## Office of Legislative Research Connecticut General Assembly



# **OLR MAJOR ISSUES 2014**

2013-R-0441



#### 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

CONTENTS	
Aging	2
Appropriations	2
Banks	4
Children	5
Commerce	6
Education	8
Energy & Technology	10
Environment	10
Finance, Revenue & Bonding	12
General Law	12
Government Administration & Elections	13
Higher Education & Employment	
Advancement	14
Housing	15
Human Services	16
Insurance & Real Estate	17
Judiciary	18
Labor & Public Employees	19
Planning & Development	20
Public Health	22
Public Safety & Security	23
Transportation	24
Veterans' Affairs	25

Analysis (OFA), and the Legislative Commissioners' Office (LCO) regarding 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 2014 session in consultation with OFA and LCO. OLR analysts wrote the issue descriptions below, except for the Appropriations Committee description, which OFA provided.

Sandra Norman-Eady, Director Phone (860) 240-8400 FAX (860) 240-8881 <u>http://www.cga.ct.gov/olr</u>

Connecticut General Assembly Office of Legislative Research Room 5300 Legislative Office Building Hartford, CT 06106-1591 <u>Olr@cga.ct.gov</u> 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.

#### AGING

#### **Community Spouse Allowable Assets**

Legislators may again debate increasing the amount of assets a nursing home resident's spouse (i.e., community spouse) may keep. Advocates have argued for increasing the amount in order to allow the spouse to maintain his or her independence and continue to live in the community, which is a less expensive alternative to institutionalization.

#### Personal Needs Allowance

The FY 13 budget reduced the personal needs allowance (PNA) for nursing home residents from \$69 to \$60 per month. Residents whose care is paid for by Medicaid receive PNA to pay for such things as haircuts and newspapers. Legislators may revive a 2013 bill that sought to increase the PNA amount and reinstitute a cost-of-living adjustment.

#### Grandparents Raising Grandchildren

A 2013 bill would have increased grandparents' Temporary Family Assistance benefits to match the foster care rate paid by the Department of Children and Families. Legislators may again debate this issue in light of anecdotal and other evidence suggesting a steady increase in the number of grandparents raising grandchildren.

## **APPROPRIATIONS**

#### **Budget Projections**

On November 15, 2013, OFA projected a General Fund surplus of \$117.1 million in FY 14, which represents about 0.7% of total estimated expenditures. In addition, OFA also projected a surplus for next year (FY 15) of \$8.4 million. However, OFA projects significant deficits over the next three years ranging from \$1,103.4 million to \$1,436.5 million.

For FY 14, the surplus is made up of two components: expenditures and revenue. Expenditures are \$56.2 million lower than originally budgeted, and revenues are \$56.5 million higher than originally budgeted. Table 1 shows the overall budget outlook for FY 14 through FY 18.

	FY 14	FY 15	FY 16	FY 17	FY 18
Estimated expenditures	\$17,132.5	\$17,524.3	\$18,790.6	\$19,633.4	\$20,631.6
Estimated revenue	17,249.6	17,532.7	17,687.2	18,406.6	19,195.1
Surplus / (deficit)	117.1	8.4	(1,103.4)	(1,226.8)	(1,436.5)
% of estimated					
expenditures*	0.7%	0.0%	-5.9%	-6.2%	-7.0%

#### Table 1: Budget Outlook (\$ in millions)

\*Totals may not add due to rounding effects.

Since <u>PA 11-48</u> (as modified by <u>PA 13-239</u> and <u>PA 13-247</u>) required Connecticut to transition to a Generally Accepted Accounting Principles (GAAP)-based budgeting method beginning in FY 14, the above projections are calculated under GAAP. A further explanation of GAAP can be found in Section 6 of OFA's Fiscal Accountability Report (see below).

#### Spending Cap

The state is under the spending cap in the current year, assuming no FY 14 deficiency appropriations are made. Calculations for the out-years are based on Current Services estimates 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. Table 2 shows the spending cap figures for FY 14 through FY 18.

Items	FY 14	FY 15	FY 16	FY 17	FY 18
Appropriations allowed by cap	\$18,615.9	\$19,010.7	\$19,960.8	\$20,812.9	\$21,778.9
Estimated expenditures	18,606.5	19,022.5	20,443.5	21,360.6	22,431.1
Over / (under) the cap*	(9.4)	11.9	482.8	547.7	655.2

#### Table 2: Spending Cap Calculations (\$ in millions)

\*Totals may not add due to rounding effects.

#### Long-Term Obligations

Unfunded liabilities are legal commitments incurred during the current or a prior year that must be paid some time in the future but for which no reserves have been set aside. Connecticut's unfunded obligations are primarily in four areas: (1) bonded indebtedness (i.e., debt outstanding), (2) state employees' and teachers' retirement, (3) state employees' and teachers' post-employment benefits, and (4) the GAAP deficit. The state's unfunded liabilities total \$65.2 billion, an increase of 2.0% from last year's reported amount of \$63.9 billion. Table 3 includes the unfunded liabilities for these four areas.

