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driving business to business



Waterbury Regional Chamber
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Watertown Oakville Chamber
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2021 Legislative Session Report

Prepared by Joe Violette
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on behalf of the Public Policy Committee
June 30, 2021

The 2021 Legislative Session was unlike any other in the state's history. The State Capitol was completely closed to the public, including lobbyists and advocates. Every committee meeting and public hearing was held virtually, and legislators were dissuaded from sitting at their desks in the House and Senate Chambers. Instead, they were to listen to floor debates and vote from their offices inside the Legislative Office Building, adjacent to the State Capitol. This did not deter legislative leaders from proposing and debating big issues like public option, unemployment reform, legalization of cannabis, and the state budget.

Our lobbyist Armando Paolino III was essential in identifying bills important to Chamber members. Under his direction, in conjunction with the Public Policy Committee led by Chairman Bill Palomba, the Chamber developed a robust advocacy campaign on legislation pertaining to labor and workforce, healthcare, economic development, transportation and infrastructure, manufacturing, regulatory reform, and the state budget. The Committee regularly hosted local elected officials and industry experts at their monthly meetings to discuss public policy matters and political discourse in Hartford. Although virtually, the Chamber participated in many public hearings, advocacy calls and coalition meetings where its voice was heard by legislators on both sides of the isle.

This end of session report includes legislation that the Chamber advocated for, and against, and additional bills that will impact our region's business community. If you have any questions or comments on policies featured (or not featured) in this report, please do not hesitate to reach out to me directly.

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ECONOMIC DEVELOPMENT

Senate Bill 186 - AN ACT ALLOWING PERSONS SIXTEEN YEARS OF AGE OR OLDER TO OPERATE RIDES AT AMUSEMENT PARKS - Supported

Senate bill 186 lowers the minimum age for amusement park ride operators from 18 years old to 16 years old. If an operator is under 18 years old, they must work in an area that is supervised by someone who is at least 18 and properly trained. This bipartisan bill awaits the Governor's signature.

Senate Bill 1020 AN ACT ESTABLISHING A REGIONAL ECONOMIC DEVELOPMENT PILOT PROGRAM - Supported

This bill establishes a regional economic development pilot program through the Department of Economic and Community Development. The bill establishes a regional matching grant pilot program for the purpose of providing matching funds to regional economic development corporations for the implementation of development programs in distressed municipalities. This measure passed both chambers and awaits the Governor's signature.

"Senate Bill 1020 will provide matching funds to help spur economic development and investment in the greater Waterbury and Naugatuck Valley region. There are tremendous benefits to working regionally on economic development projects and we are looking forward to expanding our reach and partnering with additional municipalities." - Tommy Hyde, CEO of the Naugatuck Valley Regional Development Corporation

Senate Bill 1038 - AN ACT CONCERNING BROWNFIELD REMEDIATION - Supported

This bill makes the brownfield remediation programs more robust and stronger. It clarifies liability and compliance issues with current statute and expands eligibility for short-term lessees. It also closes loopholes in the clean-up process and establishes a tax credit program for up to 25% or \$2 million of expenditures. Making these changes to the state's brownfield remediation program will continue to help development in downtown Waterbury and the region. This bill failed to get voted out of the Finance, Revenue & Bonding Committee. However, \$50 million in bonding for remediation projects was approved.

HEALTH CARE

Senate Bill 842 - AN ACT CONCERNING HEALTH INSURANCE AND HEALTH CARE IN CONNECTICUT - Opposed

Known as Public Option, the bill authorizes the Comptroller to offer state-sponsored insurance plan for small businesses and nonprofits. Included in the bill was an annual assessment fee against certain insurers known as HIT, that would generate \$50 million in revenue. The bill was seen as a high risk with no outlined back-stop for the program if it were to be underfunded. This bill failed to get called for a vote in the Senate.

House Bill 5596 - AN ACT CONCERNING TELEHEALTH - Supported

This bill codifies Governor Lamont's executive order that relaxed certain state laws which regulate health care related services, enabling more patients to use telehealth until June 30, 2023. The bill expands the type of health providers authorized to provide telehealth

services, allows audio-only telehealth, and allows the use of third-party communication (such as FaceTime) for telehealth. This bipartisan legislation was signed by the Governor on May 10th.

