consultants' findings by February 1, 2016. This session, the legislature may consider acting on any recommendations included in the report or other legislation to expand family and medical leave and provide wage replacement benefits.

Read related law:

- [PA 15-5](#), June Special Session, *An Act Implementing Provisions of the State Budget for the Biennium Ending June 30, 2017, Concerning General Government, Education, Health and Human Services, and Bonds of the State*

Workers' Compensation Presumption for Firefighters with Cancer

This session, the legislature may once again consider enacting a bill that gives firefighters special workers' compensation coverage when they are diagnosed with certain cancers. Last session's bill ([sSB 593](#)) would have created a presumption that a firefighter diagnosed with cancer acquired the disease because of the hazards of being a firefighter. The presumption means the burden of proving the cancer's cause shifts to the employer – usually a municipal government.

Last year's bill would have made those with the disease eligible for workers' compensation benefits unless (1) a preponderance of the evidence showed that their cancer was not caused by work-related inhalation, absorption, or ingestion of noxious fumes or poisonous gases or (2) it was proven that smoking cigarettes or using tobacco products caused the firefighter's illness.

A number of other states have such legislation, but their specifics, including who pays the additional costs, vary.

Read related *Stateline* article:

- [“Special Treatment for Firefighters With Cancer? Some States Say Yes”](#)
(December 7, 2015)

PLANNING AND DEVELOPMENT

Fiscal Pressures Facing Local Governments

A number of groups have been examining policy options to address the rising cost of providing local services and the uneven distribution of the property tax base across the state creates significant fiscal imbalances among cities and towns. These groups include the legislature’s Tax Panel and the Municipal Opportunities & Regional Efficiencies (MORE) Commission. In 2016, the legislature may consider their recommendations, which could include proposals to (1) diversify municipal revenue sources, (2) improve property tax administration, (3) adjust state grant funding formulas to equalize fiscal disparities across municipalities, and (4) encourage cities and towns to cut costs by collaborating on activities and delivering services regionally.

For further information read:

- [“The Context for Property Tax Reform in Connecticut,”](#) prepared by Michael Bell for the State Tax Panel, November 6, 2015
- [“Measuring Municipal Fiscal Disparities in Connecticut,”](#) Federal Reserve Bank of Boston, May 2015

Transit Oriented Development (TOD)

As people, young and old, are showing increased interest in living in urban areas, state and local governments around the country are working to create lively, walkable, mixed-use communities close to public transportation. TOD is associated with a higher quality of life, decreased congestion and increased transit ridership, sustained property values, improved access to jobs and economic opportunity, and increased foot traffic for area businesses. In recent years, the legislature considered bills creating a statewide or regional entity responsible for TOD planning and coordination. This session it may consider legislation to promote TOD through transportation infrastructure improvement and clustered economic development.

PUBLIC HEALTH

Certificate of Need (CON)

Under the CON law, health care facilities must generally receive state approval when (1) establishing new facilities or services, (2) changing ownership, (3) acquiring certain equipment, or (4) terminating certain services. CON laws are generally intended to restrain increases in health care costs. The legislature may consider revisions to the CON laws, in light of increasing consolidation and other changes in the health care marketplace.

A 2015 law requires the public health commissioner, within available appropriations, to report on current CON requirements and include recommendations to eliminate or create an expedited approval process for certain matters currently requiring approval ([PA 15-146](#), § 34).

Read related law:

- [PA 15-146](#), *An Act Concerning Hospitals, Insurers, and Health Care Consumers*

Health Information Privacy

Electronic health records are becoming increasingly common, and last year, the state expanded its efforts to create a statewide health information exchange. Along with the benefits of electronic health records (such as better information sharing about clinicians) come concerns about record security and privacy.

The Program Review and Investigation (PRI) Committee recently presented the findings of its study on how health information privacy is maintained in the Department of Public Health's Infectious Disease Section and the Department of Consumer Protection's Prescription Monitoring Program.

The legislature may consider PRI's recommendations or other proposals on health information privacy in different contexts.

Hospitals and Health Systems

[PA 15-146](#) made several changes affecting the oversight of health care consolidations and hospital sales, health system and hospital reporting, and health information technology. Among other things, the act (1) establishes a statewide health information exchange, (2) requires the Office of Health Care Access to conduct a cost and market impact review and monitor certain hospital ownership transfers, and (3) places certain limits on allowable facility fees for outpatient services. [PA 15-244](#) also made other changes affecting hospital finance, such as (1)

increasing the hospital tax rate from 5.5% of inpatient revenue and 3.83% of outpatient revenue to 6% of all net patient revenue and (2) updating the tax's base year from 2009 to 2013 total net patient revenue.

This session, the legislature may make additional related changes and consider issues affecting hospital finance, such as the tax treatment of hospitals and the redistribution of federal matching funds.

