

Subject: Monday Morning Group Minutes
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CBIA Monday Morning Group

April 5, 2011

Next meeting – Monday, April 11

Commerce (Lou Bach)- Two bills that have great potential have been voted out of the Commerce Committee:

- **HB-6584** the Manufacturers' Reinvestment Account bill was approved with substitute language. The bill allows manufacturers to invest in a tax-deferred fund for up to five years, using disbursements to purchase machinery, equipment, facilities, or to invest in workforce development.
- **SB-842** the Job Impact Statements bill. This bill mandates that future legislative proposals with the potential to affect jobs in the state must include a report analyzing that impact, positive or negative. Currently in Appropriations, this bill came out of Commerce with changes that limit the number of impact statements in order to save money, but changes weren't made to address the quality and depth of the studies themselves. We are working to overhaul language in this proposal so that it would help, rather than hinder, an accurate understanding of a given bill's real impact on jobs.

Please contact Lou Bach at Louis.Bach@cbia.com for information regarding Commerce.

Environment (Eric Brown)- On the regulatory front, the DEP is initiating bi-weekly meetings with interested stakeholders in an effort to fashion a compromise stream flow regulatory proposal by early July.

Major brownfield legislation (**HB-6526**) continues to be worked on. Several involved CBIA members are presenting at this week's Brownfields 2011 meeting in Philadelphia where Governor Malloy is expected to attend.

Please contact Eric Brown at Eric.Brown@cbia.com for information regarding Environment and Land Use.

Healthcare (Eric George)- The OFA fiscal note for Sustinet was released on Monday and shows that the cost of the plan will be significant.

Also on the cost-end, the fiscal notes for the health benefit mandates have been released and all but one of those bills need to go to the Appropriations Committee. Here are some examples of how much the mandates are going to cost the state:

- **SB-12** (AA Prohibiting Copayments For Preventive Care Services) is going to cost the state up to \$300,000 per year
- **SB-312** (AA Eliminating The Age Cap For Health Insurance Coverage For Specialized Formula) is going to cost the state up to \$12,000 per person, per year
- **SB-1083** (AA Concerning Out-Of-Pocket Expenses For Nonpreferred Brand Name Drugs) is going to cost the state at least \$2.38 Million in FY-12 and at least \$4.76 Million in FY-13

Please contact Eric George at Eric.George@cbia.com for information regarding Healthcare.

Judiciary (Kevin Hennessy)-The Judiciary Committee has two public hearings scheduled for this week. A public hearing Monday focused mostly on sexual offender and sexual assault issues, but there were two general business bills on the agenda:

- **HB-6641** (AAC The Use Of Credit Reports In Employment Decisions) prevents employers from conducting background and credit checks on certain employees.
- **SB-1231** (AAC Notice Of An Action Regarding A Defective Highway, Bridge, Sidewalk, Road Or Railing) extends the amount of time a plaintiff may file suit after an incident.

On the Committee's public hearing agenda for Friday is **HB-6477** (AAC The Unauthorized Practice Of Law By Notaries Public And The Outsourcing Of The Drafting, Review Or Analysis Of Legal Documents), which provides that the outsourcing of legal- document review to non-attorneys constitutes the unauthorized practice of law and increases the penalty for the unauthorized practice of law.

The Appropriations Committee has a public hearing scheduled for Tuesday and on the agenda are many proposed bills dealing with the state spending cap. Bills regarding the implementation of GAAP, the Rainy Day Fund, and the Commission on Enhancing Agency Outcomes are all the agenda. Also on the agenda is the Governor's bill **SB-1000** (AA Reforming The State Budget Process) that includes a section requiring the legislature to vote on binding arbitration agreements.

Please contact Kevin Hennessy at Kevin.Hennessy@cbia.com for information regarding Judiciary.

Labor (Kia Murrell)– The Judiciary Committee held a public hearing on Monday on **HB-6641** AAC The Use of Credit Reports in Employment Decisions. Like other proposals in the same vein, this bill limits the use of credit reports by employers in making hiring decisions, except for certain financial industry employers (such as broker-dealers, insurance producers and others required to maintain a professional license that may be suspended or revoked in cases of financial irresponsibility). CBIA submitted testimony at the hearing.

On Tuesday, the advocates of **SB-913** AA Requiring Employers to Provide Paid Sick Leave are holding a press conference to urge support for the legislation.

On Wednesday, the Labor Committee will hold a meeting to consider bills referred to it. The meeting agenda is not yet available.

Please contact Kia Murrell at Kia.Murrell@cbia.com for information regarding Labor.

Spending & Taxes (Bonnie Stewart)– The Finance Committee has concluded its public hearing for this session. There are two property tax measures that originated in the Planning and Development Committee that CBIA is concerned with at this time:

- **SB-130** requires the Secretary of the State to establish a pilot program which permits 3 municipalities to tax land at a higher rate than land with dwellings. (CBIA opposes)
- **SB-898** allows municipalities to adopt different property tax rates based on an individual property owners' income. (CBIA opposes)

We are still very concerned about the throwback tax (**SB-1007**) a proposal which harms any business that exports. In addition, there are a number of other tax bills we are watching at this time:

- **SB-1157** requires that repayment of economic recovery revenue bonds be arranged to limit the amount of monies taken from the Energy Conservation and Load Management Fund. (CBIA supports)
- **SB-1213** clarifies the standard of proof in most tax cases as a preponderance of the evidence. (CBIA supports)
- **SB-1214** makes numerous improvements to the nonresident contractor section of the tax statutes to clarify responsibilities and liabilities of parties doing business with nonresident contractors. (CBIA supports)
- **SB-1218** makes numerous changes to the tax statutes including adopting a procedure to require businesses to prove they don't owe any outstanding taxes prior to receiving any permits or licenses from any state agency. (CBIA has concerns with this measure in its current form. We've proposed a number of changes to DRS and are waiting for a response.)
- **HB-6387** imposes personal property taxes on certain vessels and aircraft. (CBIA opposes)
- **HB-6559** permits municipalities to send tax bills to taxpayers via email only when the taxpayer has affirmatively indicated their willingness to receive the bill electronically. (CBIA supports)
- **HB-6560** requires DRS to develop a list of every company in the state and indicate any credits, deductions or exemptions they've filed for under their tax return as well as dollars saved as a result of the credit, deduction or exemption. (CBIA opposes)
- **HB-6628** increases uncertainty and adds to the administrative burdens of businesses and the state by imposing mandatory unitary combined reporting of corporate taxes. (CBIA opposes)

Please contact Bonnie Stewart at Bonnie.Stewart@cbia.com for information regarding

spending & taxes.

Transportation (Eric Brown) - The Governor yesterday announced that he supports moving forward with the New Britain/Hartford busway project.

Two bills affecting the future governance of Bradley International Airport (**SB-925** and **SB-1003**) have been referred to the Transportation Committee for consideration late this week or early next.

Please contact Eric Brown at Eric.Brown@cbia.com for information regarding transportation.

For other information, check out "[Inside the Capitol](#)," CBIA's public policy blog.

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