"Telehealth has proven to be an essential method for delivering healthcare particularly throughout this pandemic, providing options for all patients to receive the right care, at the right place at the right time. We are so appreciative of the support of the Waterbury Chamber, the Connecticut General Assembly, and Governor Lamont and are pleased that telehealth will continue as a service for all patients when an in-person visit is not feasible." - Dr. Stephen Schneider, President of St. Mary's Hospital

MANUFACTURING

House Bill 6435 - AN ACT EXTENDING THE MANUFACTURING APPRENTICESHIP TAX CREDIT TO PASS-THROUGH ENTITIES - Supported

This bill expands the manufacturing apprenticeship tax credit to pass-through entities (LLCs, partnerships, S corporations) giving them the opportunity to offset the cost of taking on apprentices and the ability to meet industry needs. The bill will have a positive effect on economic growth as more apprentices across the trades gain the necessary experience to become journeymen. House Bill 6435 failed to receive a vote in the Finance, Revenue & Bonding Committee.

Senate Bill 1021 - AN ACT ESTABLISHING A MANUFACTURING TECHNOLOGY WORKING GROUP - Supported

The bill establishes a manufacturing technology working group to develop a strategic plan to integrate product development and production processes for manufacturers in the state. Appointees to the working group will include the Governor's Chief Manufacturing Officer, representatives from large and small manufacturers, higher education officials, and representatives from various manufacturing and innovation groups. The working group will submit their report to the legislature by March 2022. This bill awaits the Governor's signature.

"Manufacturing has been identified as the key driver to community and economic recovery in Connecticut. It continues to thrive across our state evidenced by the thousands of career opportunities currently open and an estimated need between 6,000 - 8,000 additional workers annually to keep pace with our aging workforce and projected business. There is no question that workforce development is essential to meeting these demands but it is technology, such as Industry 4.0, Robotics and Cobots, that the workforce will utilize to advance manufacturing. Establishing a Manufacturing and Technology Working Group that comes together to share best practices, innovation and common interests only serves to further support investments made to keep Connecticut Manufacturing alive and well." – Rich DuPont, President of Resource Development Associates & Waterbury Regional Chamber Chairman

LABOR & WORKFORCE:

House Bill 5158 - AN ACT CONCERNING BREASTFEEDING IN THE WORKPLACE

This bill establishes criteria for employer-provided areas used by employees to express breast milk. It requires the area to be free from intrusion and shielded from the public with access to an electrical outlet and a cold storage container, such as a refrigerator. This bipartisan bill was signed by the Governor on June 4th.

House Bill 5377 - AN ACT CONCERNING THE REMOVAL OF COVID-19 RELATED LAYOFFS FROM THE UNEMPLOYMENT COMPENSATION EXPERIENCE ACCOUNT - Supported

This bill disregards COVID related layoffs when calculating an employer's unemployment tax experience rate for taxable years starting on or after January 1, 2022. Essentially, employer experience ratings will remain frozen at pre-pandemic levels. This bill is a major bipartisan victory for Connecticut's business community. It was signed by Governor Lamont on May 3rd.

House Bill 6380 - AN ACT CONCERNING THE DISCLOSURE OF SALARY RANGE FOR A VACANT POSITION - Opposed

This legislation requires that businesses provide job applicants and existing employees with the wage range of their positions. The bill also broadens the standard used to determine gender wage discrimination and requires employers to provide equal pay for comparable work, rather than equal work. This bill was largely supported by Democrats. House bill 6380 was signed by Governor Lamont on June 7th.

House Bill 6595 - AN ACT CONCERNING LABOR MATTERS RELATED TO COVID-19, PERSONAL PROTECTIVE EQUIPMENT AND OTHER STAFFING ISSUE & Senate Bill 1002 AN ACT CONCERNING LABOR ISSUES RELATED TO COVID-19, PERSONAL PROTECTIVE EQUIPMENT AND OTHER STAFFING MATTERS - Opposed

These proposals, which mirrored one another, would have significantly changed the unemployment and workers compensation process because of COVID. Among other things, the bill expanded COVID related liability and responsibility across a wide range of labor sectors. Both bills failed to get called in their respective chambers.

House Bill - 6537 AN ACT CONCERNING EXPANSION OF PAID SICK DAYS AND DOMESTIC WORKER COVERAGE - Opposed

This bill expanded the state's current paid sick leave law in numerous ways. It required Connecticut's smallest businesses, rather than businesses with 50 or more employees, to provide paid sick leave for all employees for use to care for their own or extended family members' illnesses. This bill failed in the Appropriations Committee.