Unfunded Liabilities	Amount
Debt Outstanding	\$20.4
State Employee Retirement System (SERS)	13.3
Teachers' Retirement System	11.1
State Post-Employment Health and Life	16.3
Teachers' Post-Employment Health	3.0
GAAP Deficit	1.1
Total*	65.2

\*Totals may not add due to rounding effects.

#### Read OFA's report:

• <u>Fiscal Accountability Report to the Appropriations and Finance</u> <u>Committees as required by CGS Sec. 2-36bS</u>, November 15, 2013

## BANKS

#### Assistance for Homeowners Facing Foreclosure

Last session, the legislature made numerous changes to the Judicial Branch's foreclosure mediation program, including extending the program's operation and establishing expedited foreclosure procedures for vacant and abandoned properties (<u>PA 13-136</u>). However, because the high foreclosure rate persists, the legislature may consider additional changes to the program and foreclosure process, including changes related to pre-foreclosure sales and additional procedures to help homeowners through the mediation process.

Read OLR's reports:

- <u>2013-R-0083</u>, State Requirements for Debt Negotiators in Short Sale Negotiations
- <u>2013-R-0400</u>, Short Sales

## CHILDREN

## Removing Names from the Statewide Child Abuse Registry

The legislature may again consider bills allowing individuals to have their names removed from the state's child abuse registry under certain circumstances. Currently, any individual against whom the Department of Children and Families (DCF) has substantiated an allegation of abuse or neglect has his or her name placed on the registry. No mechanism exists to remove someone's name from the registry once all administrative appeals have been exhausted. While employers and licensing authorities do not have direct access to the registry, they can request background checks and registry information as part of these checks.

Read OLR's report:

• <u>2012-R-0114</u>, Child Abuse and Neglect Registry

## Mandated Reporting of Abuse or Neglect

The state's mandated reporter law requires certain professionals to report to either DCF or the police when, in the ordinary course of their employment or profession, they believe a child has been abused or neglected. Many of the state's higher education institutions have instituted their own employee reporting policies as part of their student sexual assault policies. In 2014, the legislature may wish to codify these policies and extend the mandate to other individuals who come into regular contact with children, such as coaches.

## Student Athletes and Head Injuries

The Committee on Children may consider legislation to further mitigate concussion risk, particularly for student athletes who play full-contact sports. This would build upon its work in 2010, when the legislature passed a law aimed at reducing concussion and head injury risk among student athletes (PA 10-62).

The law requires any coach of intramural or interscholastic athletics who has a State Board of Education (SBE)–issued coaching permit to:

- 1. be periodically trained in how to recognize and respond to head injuries and concussions,
- 2. take a student athlete out of any interscholastic or intramural game or practice if the athlete shows signs of or is diagnosed with a concussion, and
- 3. keep the athlete out of any game or practice until the athlete has received written clearance from a medical professional to return to play.

## COMMERCE

## Improving the State's Economic Climate

Economists report that Connecticut's gray economic clouds are starting to break up, but at a slower rate than those over other nearby states, including Massachusetts and Vermont. The New England Economic Partnership (NEEP) <u>estimates</u> Connecticut will gain about 5,500 jobs in 2013, down from a 14,000 job gain in 2012, and sees more job cuts in the government, defense, casino, and health insurance sectors. Massachusetts, on the other hand, has already recovered the jobs lost during the last recession, and Vermont will do so shortly, according to NEEP.

Given Connecticut's mixed forecast, the legislature will likely consider more strategies to help businesses grow and add jobs. These strategies may include issuing permits and licenses more quickly, easing the tax burden on new businesses, and encouraging entrepreneurs and academic researchers to collaborate on bringing new products and production techniques to the market.

Read OLR's reports:

- <u>2013-R-0249</u>, Acts Affecting Business and Jobs
- <u>2013-R-0276</u>, Connecticut's, South Carolina's, and Texas' Business Climates
- <u>2012-R-0276</u>, 2010-2012 Business and Job Growth Initiatives

#### Assessing the Return on the State's Economic Development Investments

When the last recession started, the state made major investments in specific projects, such as Jackson Laboratory, and economic development programs, such as the Small Business Express and Subsidized Training and Employment programs. Given the state's uncertain economic forecast and competing demands for limited dollars, the legislature may require more exact and timely assessments of the extent to which these investments are stimulating new business investment, creating jobs, and increasing tax revenue.

Read related studies:

• <u>Evidence Counts: Evaluating State Tax Incentives for Jobs and</u> <u>Growth</u>, PEW Center on the States, April 2012

## Establishing the Social Benefit Corporation in Law

Some businesses seek to make profits and benefit society and the environment. But those organized under traditional corporation business laws risk jeopardizing their obligation to maximize shareholder returns if their efforts to produce social benefits yield lower profits. An example of an effort to produce social benefits would be conserving resources by purchasing recycled products.