See related acts:

- [PA 15-146](#), *An Act Concerning Hospitals, Insurers, and Health Care Consumers*
- [PA 15-244, as amended by PA 15-5, June Special Session](#), *An Act Concerning the State Budget for the Biennium Ending June 30, 2017, and Making Appropriations Therefor, and Other Provisions Related to Revenue, Deficiency Appropriations, and Tax Fairness and Economic Development*

PUBLIC SAFETY AND SECURITY

Gaming

[SA 15-7](#) created, among other things, a process for the possible establishment of an off-reservation casino operated by the Mashantucket Pequot and Mohegan tribes, through a jointly owned business entity. But to build such a casino, the tribes will need authorizing legislation.

Also, with the increased popularity and legal ambiguity of daily fantasy games, the legislature may consider legislation to (1) clarify whether these games are considered gambling under state law and (2) regulate and tax them.

Read the special act:

- [SA 15-7](#), *An Act Concerning Gaming*

Firearms

In December 2015, Governor Malloy announced his intent to sign an executive order barring anyone on federal government terrorism watch lists from obtaining a gun permit to carry guns in the state. The announcement generated concern in several quarters from people concerned about gun restrictions. If the governor does sign such an order, it may trigger legislative action.

Read the governor's press release:

- [December 10, 2015 press release](#)

Body Armor

The legislature may review the law on body armor in light of the recent San Bernardino mass shooting, in which the perpetrators wore body armor. Under Connecticut law, it is a class A misdemeanor for anyone convicted of specific felonies or a serious juvenile offense to possess body armor ([CGS § 53a-217d](#)). And, with some exceptions for law enforcement personnel and armed forces members, it is a class B misdemeanor to sell body armor without personally meeting the purchaser ([CGS § 53-341b](#)). The law defines "body armor" as material designed to be worn on the body and to provide bullet penetration resistance.

TRANSPORTATION

Transportation Funding

One issue likely to arise in the 2016 session is that of funding Governor Malloy's 30-year, \$100 billion "Let's Go, CT!" transportation initiative. The governor has proposed a plan to improve, repair, and modernize the state's highway, bridge, bus, and rail systems. He left open the options to fund the plan, creating a 10-member transportation finance panel to study the proposal and recommend ways to pay for it.

The panel is scheduled to issue its recommendations after January 1. Panel member "Oz" Griebel, president and CEO of Metro Hartford Alliance, a business and economic development organization, has informed the governor that the recommendations "will undoubtedly include both increases to existing funding sources as well as implementing additional ones, such as electronic tolls."

Visit the Transportation Finance Panel's web page:

- [http://portal.ct.gov/Departments and Agencies/Office of the Governor/Learn More/Working Groups/Governor s Transportation Finance Panel/](http://portal.ct.gov/Departments_and_Agencies/Office_of_the_Governor/Learn_More/Working_Groups/Governor_s_Transportation_Finance_Panel/)

Constitutional "Lockbox" Amendment

The legislature voted on a constitutional lockbox amendment in a December Special Session. The amendment ([RA 15-1](#)) would ensure that funds deposited in the Special Transportation Fund (STF) are used only for transportation purposes, but would give legislators some flexibility regarding STF funding sources.

The amendment won unanimous Senate approval, but failed to win in the House by the three-fourths vote needed to place it on the November 2016 ballot. Instead, the proposed constitutional amendment will appear on the November 2018 ballot if both chambers approve it again in 2017.

But Governor Malloy, who proposed RA 15-1, has said he will introduce a similar lockbox proposal in the 2016 regular session to again try to win the three-fourths votes required to get the lockbox amendment on the November 2016 ballot.

Read the proposed amendment:

- [RA 15-1](#), *Resolution Proposing a State Constitutional Amendment to Protect Transportation Funds*

Read OLR's report:

- [2015-R-0240](#), *Amending the State Constitution*

Transportation Network Companies

Transportation network companies (TNCs), like Uber and Lyft, have disrupted the transportation status quo and presented a regulatory challenge because their services do not fit neatly into most existing regulations. TNCs use mobile applications that allow users to request rides from drivers listed on their app, most of whom use their own cars to give people rides. Taxi and livery companies view TNCs as a threat to their operations because they do not incur the same overhead and regulatory costs. TNCs contend that they provide a service people want—a convenient, affordable ride — and taxi companies are trying to block legitimate competition.

Uber began operating in Connecticut in 2014. Last year, the legislature considered a bill ([sHB 6683](#)) to regulate TNCs. The bill passed the House but was never taken up in the Senate.

The legislature may consider TNC regulation again this year. It may also consider how to incorporate ideas from other states (more than half of states have passed TNC legislation, many in the past year). It may also modify previous proposals to respond to changes in the TNC market, such as new carpooling features offered by some TNCs and ridesharing-specific policies offered by insurance companies.

Read OLR's report:

- [2014-R-0173](#), *Uber's On-Demand Car Service*

VETERANS' AFFAIRS

Aid and Benefits

During the interim, PRI studied how well the Department of Veterans' Affairs' Office of Advocacy and Assistance provides aid and benefits to veterans, their spouses, and eligible dependents and family members, as required by state law. The legislature may consider the recommendations from the final report (e.g., identifying alternate funding sources) as well as other proposals on increasing benefits to Connecticut veterans.

Read PRI's Findings and Recommendations:

- [Full Report](#) and [Highlights](#)

KD:bs