House Bill 6633 - AN ACT RESTRUCTURING UNEMPLOYMENT INSURANCE BENEFITS AND IMPROVING FUND SOLVENCY - Supported

House Bill 6633 designed to improve the long-term solvency of the state's unemployment trust fund. The bill makes a variety of reforms to the state's unemployment system that will take effect in 2024, such as raising the taxable wage base from \$15,000 to \$25,000, increasing the minimum base period earnings required to qualify for unemployment benefits from \$600 to \$1,600, freezing the maximum weekly benefit amount for four years, and deferring unemployment insurance benefits until severance payments are exhausted. The bill, which has passed both the Senate and House, has yet to be signed by the Governor.

Senate Bill 56 - AN ACT DETERRING AGE DISCRIMINATION IN EMPLOYMENT APPLICATIONS

This bill makes it a discriminatory employment practice for an employer to request or require a prospective employee's age, birth date, or graduation date on an initial employment application, unless it is an occupational qualification or required by state or federal law. This bipartisan bill awaits the Governor's signature.

Senate Bill 658 - AN ACT REQUIRING EMPLOYERS TO RECALL CERTAIN LAID-OFF WORKERS IN ORDER OF SENIORITY

Senate Bill 658 requires employers to recall laid off employees in order of seniority for workers laid off between March 10th, 2020, and May 10th, 2022. This bill was made more palpable by reducing the period from four to two years but still ignores factors like productivity, skill level, attendance, and disciplinary history. Under the bill, employers must offer the same or equal level job, and must offer training for similar job. This bill passed both chambers and awaits the Governor's signature.

Senate Bill 668 - AN ACT CONCERNING A FAIR WORK WEEK SCHEDULE - **Opposed**

Known as Fair Work Week or Predictive Scheduling, Senate Bill 668 would have penalized employers if they adjusted employee shifts for any reason, to accommodate for changes in businesses, lack of necessary materials, or illness. This proposal would have been devastating to many small and family-owned restaurant and hotels, as well as franchisees and corporate stores. The bill passed the Senate but failed to get called in the House.

TRANSPORTATION & INFRASTRUCTURE

Senate Bill 150 - AN ACT ESTABLISHING THE CONNECTICUT INFRASTRUCTURE AUTHORITY

The bill establishes the Connecticut Infrastructure Authority (as a quasi-public agency) to help finance eligible infrastructure improvement projects, support implementation, and give project finance expertise. Senate bill 150 failed to receive a vote in the Senate.

Senate Bill 884 - AN ACT REDUCING TRANSPORTATION-RELATED CARBON EMISSIONS - **Opposed**

Proposed Senate Bill 884 would require the Department of Energy and Environmental Protection to adopt regulations implementing the Transportation Climate Initiative Program, known as TCI-P. The TCI-P is a regional, multi-state approach to combat climate change by increasing gas prices to invest in cleaner, more environmentally friendly transportation infrastructure. This proposal failed to receive a vote in the Senate due to lack of support on both sides of the isle.

House Bill 6688 - AN ACT CONCERNING A HIGHWAY USE FEE - **Opposed**

The bill imposes a tax on heavy trucks that travel on Connecticut's highways. The tax charged per mile ranges from 2.5 cents for trucks weighing 26,000-28,000 pounds to 17.5 cents for trucks weighing 80,001 pounds and over. It is estimated to generate \$90 million in revenue a year that will be deposited into the Special Transportation Fund. This bill,

which is a tax increase that was not included in the state budget, awaits the Governor's signature.

Senate Bill 127 - AN ACT CONCERNING THE SALE OF ELECTRIC VEHICLES IN THE STATE - **Opposed**

The proposed bill would have allowed out-of-state electric vehicle manufacturers, such as Tesla, to sell to consumers directly, therefore bypassing the consumer protection regulations that all car dealerships in Connecticut must abide by. This change would have risked jobs and property tax revenue across the Waterbury Region. Tesla and other electric vehicle manufacturers are free under current law to sell their cars through the franchise system but choose not to. Senate Bill 127 failed to get called for a vote in the Senate.

