

Special Report



2023 Veto Package

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Overview

This report lists the vetoed acts from the 2023 regular legislative session and provides for each a brief summary, the final vote tallies, and excerpts from the governor's veto message. It also includes the number of bills from each prior session that the current governor vetoed.

A vetoed act will not become law unless it is reconsidered and passed again by a two-thirds vote of each legislative chamber. The legislature met for a veto session on July 10, 2023, but did not vote to override any of the vetoes.

Table 1 lists the 2023 acts vetoed by the governor and provides their respective vote tallies.

Act No.	Title	Vote Tally	Report
(Bill No.)		(Date Taken)	Page
<u>PA 23-64</u> (<u>HB 6496</u>)	An Act Concerning Test Bed Technologies	House: 148 to 0 (June 1) Senate: 36 to 0 (June 5)	3
<u>PA 23-108</u> (<u>sSB 73)</u>	An Act Establishing Local Representation on the Connecticut Sitting Council for Local Projects	Senate: 36 to 0 (May 24) House: 148 to 1 (June 7)	5
<u>PA 23-177</u>	An Act Concerning Solid Waste	Senate: 34 to 0 (June 2)	7
(sSB 1143)	Management Throughout the State	House: 150 to 0 (June 7)	
<u>PA 23-179</u>	An Act Concerning the Mashantucket	Senate: 36 to 0 (June 5)	9
(SB 1213)	Pequot and Mohegan Fund	House: 149 to 0 (June 7)	
<u>PA 23-181</u> (sHB 6893)	An Act Concerning Certain Adjustments to Gross Assessments of Taxable Real Property	House: 151 to 0 (June 7) Senate: 36 to 0 (June 7)	10

Table 1: 2023 Vetoed Acts

Summaries and Governor's Explanations

PA 23-64: An Act Concerning Test Bed Technologies

This act requires each state agency's commissioner to administer pilot test programs for using technologies, products, or processes (i.e., "test subjects") that promote operational cost reduction. It creates a Test Bed Technologies Advisory Board to recommend test subjects to be used in the operations of state agencies on a trial basis and specifies certain criteria that the test subjects must meet (e.g., the subject's manufacturer or marketer must pay the agency's cost for testing it and show that it will not adversely affect safety).

The act also establishes a process for the state to procure for state agencies test subjects that have been successfully shown to promote operational cost reduction. This process allows certain competitive bid or proposal requirements in existing law to be waived (<u>PA 23-64</u>, effective July 1, 2023).

Excerpts from the governor's <u>veto message</u>

This bill would create significant administrative mandates for our state agencies and, more importantly, would undermine out state procurement process and standards. At its core, the proposed legislation undermines the principle of competition, which is the foundation of public procurement, as articulated in CGS 4a-57(a): "all purchase of, and contracts for, supplies, materials, equipment and contractual services... shall be based, when possible, on competitive bids or competitive negotiation."

The veto message also addresses the act's impact on the Connecticut Pilot Test Bed Program (PA 21-76, § 14), a collaboration between the Office of Policy and Management, the Department of Administrative Services, and Connecticut Innovations to contract, through the state's procurement process, with Connecticut-based businesses for innovative technology, processes, or products that promote government efficiency:

[The act] would undermine the current successes of the Connecticut Pilot Test Bed Program. Rather than agencies identifying a need to procure innovative products, this legislation reverses this process through a new vendor-driven model. For example, the proposal allows vendors to compel a state agency to review a product that is already in the marketplace or is similar to products already on existing state contracts with public facing price points and contract details. That may result in advantages that allow a vendor to adjust their product or proposal using marketbased pricing of current contracts... [The act] further erodes the competitive bidding process by inappropriately expanding the usage of CGS Section 4a-58(b) and not subjecting the proposed product or service to further competitive bidding.

In current practice, CGS 4a-58 is triggered when an agency identifies an emergency because of an "extraordinary condition of contingencies that could not reasonably be foreseen and guarded against" or because of an "unusual trade or market conditions." The Connecticut Innovations Program established pursuant to Public Act 21-76, involves product development, curated to meet an agency identified need. The process proposed in [the act] is not curated to an agency identified need, but rather utilizes products already in production in the marketplace. Thus, a commercially available product identified for operational cost reduction purposes fails to meet the threshold requirements established in CGS 4a-58.

