

MAJOR ISSUES

2019 LEGISLATIVE SESSION



OFFICE OF LEGISLATIVE RESEARCH

January 7, 2019

Connecticut General Assembly

860-240-8400 | www.cga.ct.gov/olr

Notice to Readers

Every year, the Office of Legislative Research (OLR) identifies and provides brief descriptions of important issues the General Assembly may face in the upcoming session.

This report represents the professional, nonpartisan views of staff in OLR, in consultation with the Office of Fiscal Analysis (OFA) and the Legislative Commissioners' Office (LCO). It does not represent staff suggestions or recommendations. The office identifies issues based on interim studies; research requests; non-confidential discussions with legislators, other legislative participants, and executive branch agencies; as well as our general subject matter knowledge.

The report is organized according to the committee that has primary jurisdiction over an issue. Because more than one committee may consider aspects of the same issue, descriptions may overlap. Where appropriate, we provide links to OLR reports and other documents that contain additional information.

Contents

Aging	3
Appropriations	3
Banking	4
Children	4
Commerce	5
Education	6
Energy and Technology	6
Environment	6
Finance, Revenue and Bonding	7
General Law	8
Government Administration and Elections	9
Higher Education and Employment Advancement	9
Housing	10
Human Services	11
Insurance and Real Estate	11
Judiciary	12
Labor and Public Employees	13
Planning and Development	14
Public Health	14
Public Safety and Security	15
Transportation	16
Veterans' Affairs	17

Aging

Aging in Place

Like many states, Connecticut is confronting a growing elderly population, high nursing home Medicaid costs, and an increasing desire among seniors to remain in their own homes while receiving care (i.e., “aging in place”). In 2019, the legislature may again consider proposals intended to reduce the number of people in institutions and increase the number served by home- and community-based services as part of an overall effort to “rebalance” Connecticut’s long-term care system.

Aging in place proposals may include (1) expanding eligibility for state programs (e.g., Connecticut Home Care Program for Elders), (2) modifying the amount of resources a community spouse of someone receiving Medicaid nursing home care may keep, or (3) formalizing the role of and establishing best practices for local senior centers.

Read OLR report:

- [2018-R-0126](#), *2018 State Programs For Older Adults*

See also:

- [Final Report](#) of the Senior Center Task Force created by [SA 16-7](#)

Appropriations

Current Fiscal Year

The current fiscal year (FY 19) has a projected General Fund surplus of \$278.6 million. This figure will be updated by OFA on January 15, 2019 based on the January Consensus Revenue Estimates.

Future Fiscal Years

As identified in OFA’s November Fiscal Accountability Report, reductions in non-fixed costs of \$1.6 billion are necessary in FY 20 to balance General Fund expenditures with consensus revenue projections. Non-fixed costs total \$9.4 billion in FY 20 and will need to be reduced by 17%. Fixed costs are 49% of total expenditures in FY 19 and grow each year; by FY 22, fixed costs represent 54% of total expenditures.

The FY 20 expenditure reduction of \$1.6 billion is assumed in the FY 21 and FY 22 projections. However, even with that significant expenditure reduction, non-fixed cost reductions of \$449.2

million in FY 21 and \$724.6 million in FY 22 are required to balance General Fund expenditures with consensus revenue projections.

For more information:

- [Fiscal Accountability Report FY 19 - FY 22](#), OFA (2018)

Banking

Foreclosure Mediation Program

In 2008, the legislature established the Foreclosure Mediation Program to help homeowners and lenders achieve mutually agreeable resolutions to a mortgage foreclosure action through mediation ([PA 08-176](#)). The program, originally slated to end in 2010, was most recently extended until July 1, 2019 ([PA 15-124 § 3](#)). Last year, the legislature considered but did not pass [sHB 5495](#), which would have made the program permanent. The legislature may once again consider whether to extend or modify the program, or allow it to sunset.

For more information:

- [Foreclosure Mediation Program, Report to the Banking Committee of the General Assembly](#), Connecticut Judicial Branch (2018)

Children

Oversight of Solnit South

The Albert J. Solnit Center South Campus' Psychiatric Residential Treatment Facility ("Solnit South") is a Department of Children and Families-administered psychiatric facility for children under age 18. In September 2018, the Office of the Child Advocate (OCA) released the findings of its investigation into the suicide of a pregnant teenage girl at the facility. According to the report, the investigation uncovered deficiencies leading to findings that children at Solnit South were in "immediate jeopardy." In 2019, the legislature will likely consider legislation regarding the oversight and inspection of the state-run facility.