Several states have enacted laws providing a different legal framework under which these businesses can pursue social benefits without compromising shareholder value (i.e., social enterprise business). The legislature may again consider bills creating a similar framework in Connecticut. Bills authorizing social enterprise businesses failed in 2012 and 2013.

Read OLR's reports:

- <u>2012-R-0372</u>, Social Enterprise Businesses
- <u>2012-R-0431</u>, Selected States' Social Enterprise Business Legislation

Read related bill:

• <u>sHB 6356</u>, An Act Concerning Benefit Corporations and Encouraging Social Enterprise

#### **EDUCATION**

#### **Office of Early Childhood**

<u>PA 11-181</u> ordered the creation of a coordinated system of early care and education for young children. In 2013, <u>HB 6359</u>, if enacted, would have created the Office of Early Childhood (OEC) as the lead agency for the coordinated system. The bill gave OEC the responsibility of administering early childhood programs that were run by the State Department of Education, the Department of Social Services, the Department of Developmental Services, and the Department of Public Health. The bill was not called during the legislative session, yet the legislature approved a budget that appropriated FY 14-15 funds to OEC (<u>PA 13-184</u> and <u>PA 13-247</u>) for many early childhood programs.

Governor Malloy issued <u>Executive Order No. 35</u> on June 24, 2013 creating OEC, citing PA 11-181 and the FY 14-15 appropriations as evidence of the legislature's intent to create the office. In the 2014 session, the General Assembly will likely take up a bill establishing the office to codify its existence in statute.

#### School Safety

Following the December 2012 tragedy at Sandy Hook Elementary School, school safety issues have been the subject of legislative concern and public scrutiny. As part of its response to the tragedy, the legislature enacted a new school security grant program under <u>PA 13-3</u> to help pay for security improvements at schools. The legislature may want to consider changes to this program or authorize more funding.

Related topics have generated public awareness in recent months both in Connecticut and across the nation. These include students bringing deadly weapons from home into school, neighborhood crime hindering safe student travel, and school districts monitoring teachers' past and present criminal activity. In 2014, legislators may explore ways for the state to assist school districts with their efforts to minimize these safety threats. Read OLR's reports:

- <u>2013-R-0411</u>, State and Federal School Security Grants
- <u>2013-R-0354</u>, Weapons in Schools
- <u>2013-R-0396</u>, Programs Promoting Safe Travel to School
- <u>2013-R-0409</u>, Notification to School Districts When a Teacher is Arrested

#### Common Core State Standards and Teacher Evaluation

Connecticut is one of 45 states rolling out the new Common Core State Standards (CCSS) for math and language arts (English). Full implementation of the standards is scheduled in Connecticut for the 2014-15 school year, and the legislature may want to consider bills that address possible issues related to implementation and the accompanying new standardized tests. (A few states, including Massachusetts, are slowing the pace of CCSS testing implementation.) Since the new tests are administered on computers, one issue could be improving the technological capability of school districts to give the new tests.

Connecticut is also in the process of implementing new teacher evaluation systems in every school district. To avoid too many changes taking place simultaneously in the education system, the state may seek a delay in full implementation of the evaluation system until there is more time for teachers and students to adapt to CCSS. Connecticut is currently waiting for federal flexibility approval regarding testing tied to CCSS and the timing of the full implementation of the teacher evaluation. The General Assembly may need to consider legislation that would help the state gain federal approval.

Read OLR's report:

• <u>2013-R-0344</u>, OLR Backgrounder: Common Core State Standards

#### Legal Status and Structure of the State Education Resource Center (SERC)

Last session's <u>PA 13-286</u> requires the education commissioner to submit a plan by January 15, 2014 to the Education Committee clarifying SERC's legal status in relation to the State Department of Education (SDE). The plan must include a recommendation on whether SERC should become a state agency, a quasi-public agency, or a nonprofit organization. Past Auditors of Public Accounts reviews of SERC included recommendations that its legal status be clarified. One related issue is whether SDE should continue to hire an outside fiduciary to administer SERC's funds, including payroll and benefits for the organization's nearly 100 employees. The legislature may consider a bill that specifies SERC's status and the degree of oversight that SDE, the legislature, or both would have over the reorganized SERC.

Read the Auditors of Public Accounts' report:

• <u>Auditors' Report: Interim Report Regarding the State Education</u> <u>Resource Center (SERC)</u>, February 21, 2013

## ENERGY & TECHNOLOGY

## Class I & II Renewables

To counter its budget deficits, the Connecticut Resource Recovery Authority (CRRA) recently proposed allowing some of the trash it burns to generate energy to count as a Class I, rather than Class II, renewable energy source. Because prices for the renewable energy credits (RECS) produced by Class I sources are significantly higher than prices for the RECS produced by Class II sources, such a change could help increase CRRA's financial viability. The legislature may consider CRRA's proposal, which would require amending the statutory definitions of Class I and Class II renewables.