"The failure of SB 127 is ultimately good news for consumers, as protections currently in place through the franchise system help protect auto buyers in Connecticut. This bill would have entitled a few select manufacturers to sell essentially the same product under a different set of rules, in effect creating an uneven competitive playing field against locally owned and operated dealerships." - Bill Palomba, Marketing Director at Blasius Chevrolet

REGULATORY REFORM

House Bill 6451 - AN ACT CONCERNING THE AUTHORIZATION, LICENSING AND REGULATION OF ONLINE CASINO GAMING, RETAIL AND ONLINE SPORTS WAGERING, FANTASY CONTESTS, KENO, AND ONLINE SALE OF LOTTERY TICKETS

House Bill 6451 establishes foundation for legalized gambling in Connecticut. The bill regulates online sports gaming, online casino gaming, fantasy sports, and online lottery draw games. Mohegan and Mashantucket Pequot tribes as well as the Connecticut Lottery Corporation will operate online and brick-and-mortar sportsbooks around the state. The bill was signed by Governor Lamont on May 27th.

Senate Bill 1201 - AN ACT CONCERNING RESPONSIBLE AND EQUITABLE REGULATION OF ADULT-USE CANNABIS

This landmark piece of legislation legalizes the use of cannabis for adults 21 and older. It creates a framework for a new cannabis industry in the state and attempts to address racial inequities caused by prohibition. The bill also specifically allows employers to set workplace policies prohibiting cannabis possession by an employee and allows employers to require drug screening for employees. Taxes from the legal sale of marijuana are expected to generate more than \$70 million a year by 2026. Senate Bill 1201 was signed by the Governor on June 22nd.

STATE BUDGET & SPENDING

House Bill 6689 - AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE THIRTIETH, 2023, AND MAKING APPROPRIATIONS THEREFOR, AND MAKING DEFICIENCY AND ADDITIONAL APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE THIRTIETH, 2021 & Senate Bill 1202 AN ACT CONCERNING PROVISIONS RELATED TO REVENUE AND OTHER ITEMS TO IMPLEMENT THE STATE

BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2023

The state legislature debated and passed a bipartisan, \$46.4 billion, two-year state budget that does not include any tax increases. It is important to note that the budget relies on \$1.75 billion in federal coronavirus relief funding to balance the budget, which may lead to issues with future biennium budgets.

Among many things, it supports workforce development by investing \$110 million over the next three years in short-term training programs designed to help unemployed or underemployed residents earn high-paying jobs in high-demand industries.

Included in the biennium is a \$155 million commitment to replenish the state's unemployment trust fund in 2022. This will lessen the burden on the state's businesses to restore the fund. The fund ran dry due to the hundreds of thousands of layoffs during the pandemic. The budget also increases funding for each of the state's tourism districts to \$400,000. The Chamber serves as the administrator to the western tourism district.

Senate Bill 1202, known as the budget implementer, includes several policies that were not voted on throughout the session. Such as the creation of the Office of Workforce Strategy. The Governor will appoint a Chief Workforce Officer who will be their principal advisor for workforce policy, strategy and coordination and will lead state efforts in developing employment training strategies and initiatives. This office assumes many of the responsibilities of the Office of Workforce Competitiveness, which is now eliminated. The bill requires employers, through June 30, 2024, to give an employee two hours of unpaid time off from their regularly scheduled work on the day of a regular state election to vote. The implementer also increases the cap on the amount of R&D tax credits corporations may claim each year from 50.01% to 70% of their annual tax liability. Governor Lamont signed the budget and corresponding implementer on June 23rd.

House Bill 6690 - AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS, TRANSPORTATION AND OTHER PURPOSES, ESTABLISHING THE COMMUNITY INVESTMENT FUND 2030 BOARD, AUTHORIZING STATE GRANT COMMITMENTS FOR SCHOOL BUILDING PROJECTS AND MAKING REVISIONS TO THE SCHOOL BUILDING PROJECT STATUTES

Known as the 'bond package' this bill outlines construction projects the state will bond for over the next two years. Included are allocations for the improvement of the Interstate 84 and Route 8 interchange and a new signal system on the Waterbury branch line. The total amount of bonds authorized over the two-year period is roughly \$3.7 billion.

Also included in the bond package is \$50 million for Brownfield Remediation Revitalization programs, \$50 million for the Small Business Express program, \$20 million for the Connecticut Manufacturing Innovation Fund, and \$40 million for CareerConneCT workforce training programs. The bill establishes the Community Investment Fund, which authorizes up to \$875 million in bonds for a five-year bonding program to fund qualifying projects and grants in distressed communities. The city of Waterbury is identified as a distressed community.