For more information:

- [Legislative Hearing Report: Albert J. Solnit Center South and the OCA Review of Circumstances Leading to the Death of Destiny G.](#), OCA (2018)

Commerce

Blockchain

Blockchain, the technology enabling cryptocurrency (e.g., Bitcoin), is a digital, decentralized ledger that keeps a record of all transactions that take place across a peer-to-peer network. But, like any new technology, it strains legal and financial systems designed for an earlier era. Given blockchain's promises and challenges, the legislature may consider proposals to amend banking, contract, or other laws to accommodate this technology. It may also consider how the state can help develop the workforce needed to successfully adapt blockchain technology to many diverse sectors.

Read OLR Report:

- [2018-R-0027](#), *Bitcoin-Virtual Currency*

See also:

- [Blockchain Technology: An Emerging Public Policy Issue](#), National Conference of State Legislatures (2017)

Manufacturing Jobs

Connecticut's high-wage manufacturing sector is on the upswing, as recent Labor Department reports project a growing demand for skilled manufacturing workers. And, although the legislature has launched many initiatives to ensure a steady stream of workers is ready to fill these jobs, questions remain as to whether the state's workforce development system is up for the challenge. Consequently, the legislature may hear proposals to scale up that system in order to meet the projected demand.

Read OLR Report:

- [2017-R-0280](#), *The Manufacturing Innovation Fund Apprenticeship Program*

See also:

- [2016-17 Legislative Report Card](#), Connecticut Employment and Training Commission (2017)

Education

School Security

School safety and security remains a significant concern across the nation as well as in Connecticut. Since the 2012 Sandy Hook Elementary School tragedy, the legislature has taken steps to help school districts improve school safety. [PA 13-3](#) required each district to craft a school security plan and submit it to the state. It also (1) required that new school construction projects meet improved security standards in order to receive state grants and (2) created a competitive grant program to reimburse school districts for security improvements at existing schools. Last year, [PA 18-178](#) authorized an additional \$10 million in bonds for the competitive grant program. This year the legislature may consider making changes to the security standards or the school security grant program, including whether to authorize more funding.

For more information:

- [School Security Competitive Grant Program](#), Department of Emergency Services and Public Protection

Energy and Technology

Renewable Energy

Last year, the legislature directed the Department of Energy and Environmental Protection (DEEP) to reconfigure some of its major renewable energy programs. Among other things, [PA 18-50](#) increased the state's requirements under its renewable portfolio standard and established new tariff-based renewable energy programs for residential and commercial customers. This year, the legislature may look to further adjust these programs, which have not been finalized. Legislators may also revisit the debate over how to compensate owners of renewable energy systems for the power they export to the grid.

Environment

Bear Hunting Season

During each of the last three years, the legislature has considered proposals related to the state's growing black bear population. DEEP estimates that there are approximately 800 black bears in Connecticut, with a growth rate of about 10% per year. In 2019, the legislature may consider past legislation such as (1) establishing regulations on hunting black bear or (2) prohibiting feeding or attracting black bears.

Read OLR reports:

- [2018-R-0338](#), *Penalty for Hunting Black Bear*
- [2018-R-0265](#), *Issue Brief: Black Bear Population*
- [2018-R-0274](#), *Feeding Black Bears on Private Property*

Plastics Pollution

Finding ways to reduce pollution is a perennial matter before the legislature. And plastics pollution, particularly in waterways, has been of heightened concern recently. In 2018, the legislature sought to require the DEEP commissioner to develop strategies for achieving a goal of having the plastic beverage containers sold in the state be made of at least 25% post-consumer recycled plastic by 2025 ([SB 428](#)). Continuing with its efforts to reduce plastics pollution, the legislature may consider similar proposals this session, particularly focusing on single-use plastics products (e.g., bags or straws).