Read OLR's reports:

- <u>2013-R-0137</u>, *Renewable Portfolio Standard Primer*
- <u>2013-R-0205</u>, DEEP Renewable Portfolio Standard Study
- <u>2013-R-0227</u>, Final DEEP Renewable Portfolio Standard Report

#### ENVIRONMENT

#### Pesticides

The Environment Committee may again consider proposals to amend the state's pesticide laws. Last session, the committee favorably reported several bills concerning pesticide use. <u>SB 916</u> would have established a civil penalty for applying pesticides in a faulty, careless, or negligent manner. Under <u>SB 917</u>, certain lawn care products would have been allowed for use on the grounds of day care centers, preschools, and schools with children in grades eight or lower. (The law generally prohibits applying lawn care pesticides on the grounds of these schools.) <u>SB 914</u> would have created a task force to examine health effects of pesticide use. None of these bills passed.

Read OLR's reports:

- <u>2012-R-0343</u>, Pesticide Application at Day Care Centers
- <u>2012-R-0376</u>, Pesticide Application at Schools
- <u>2013-R-0165</u>, Pesticide Exposure in Children

#### Sale of Cats and Dogs at Pet Shops

In 2013, the legislature passed <u>SA 13-19</u>, which established a task force to study the proliferation of cats and dogs sourced from inhumane origins and sold in Connecticut pet shops. The task force must report its findings and legislative recommendations to the Environment Committee by January 1, 2014. The legislature may consider the task force's recommendations during the 2014 session.

Read OLR's reports:

- <u>2013-R-0328</u>, Municipalities that Ban Pet Store Sales of Dogs
- <u>2013-R-0425</u>, Connecticut Laws on Pet Shops and Animal Importers
- <u>2013-R-0429</u>, Connecticut Laws on Dog Breeders and Commercial Kennels

## State Park Funding

2013 is the centennial anniversary of Connecticut's state parks and forests. One issue often brought before the legislature is how to fund state parks and forests. For example, during the 2013 legislative session the Environment Committee favorably reported <u>SB 1011</u>, which would have permitted an increase in the special event user fees at state parks.

Also, the legislature's office of Program Review and Investigations (PRI) is currently studying state funding for state parks and forests. According to PRI, the study will "compare state park and forest use and revenue trends to funding levels and overall system expenditures." It will assess whether funding has been adequate to support operational needs. PRI intends to present draft findings and proposed recommendations in December 2013. In the upcoming session, the legislature may consider proposals based on them.

Read PRI's Scope of Study:

• <u>Scope of Study: State Parks and Forests: Funding</u>, PRI approved September 26, 2013

Read OLR's report:

• <u>2012-R-0528</u>, Financing State Parks

## FINANCE, REVENUE & BONDING

## **Evaluating Tax Expenditures**

Tax expenditures resulting from state tax credits, exemptions, and deductions may spur proposals to reevaluate their costs and benefits, including (1) reducing or eliminating particular tax expenditures, (2) evaluating their economic impact, or (3) requiring those benefiting from tax expenditures to disclose more information about themselves and their business and employment practices. OFA estimates that these expenditures currently total about \$6.9 billion, amounting to nearly 38% of the total projected General Fund and Special Transportation Fund revenue in the current fiscal year (*Fiscal Accountability Report*, November 15, 2013, pgs. 23-24). OFA's Tax Expenditure Report, which examines tax expenditures in greater detail, is due by the end of 2013.

Read OLR's reports:

- <u>2013-R-0292</u>, Guide to Connecticut's Business Tax Credits
- <u>2012-R-0271</u>, Business Tax Credit Disclosure in Other States
- <u>2012-R-0325</u>, State Limits on Business Tax Credits

## GENERAL LAW

## Compounding Pharmacies

Compounding pharmacies, which combine, mix, or alter ingredients to create a medication, generally for an individual patient, may be examined by the legislature. Over the last few years, the difference between these pharmacies and drug manufacturers has been unclear, since compounding pharmacies have begun to act more like manufacturers. The legislature may consider proposals to limit the amount of prescriptions a compounding pharmacy can produce at one time.

Read OLR's report:

• <u>2013-R-0009</u>, *Compounding Pharmacies* 

#### Nightclub Regulation

Several recent nightclub shootings around the state may prompt legislative proposals to curb such violence by regulating the clubs through their liquor license.

#### **GOVERNMENT ADMINISTRATION & ELECTIONS**

#### Balance Between Victim Privacy and the Public's Right to Know

This session the legislature may consider proposals from a 17member task force on how to balance victim privacy and the public's right to know. The task force was formed under <u>PA 13-311</u>, which exempts from disclosure under the Freedom of Information Act (FOIA) a photograph, film, video, digital, or other visual image depicting a homicide victim, to the extent that the record could reasonably be expected to constitute an unwarranted invasion of the victim's or surviving family members' personal privacy. It also exempts from disclosure under FOIA (1) the portion of certain recordings or audio tapes that describes a homicide victim's condition and (2) law enforcement records, compiled while detecting or investigating crime, that would disclose the identity of minor witnesses.

Read OLR's reports:

- <u>2013-R-0364</u>, States' Laws on Disclosing Crime Scene Photographs, Autopsy Reports, and 911 Tapes and Transcripts
- <u>2013-R-0384</u>, Other States' FOI Exemptions Protecting Personal Privacy

## National Popular Vote

The legislature may reconsider a proposal to enter into an interstate compact to elect the president by national popular vote. Under the compact, entitled "The Agreement Among the States to Elect the President by National Popular Vote," Connecticut would commit its presidential electors to the national popular vote winner in a presidential election. Any state or Washington, D.C. may join the compact, which does not take effect until enough have done so to cumulatively possess a majority of Electoral College votes (270). If the Electoral College is abolished, the compact terminates.

## **HIGHER EDUCATION & EMPLOYMENT ADVANCEMENT**

## Sexual Assault Policies

A 2012 law requires public and private higher education institutions to adopt and disclose one or more policies on sexual assault and intimate partner violence and offer, within existing budgetary resources, (1) sexual assault and intimate partner violence primary prevention and awareness programming for all students and (2) ongoing prevention and awareness campaigns.

The Higher Education and Public Safety committees' joint November 2013 informational hearing on institutions' compliance with the law may generate additional proposals that further address institutions' policies on sexual assault and intimate partner violence.

Read related laws:

• <u>PA 12-78</u>, An Act Concerning Sexual Violence on College Campuses

## Planning Commission for Higher Education

The legislature may consider proposals implementing the Planning Commission for Higher Education's strategic master plan. The commission must set numerical goals for 2020 and 2025 that:

- 1. eliminate the postsecondary achievement gap between minority students and the general student population and
- 2. increase the number of people who earn a bachelor degree, associate degree, or certificate; complete coursework at community colleges; and enter the state's workforce.

Additionally, the commission must examine higher education funding policies, including evaluating and making recommendations concerning (1) the use of strategic and performance-based incentive funding, and (2) transparent reporting by higher education institutions to the General Assembly and the public. The commission must submit a preliminary report on the plan's development by June 1, 2014, which is after the 2014 legislative session ends. However, if the commission develops goals and recommendations before the session ends, the legislature may consider proposals to implement them.

## HOUSING

#### Homelessness

The federally required, annual Point-in Time Count estimates that the number of homeless people in Connecticut grew by 7% between 2012 and 2013, while falling nationally by 4%. In the wake of this and other recent reports indicating that homelessness is increasing in Connecticut, the legislature may consider proposals to expand the state's homelessness prevention and reduction strategies, including its programs on permanent supportive housing and Rapid Re-Housing. It may also consider proposals to establish new strategies, such as a respite care program for homeless people who have medical conditions.

#### Landlord and Tenant Duties Regarding Bedbug Infestations

As bedbug infestations continue to be a problem for renters in the state, the legislature may consider proposals similar to those from 2013 that establish a framework for (1) identifying and treating bedbug infestations in residential rental properties and (2) specifying separate duties and responsibilities for landlords and tenants, including notice, inspection, and treatment requirements.

Read related bills:

• <u>SB 952</u>, An Act Concerning the Rights and Responsibilities of Landlords and Tenants Regarding Bedbug Infestation

Read OLR's reports:

- <u>2013-R-0120</u>, Maine's Bedbug Law
- <u>2010-R-0375</u>, OLR Backgrounder: Bedbug Legislation New York

#### **HUMAN SERVICES**

#### Affordable Care Act's "Basic Health Program"

Connecticut is poised to begin offering Medicaid coverage to individuals with incomes under 138% of the federal poverty level (FPL) beginning January 1. However, the legislature may be asked to revisit another provision in the federal Affordable Care Act (ACA), the Basic Health Program. This program offers states the opportunity to provide subsidized health insurance to individuals whose income is too high to qualify for the expanded Medicaid coverage, as an alternative to receiving premium subsidies to purchase coverage through the state's health insurance exchange.

While it is unclear at this time whether the current issues surrounding the ACA's rollout will affect the Basic Health Program, the 2014 legislature may wish to establish one in Connecticut.

Read OLR's report:

• 2012-R-0048, Basic Health Program

#### Drug Tests for Public Assistance Applicants and Recipients

The 2014 legislature may be asked to reconsider legislation requiring individuals applying for or receiving cash or other public assistance to (1) undergo drug testing as a condition of receiving the aid and (2) have that aid denied if they test positive for illegal drug use. Several states have enacted such legislation, some earlier this year, that would require screening for drugs based upon a suspicion that the applicant or recipient may be using. (Laws requiring suspicion-less drug tests have already been struck down in a few states on constitutional grounds.)