Finance, Revenue and Bonding

State Tax Relief and Restructuring

Over the past few months, policymakers and stakeholders across the state have proposed a number of tax changes aimed at improving the state's business climate and providing residents with tax relief. These have included proposals to (1) expand the state's property tax credit against the personal income tax, (2) cut the state's corporation business tax rate, (3) reduce or eliminate the business entity tax, (4) eliminate the estate and gift tax, and (5) reduce property tax burdens for homeowners and businesses. The General Assembly may take up these proposals during the 2019 session, while also considering ways to compensate for these tax relief measures by making structural changes to the state's tax code or adjustments to the budget.

Read OLR reports:

- [2018-R-0228](#), *Connecticut's Property Tax Credit against the State Income Tax*
- [2017-R-0281](#), *Business Entity Tax*
- [2018-R-0093](#), *State Capital Base Taxes*
- [2018-R-0092](#), *Comparison of Business Tax Structures in Surrounding States*

See also:

- [Fiscal Accountability Report FY 19 - FY 22](#), OFA (2018)

Unfunded Pension Liabilities

The legislative and executive branches have taken various steps in recent years to address the underfunding of the state's two largest pension systems, the State Employee Retirement System (SERS) and the Teachers' Retirement System (TRS). But despite these efforts, the two systems will continue to put significant pressure on the state budget as their funding requirements increase over the coming years. A number of legislative commissions, including the Commission on Fiscal Stability and Economic Growth and the Pension Sustainability Commission, have studied and proposed options to address these funding issues. Treasurer Nappier also presented a proposal in November 2018 to address TRS' funding specifically. In 2019, the legislature may consider their recommendations and vet additional policy options to tackle these issues.

For more information:

- [*Final Report on Connecticut's State Employees Retirement System and Teachers' Retirement System*](#), Center for Retirement Research at Boston College (2015)
- [*Report of the Commission*](#), Teachers' Retirement System Viability Commission (2018)
- [*Pension Sustainability Commission*](#)
- [*Plan For Sustainable Funding of the Teachers' Retirement Fund*](#), Office of State Treasurer (2018)
- [*Report 2.0*](#), Commission on Fiscal Stability and Economic Growth (2018)

General Law

Alcohol Regulation

Connecticut's system for regulating alcoholic beverages is based on the nature of the business (e.g., manufacturer or retailer) as well as the type of alcohol produced or sold (e.g., liquor, wine, or beer). Over the years, the state has created new permits when new business types develop or modified existing ones because operations change. This has led to a regulatory scheme with a number of different but similar permits and various fees and regulatory requirements. This session, the legislature may consider bills aimed at creating more uniformity in the current system in order to reduce the complexity.

Read OLR reports:

- [*2018-R-0356*](#), *Three-Tier Alcohol System*
- [*2017-R-0349*](#), *Comparison of Beer Permits*

Government Administration and Elections

Constitutional Restrictions on Voting

The state constitution contains provisions regarding the administration of elections in Connecticut, including the requirement that voters cast their ballots in person on Election Day, unless they qualify to vote by absentee ballot because, among other reasons, they will be out of town or have a physical disability. The legislature may reconsider a proposed constitutional amendment to ease these restrictions and grant the legislature increased authority to pass legislation relating to the time, place, and manner of voting. For example, in 2018 the House passed [HJ 28](#), which would have authorized the legislature to provide by law for an in-person early voting period.

Read OLR report:

- [2018-R-0278](#), *Early Voting*

Higher Education and Employment Advancement

Community College Consolidation

In June 2018, approximately two months after the New England Association of Schools and Colleges rejected its original proposal, the Board of Regents for Higher Education (BOR) approved a plan to consolidate the state's 12 regional community-technical colleges into one accredited two-year institution by 2023. The legislature will likely continue to consider legislation related to the consolidation plan.

For more information:

- [Endorsement of Revised Students First Plan](#), Connecticut BOR (2018)

Sexual Assault and Harassment in Higher Education

The U.S. Department of Education recently released proposed amendments to regulations that implement Title IX, a federal law that governs, among other things, sexual discrimination in higher education. These proposed regulations are open for public comment until January 28, 2019, after which date the agency may publish a final rule.

In the upcoming session, the legislature may revisit state laws that govern campus responses to Title IX violations to determine whether they conflict with any final rule the federal agency publishes. These state laws govern how Connecticut higher education institutions respond to sexual assault, harassment, and intimate partner violence complaints.