#### **DSS Audit Processes**

The Department of Social Services (DSS) Audit Division, as part of its statistical analysis, uses provider claim samples to extrapolate (or project) the number of erroneous payments made to, and the amount of overpayments to collect from, audited service providers. By law, DSS may only base a finding of overpayment to a provider on extrapolation if (1) there is a sustained or high level of payment error involving the provider, (2) documented educational intervention has failed to correct the error, or (3) the value of the claims in the aggregate is more than \$150,000 (CGS § 17b-99(d)(3)). The Council on Medical Assistance Program

Oversight's (MAPOC) Workgroup on Network Adequacy is reviewing DSS' audit practices, including extrapolation, and may include recommendations for legislation in its final report (due in January 2014).

Read OLR's report:

• <u>2013-R-0333</u>, Medicaid Provider Audits

## **INSURANCE & REAL ESTATE**

## Auto Insurance

In 2013, the Insurance and Real Estate Committee held a public hearing on <u>SB 863</u>, which would have prohibited insurers from using an applicant's or insured's marital status, age, gender, or education level as a factor in underwriting or rating private passenger automobile insurance. In 2014, the legislature may continue to explore ways to reduce auto insurance premiums.

Read OLR's reports:

- <u>2013-R-0258</u>, Auto Liability Insurance Requirements in Other States
- <u>2013-R-0274</u>, Motor Vehicle Financial Responsibility in New Hampshire
- <u>2013-R-0352</u>, Subrogation of Underinsured Motorist Insurance Claims

## Connecticut Health Insurance Exchange

The Connecticut Health Insurance Exchange, operating as Access Health CT, opened for business on October 1, 2013, offering health insurance policies for sale to individuals and small employers. The policies are effective January 1, 2014. One of the concerns about the policies is their affordability. Advocates believe that if Access Health CT actively negotiated premiums with the insurance carriers offering policies on the exchange, then premiums may be lowered, making the policies more affordable. In 2013, the legislature considered <u>SB 596</u>, which would have required Access Health CT to negotiate premiums with the carriers. The legislature may be asked to revisit this matter in 2014. Read OLR's report:

• <u>2012-R-0535</u>, *Relationship Between the Health Exchange and the Department of Insurance* 

#### JUDICIARY

#### Juveniles and Sentences to Life without Parole

The legislature may consider changes to juvenile sentencing laws in response to recent U.S. Supreme Court opinions. In 2010, the Court ruled that the Eighth Amendment prohibits imposing a sentence of life without the possibility of release on a defendant under age 18 who commits a non-homicide crime. The Court ruled that juveniles convicted of these crimes must have a "meaningful opportunity" for release after sentencing based on demonstrated maturity and rehabilitation (*Graham v. Florida*, 130 S.Ct. 2011). In 2012, the Court ruled that the Eighth Amendment prohibits automatically imposing a sentence of life without parole on offenders who committed homicides while under age 18. While the Court did not prohibit these sentences in all circumstances, it did require courts to consider how juveniles are different from adults and how that counsels against a life sentence without parole (*Miller v. Alabama*, 132 S.Ct. 2455).

A number of inmates, convicted of crimes committed when they were under age 18, are challenging the validity of their sentences under these rulings.

In 2013, the legislature considered, but did not pass, a bill on this topic. The Sentencing Commission, which submitted a proposal last session, will likely submit a proposal again, and it is likely that the legislature will consider that proposal as well as others during the 2014 session.

Read OLR's reports:

- <u>2012-R-0045</u>, Summary of U.S. Supreme Court Case on Life Sentences Without Parole for Juvenile Nonhomicide Convictions
- <u>2012-R-0290</u>, Summary of U.S. Supreme Court Case on Mandatory Life Sentences Without Parole for Juvenile Homicide Convictions

#### Legal Disputes Involving the Care and Custody of Minor Children

The legislature may consider proposals addressing legal disputes involving minor children. <u>SA 13-24</u> established a task force to study these disputes, as well as the role and cost of a guardian ad litem and an attorney for a minor child in actions involving custody, care, and parenting responsibilities. The task force has been examining applicable statutes and the costs associated with contested divorces. It must report its recommendations to the Judiciary Committee by February 14, 2014. The legislature may consider these recommendations and other proposals on these topics during the 2014 legislative session.

#### **Expansion of Civil Restraining Orders**

PA 13-214 established a task force to study the feasibility of amending the statutes to allow victims of crimes, such as sexual abuse and stalking, who are not family or household members of the offender to obtain civil restraining orders. The task force must report its findings and recommendations to the Judiciary Committee by February 5, 2014. The legislature may consider these recommendations and other proposals on this topic during the 2014 legislative session.

#### **Common Interest Communities**

The legislature has passed numerous changes in recent years to laws affecting condominiums and other common interest communities, and it may consider additional proposals in this area, including recent ones establishing new mechanisms to address complaints or conflicts between unit owners and associations.

#### LABOR & PUBLIC EMPLOYEES

#### Workers' Compensation

Except under limited circumstances related to police officers and firefighters, the law does not provide workers' compensation benefits for a mental or emotional impairment unless it was caused by a workrelated physical injury. The legislature may explore expanding the benefits to cover mental or emotional impairments caused by certain work-related mental or emotional injuries (e.g., post-traumatic stress disorder caused by witnessing an act of workplace violence).

The legislature may also look to regulate the rates hospitals charge for their workers' compensation-related services. State law requires a workers' compensation benefit payor to pay a hospital for its actual costs

2013-R-0441

of treating an injured worker, as determined by a workers' compensation commissioner. In practice, however, the payor and hospital typically negotiate discounted rates for the hospital's services. If they do not negotiate such rates, workers' compensation case law requires the payor to pay the hospital's billed rates. Among other things, the legislature may consider prescribing a hospital fee schedule with itemized allowable charges, establishing fixed discounts that must be applied to a hospital's charges, or using a formula based on Medicare or other predefined reimbursement rates.

Read OLR's report:

• <u>2013-R-0414</u>, Workers' Compensation Costs and Hospital Rates

## **Retirement Security**

According to a report prepared by the New School for Social Research's Schwartz Center for Economic Policy Analysis, 50% of the state's workers aged 25-64 are not covered by an employer-sponsored retirement plan, and the number of employers offering a retirement plan declined from 66% to 59% between 2000 and 2010. This fall, the House and Senate majority leaders convened the Majority Leaders' Retirement Security Roundtable to examine the issue and discuss establishing a state-administered retirement savings plan for private sector workers.

The legislature may consider proposals made by the group.

Read related studies:

• <u>Are CT Workers Ready for Retirement? Trends in Plan</u> <u>Sponsorship, Participation, and Preparedness</u>, Schwartz Center for Economic Policy Analysis, April 2013

## PLANNING & DEVELOPMENT

## Combatting Blight

Cities and towns across the state grapple with abandoned and blighted properties that attract crime, lower property values, and increase demand on code and law enforcement resources. These properties can include vacant lots, abandoned factories and mills, dilapidated residential structures, and neglected rental properties owned by absentee landlords. In an effort to address these issues, the legislature created a 15member task force in 2013 to draft model municipal blight ordinances and propose legislation. The legislature will likely consider the task force's proposals, as well as different legal and policy tools that can help municipalities address blight more effectively.

Read OLR's reports:

- <u>2013-R-0422</u>, Comparison of Municipal Blight Ordinances
- <u>2013-R-0331</u>, Municipal Authority to Address Blight
- <u>2013-R-0335</u>, Georgia's Blight Tax Program
- <u>2012-R-0250</u>, Blight Liens

#### Municipal Cost Efficiencies

In recent sessions, the legislature has taken a number of steps to encourage municipalities to cut costs by collaborating on activities and delivering services regionally. In part, the Municipal Opportunities & Regional Efficiencies (MORE) Commission has spurred these efforts by establishing working groups to focus on (1) municipal tax authority, (2) board of education functions, (3) regional entities, and (4) municipal mandates.

In 2014, the legislature will likely continue its emphasis on promoting municipal cost efficiencies by (1) examining further ways to provide mandate relief, (2) removing barriers to regionalizing municipal functions, (3) providing incentives to regional collaboration, and (4) implementing mechanisms to track and evaluate these initiatives.

Read OLR's reports:

- <u>2013-R-0345</u>, Local Option Taxes
- <u>2013-R-0294</u>, Education Mandates on School Districts
- <u>2012-R-0491</u>, Interlocal Collaboration and Regionalism Grants

## Impediments to Fair Housing Choice

A 15-member task force established by <u>SA 13-3</u> is studying how actions, laws, and administrative policies restrict housing choices for racial minorities, people with disabilities, and members of other protected classes. It is also exploring how educational achievement and transit-oriented development affect fair housing choice. In 2014, the legislature may consider the task force's recommendations, which may include incentives and strategies to promote affordable, accessible housing.

Read OLR's report:

• <u>2013-R-0430</u>, Summary of Federal and State Fair Housing Laws

#### PUBLIC HEALTH

#### Children and Young Adult Mental Health Services

During the 2014 session, the legislature may consider various changes to children and young adult mental health services, concerning prevention, intervention, insurance, payment models, and access to services. It may do so given the work of two task forces it created last session, partly in response to the school tragedy in Newtown, to study issues related to the mental health of children and young adults.