For more information:

- *Federal Register*, [A Proposed Rule by the Education Department on 11/29/2018](#)

Housing

Housing Opportunities

In recent sessions, the legislature considered bills aimed at increasing access to fair and affordable housing for all Connecticut residents. In 2019, the legislature may continue to consider legislation on this issue, including proposals to (1) incentivize the creation and rehabilitation of affordable housing in a variety of locations or (2) address the impact of local zoning regulations.

The legislature may also consider how to expand affordable housing opportunities for groups that might not be served by traditional housing programs, such as the moderate-income millennial workforce or seniors who need help with daily living activities but hope to age in place. For example, the legislature may reconsider bills offering tax breaks to recent graduates with student debt to help them afford the state's high housing costs. The legislature might also take up proposals aimed at helping seniors identify non-institutional assisted living arrangements.

Mixed Population Housing

Special Act [17-19](#) required the Department of Housing (DOH), in consultation with various other stakeholders, to study state-funded housing for elderly tenants and younger tenants with disabilities ("mixed population housing"). One of the primary goals of the study was to better understand why tensions often arise between the two groups.

To help reduce conflict in mixed population housing, the legislature may consider proposals contained in DOH's November 2018 report. Among other things, the report recommends (1) providing additional training for resident service coordinators (RSCs) and (2) enhancing collaboration among RSCs, housing authorities, and social service agencies.

For more information:

- [A Study of Tenants in State-Funded Elderly/Disabled Housing: Final Report](#), Connecticut Department of Housing and the Connecticut Fair Housing Center (2018)

Human Services

Medicaid Eligibility

This year, the legislature may continue the debate over the size and scope of the state's Medicaid program. The legislature reduced the HUSKY A income limit for non-pregnant adults (i.e., parents or caretakers) twice in the last three years, though it reversed the second cut in 2018. (Reducing an income limit generally decreases the number of people eligible for the program.)

Similarly, the legislature considered several bills in 2017 and 2018 that would have affected income eligibility for the Medicare Savings Program (MSP), a part of the state's Medicaid program that pays for cost-sharing requirements of low-income Medicare beneficiaries. Legislation passed in 2017 decreased MSP income limits, but subsequent legislation reversed the cut before it was implemented.

Read OLR reports:

- [2018-R-0203](#), *OLR Backgrounder: Medicaid Eligibility*
- [2018-R-0272](#), *Issue Brief: Medicaid 101*

Insurance and Real Estate

Affordable Care Act Status

In December 2018, a federal judge in Texas ruled that the Affordable Care Act's (ACA) individual mandate provision is unconstitutional and cannot be severed from the act's other provisions ([Texas v. United States](#), No. 4:18-cv-00167-O). While the decision is being appealed, the ACA remains in effect.

Since January 2014, the ACA has imposed a penalty on people who fail to maintain a minimum level of health insurance, a requirement generally referred to as the individual mandate. Until January 1, 2019, most people who did not comply with the federal individual mandate had to pay a penalty through their federal tax returns. However, the federal Tax Cuts and Jobs Act (P.L. 115-97 § 11081) eliminated the penalty, effective January 1, 2019. In the wake of the penalty's elimination, New Jersey and Vermont enacted a mandate that will take effect in 2019 and 2020, respectively. (Massachusetts enacted an individual mandate with a penalty in 2006.) In 2018, Connecticut considered, but did not pass, an individual mandate (e.g., [HB 5039](#) and [HB 5379](#)).

In 2019, the legislature may consider legislation imposing an individual mandate and penalty for not carrying health insurance.

Read OLR reports:

- [2018-R-0204](#), *Issue Brief: Federal and State Individual Mandate Penalties*
- [2018-R-0355](#), *Insurance Coverage for Preexisting Conditions*

Crumbling Concrete Foundations

In 2018, the legislature passed [PA 18-160](#), which imposes a \$12 surcharge on certain homeowners insurance policies and directs 85% of the money collected to the Crumbling Foundations Solutions Indemnity Company, Inc. (CFSIC). CFSIC is the captive insurer established to distribute grants and provide assistance to homeowners of homes with foundations that are deteriorating due to pyrrhotite ([PA 17-2](#) June Special Session, §§ 334-348).