One task force, created by <u>PA 13-3</u>, must analyze various aspects of behavioral health services in the state (such as screening, gaps in private insurance coverage, and the shortage of certain types of providers) with a particular focus on people aged 16 to 25. It must submit its recommendations by February 2014.

The other task force, created by <u>PA 13-178</u>, must study the effects of nutrition, genetics, complementary and alternative treatments, and psychotropic drugs on children's mental and behavioral health. It must submit its recommendations by September 2014, following the upcoming session.

#### Nonprofit Hospital Conversion Process

Increasing attention has been given to the financial state of hospitals, both in Connecticut and nationally. While all but one of Connecticut's acute care hospitals are nonprofit, some hospitals are exploring sales to for-profit entities or other types of restructuring. By law, nonprofit hospitals seeking to convert to for-profit status by a sale or change in control of operations need the approval of both the Department of Public Health and the attorney general. The Public Health Committee held informational sessions on this issue, and the legislature may consider changes to the approval process for such transactions. Read OLR's report:

• <u>2013-R-0324</u>, Nonprofit Hospital Conversions in Connecticut, Massachusetts, and Rhode Island

#### PUBLIC SAFETY & SECURITY

#### Dispatch Consolidation

The State Police recently completed its consolidation of dispatch operations of the four state police troops in the eastern district into a centralized dispatch center at the Tolland barracks. The division says the consolidation will increase efficiency in dispatching emergency services, but the state police union says it will endanger public safety and put troopers at risk. Legislators may want to review this issue, especially as it affects response times and staffing.

#### License Plate Readers

Police nationwide are using license plate readers (LPR) mounted on police cars, road signs, or traffic lights to apprehend criminals. Legislators may debate the merits of this practice next session because of the increasing use of the cameras and concerns expressed by privacy advocates about what information is captured by the cameras, how long it is stored, and for what purpose it is used. Also, several FY 15 agency budget options discuss the acquisition of LPRs for law enforcement and surveillance.

#### Drones

The use of drones raises privacy concerns, which the legislature may address in 2014. A drone (also called an unmanned aircraft system (UAS) or unmanned aerial vehicle (UAV)) is an aircraft controlled by computers located in the aircraft or remotely by someone on the ground or in another vehicle. According to the National Conference of State Legislatures, 13 states (not including Connecticut) have enacted laws on drones, and 10 have adopted resolutions on their use.

## Public Safety Answering Points

Several bills have been raised in recent years about the consolidation of public safety answering points (PSAP), facilities that receive 9-1-1 calls and dispatch emergency response services (e.g., fire and police) or transfer the calls to other public safety agencies. A 2013 bill, which did not pass, would have required the Office of State-Wide Emergency Telecommunications to implement the recommendations of a 2012 consolidation study. Legislators may revisit the issue again this year.

## TRANSPORTATION

#### Distracted Driving

The legislature may again tackle distracted driving, an issue of increasing concern in the state and nationally. Distracted driving can include anything that interferes with safe driving, but usually means texting or using a hand-held cell phone or other electronic device while driving.

Legislators last year created a distracted driving task force to recommend ways to combat distracted driving and submit legislative proposals to the Transportation Committee by January 1, 2014.

Meanwhile, the state Department of Transportation is conducting a federally-funded anti-texting crackdown in the Danbury area.

Read OLR's report:

• <u>2013-R-0096</u>, OLR Backgrounder: Connecticut Anti-Texting Initiatives

## Statewide Port Authority

The legislature may again consider creating a statewide port authority to coordinate the development and marketing of the Bridgeport, New Haven, and New London deep water ports. Legislators considered but did not enact legislation that, among other things, would have required a statewide authority to:

- 1. seek federal and state funds for dredging and infrastructure improvements to increase cargo movement in the ports,
- 2. market the ports to the domestic and international shipping industry,
- 3. coordinate the planning and funding of capital projects promoting the ports' development, and

4. develop strategic entrepreneurial initiatives.

A marketing and development study of the three ports, commissioned by the Office of Policy and Management, was issued in 2012.

Read OLR's report:

• <u>2012-R-0469</u>, 2012 Connecticut Port Study

## Tolling

Legislators may once again consider legislation that would impose tolls on state roads. In recent sessions the idea of electronic tolling has been explored both to raise money needed to maintain and repair state highways and to finance the extension of Route 11 from Salem to I-95. None of these proposals has succeeded.

Proponents say tolls are needed to make up for the expected decline in gas tax revenue caused, in part, by more fuel-efficient motor vehicles. Opponents say the tolls would be too burdensome, and, in the case of border tolls, would impose that burden unfairly on residents of state border towns.

#### **VETERANS' AFFAIRS**

## Soldiers', Sailors' and Marines' Fund

A 2013 public act generally put the Soldiers,' Sailors' and Marines' Fund under the American Legion's control, allowing the Legion to use up to \$300,000 in appropriations to administer the fund. Based on feedback from the Legion and veterans, legislators may examine this change next session.

MS:ro