In 2019, the legislature may consider crumbling concrete foundation legislation that (1) expands eligibility criteria for CFSIC assistance to include more individuals, owners of condominiums in complexes with more than four units, and owners of commercial or municipal buildings, or (2) increases the insurance surcharge to provide more funding assistance.

Read OLR reports:

- [2018-R-0294](#), *Insurance Coverage for Crumbling Concrete Foundations: A Summary of the Issues*
- [2018-R-0239](#), *Crumbling Concrete Foundations in Connecticut*
- [2018-R-0123](#), *Issue Brief: Select State Actions on Crumbling Concrete Foundations*

Judiciary

Recreational Marijuana

Ten states have legalized the possession of specified quantities of marijuana for recreational use by adults (age 21 and older), generally regulating marijuana in a manner similar to alcohol. In Connecticut, the General Assembly has considered bills on this issue in recent years and likely will do so again this year.

Read OLR reports:

- [2018-R-0315](#), *Issue Brief: Recreational Marijuana*
- [2016-R-0273](#), *Marijuana Penalties*

Sexual Harassment and Sexual Assault

With increased attention nationally on workplace sexual harassment and related issues, several states considered legislation in 2018 on various aspects of this topic. In Connecticut, the General Assembly considered bills to, among other things, (1) expand requirements for employers to train employees on sexual harassment laws and (2) give individuals alleging harassment more time to file a complaint with the Commission on Human Rights and Opportunities. Similar proposals may be introduced in the upcoming session.

The legislature may also consider proposals to extend or eliminate the statute of limitations for certain sexual assault crimes. In recent years, it has considered various bills on this issue.

Read OLR reports:

- [2018-R-0243](#), *Workplace Sexual Harassment Law*
- [2018-R-0249](#), *Sexual Assault Statute of Limitations*

Labor and Public Employees

Minimum Wage

This year, the legislature may consider increasing the state's minimum hourly wage, which is currently \$10.10. The legislature most recently raised the minimum wage through [PA 14-1](#), which increased it from \$8.70 to (1) \$9.15 on January 1, 2015, (2) \$9.60 on January 1, 2016, and (3) \$10.10 on January 1, 2017.

Read OLR reports:

- [2015-R-0139](#), *The Tip Credit*
- [2018-R-0223](#), *Tiered Minimum Wage Laws*
- [2018-R-0288](#), *Minimum Wage Exceptions for Seasonal Employees and Employees Entering the Workforce*

Paid Family and Medical Leave

Over the past several sessions, the General Assembly has considered expanding the state's Family and Medical Leave Act (FMLA) and creating a program to provide limited wage replacement benefits to employees who are out on FMLA leave. Last year, the Labor Committee passed two bills that would have done so ([SB 1](#) and [HB 5387](#)). The legislature may consider similar proposals again this year.

Read OLR reports:

- [2015-R-0308](#), *Connecticut's Family and Medical Leave Act*
- [2016-R-0030](#), *Paid Family Leave Programs in California, New Jersey, and Rhode Island*
- [2018-R-0192](#), *Comparison of Connecticut's Paid Family Medical Leave Bill to Recently Enacted Programs in Massachusetts and Washington*

Planning and Development

Housing Choice

In recent sessions, the legislature has looked for ways to increase the diversity of housing choice in Connecticut's towns, especially in towns with characteristics linked to educational, economic, and social success (e.g., quality schools and low unemployment). This session the legislature may look for ways to incentivize municipalities to adopt regulations that provide opportunities for developing a variety of housing types, including multifamily housing that is accessible to lower-income individuals.

Local Option Taxes

Reduced state aid and public services cost increases are putting pressure on local budgets and property owners. To help reduce the pressure, the legislature may consider authorizing municipalities to levy new taxes, such as a local sales tax, to diversify their revenue stream and reduce their dependence on property taxes.

Public Health

Tobacco and E-Cigarettes

Like many states, Connecticut has enacted laws in recent years to regulate the sale and use of e-cigarettes in a manner similar to tobacco cigarettes, such as (1) prohibiting minors (under age 18) from buying or possessing in public e-cigarettes; (2) prohibiting anyone from selling, giving, or delivering e-cigarettes to minors; (3) restricting their use in various establishments and public places, such as state buildings and restaurants; and (4) requiring dealers and manufacturers to register with the Department of Consumer Protection.

During the 2019 session, the legislature may again consider proposals to (1) raise, from 18 to 21, the legal age to purchase or possess in public tobacco and e-cigarettes; (2) impose a tax on e-cigarettes apart from the general sales tax; or (3) modify the state's Clean Indoor Air Act to further restrict tobacco and e-cigarette use in public places.

Read OLR reports:

- [2018-R-0040](#), *Connecticut's E-Cigarettes Laws*
- [2018-R-0039](#), *E-Cigarettes and Minors*
- [2017-R-0265](#), *State E-Cigarette Taxes*

State Water Plan

In 2019, the legislature may again consider whether to approve the State Water Plan, which was prepared by the state's Water Planning Council (WPC) to help manage the state's water resources.

As required by law, the WPC prepared the plan and submitted it in January 2018 to the legislature, where the committees of cognizance held a hearing but then no further action was taken. After the session, Governor Malloy issued an [executive order](#) directing the WPC to implement the plan and resubmit it to the legislature by December 1, 2018, which the WPC did. (By law, the plan takes effect within the two years after the WPC first submitted the plan to the committees if adopted by an affirmative vote of the legislature. Thereafter, the governor may approve or disapprove the plan.)

For more information:

- [Final Report Connecticut State Water Plan](#), Connecticut WPC (2018)

Public Safety and Security

Gaming Expansion

Sports Betting

In a 2018, the Supreme Court issued a decision allowing states to regulate sports betting (*Murphy v. NCAA et al.*, 138 S. Ct. 1461). In light of this decision, the legislature may consider proposals to legalize and tax wagers on sports.

Read OLR report:

- [2018-R-0224](#), *Issue Brief: Sports Betting*

Off-reservation Casino

Following the recent opening of the casino in Springfield, Massachusetts, the General Assembly may consider legislation regarding off-reservation casinos. For example, proposals could modify the current authorization for the East Windsor casino or create a request for proposals for an open-bid process to build an additional casino in another part of the state.

Read OLR reports:

- [2018-R-0256](#), *Connecticut Casino Gaming Timeline*
- [2018-R-0257](#), *Issue Brief: Off-Reservation Casino*

Firearms

Growing concern about the increase in gun violence throughout the country may lead the legislature to review the state's gun laws and address gun control issues. The legislature could consider proposals such as (1) regulating 3-D manufactured guns (i.e., ghost guns) in the same manner as existing firearms, (2) adding requirements for gun storage, or (3) requiring a gun permit holder to show his or her permit to a law enforcement officer who asks for it after seeing that the person is openly carrying a handgun.

Read OLR reports:

- [2016-R-0328](#), *Gun Storage Requirements*
- [2016-R-0330](#), *Concealed vs. Open Carrying of Firearms in Connecticut*

Transportation

Transportation Funding

Although recent legislative actions have stabilized the Special Transportation Fund (STF) through FY 23 (see OFA report below), additional transportation funding will likely be necessary in the future due to, among other things, the growth of Connecticut's infrastructure needs and STF-supported debt service.

Over the past several years, the legislature has considered several bills authorizing tolling in Connecticut, and it may do so again this year. Other funding options could include increasing the gas tax or using non-STF resources for transportation purposes (e.g., diverting General Fund revenue to the STF or authorizing additional general obligation bonds for transportation purposes). The legislature may also consider alternative financing mechanisms, such as a state infrastructure bank or using public-private partnerships to finance infrastructure projects, to leverage available funding and attract private investment.

Read OLR report:

- [2018-R-0293](#), *Issue Brief: Special Transportation Fund*

See also:

- [Connecticut Tolling Options Evaluation Study](#), Connecticut Department of Transportation (2018)
- [Fiscal Accountability Report FY 19 to FY 22](#), OFA (2018)

Veterans' Affairs

Veterans' Aid and Benefits

This session, the legislature may continue to explore proposals that increase aid to, and benefits for, Connecticut veterans. These proposals could include (1) increasing property tax exemption amounts, (2) expanding eligibility for veterans' benefits, or (3) exempting specific groups of veterans from certain fees.

Read OLR reports:

- [2018-R-0235](#), *OLR Backgrounder: State Veterans' Benefits*
- [2018-R-0236](#), *OLR Backgrounder: Veterans' Property Tax Exemptions*