PA 23-108: An Act Establishing Local Representation on the Connecticut Siting Council for Local Projects

For any Connecticut Siting Council proceeding that occurs on or after October 1, 2023, this act requires the council's membership to include an elector from the municipality where the subject facility is being proposed, in addition to the current membership. The municipality's chief elected official appoints the elector, or if the facility will be located in more than one municipality, the elector is appointed by the applicable regional council of governments.

The act requires the elector to serve as a nonvoting member and abide by all applicable confidentiality rules. By law, public members of the council must be compensated for their attendance at public hearings, executive session, or other council business at a rate of \$200 per activity, capped at \$200 per day (<u>PA 23-108</u>, effective October 1, 2023).

Excerpts from the governor's <u>veto message</u>

The Connecticut Siting Council is a state entity critical to development of telecommunications, electric, gas, and other infrastructure. When an infrastructure project is proposed, the Council balances the needs of residents of local communities and the needs of the residents of the state as a whole. As such, the Council currently has an impartial membership that evaluates applications in a detailed manner and consults relevant stakeholders to determine its benefits and costs....

The Siting Council was established more than half a century ago to consolidate regulation of energy and telecommunications infrastructure in one statewide body and avoid town-by-town regulation with differing rules and processes. [This act] is exactly at odds with that purpose and should not become law.

The veto message also addresses the existing opportunities for municipalities to participate in Siting Council proceedings and discusses how municipal representation on the council may affect these proceedings:

Under existing law, municipalities have robust opportunities for participation in Siting Council proceedings. Before applying, every applicant must go through a formal municipal consultation process under C.G.S. § 16-50*l*. Once a proceeding has begun, a host municipality has an absolute right to participate as a party.... Residents and officials can and do participate in Council proceedings by submitting comments and testifying at public hearings... Public and municipal participation is taken seriously by the Siting Council, leading to changes in applications of conditions on approval that meaningfully mitigate any harm to the public.... Ultimately, the municipality can appeal any decision it disagrees with to Superior Court.

The [act] would allow municipalities to participate in Council proceedings from both sides: both as a party and through a representative member who may be privy to privileged or otherwise sensitive information. It is inappropriate for a party to a proceeding who may later file an appeal to also appoint a representative to the decision-making body from which the appeal will be taken.

The message also addresses the fiscal impact of the act, based on the per activity pay rate (up to \$200 per day) for public members' participation in Siting Council activities:

In addition, the Siting Council has indicated that the fiscal impact of the bill is understated, as it is based exclusively on the number of regular meetings held by the Council and does not take into consideration the number of public hearings and other proceedings held by the Council on an annual basis.... The Council's budget is funded by energy and telecommunications industry assessments and invoices. Consequently, compensation of public members is ultimately paid for by electric ratepayers and telecommunications customers and could lead to increased costs for those consumers.

PA 23-177: An Act Concerning Solid Waste Management Throughout the State

This act requires (1) any proposed revision to the statewide solid waste management plan or Comprehensive Materials Management Strategy to be submitted to the Environment Committee for review and approval and (2) the committee to hold a public hearing on the revision within 15 days after its submission. It establishes a process by which a proposed revision that the committee rejects may be subsequently approved by the General Assembly.

The act also requires the Department of Energy and Environmental Protection (DEEP) commissioner to (1) issue a request for information (RFI) on certain solid waste processing systems and (2) report to the Environment Committee her recommendations for issuing a request for proposals (RFP) on these systems.

Lastly, the act explicitly allows dealers (e.g., retailers) to have recycling receptables at their place of business to collect beverage containers rejected by a reverse vending machine (RVM) that the dealer installed and maintains. An RVM is an automated machine that accepts empty beverage containers and dispenses in return cash or credit slips as part of the state's beverage container redemption law, or "bottle bill" (PA 23-177, effective upon passage, except the RVM provision is effective July 1, 2023).

Excerpt from the governor's <u>veto message</u>

[This act] requires [DEEP] to conduct a [RFI] regarding infrastructure for solid waste disposal—that is, discarded material that is meant to be burned in a waste-to-energy facility or buried in a landfill as opposed to recycled or otherwise diverted.

While well intentioned, DEEP has already completed an RFI earlier in 2023 for materials management infrastructure broadly, and many of the responses were from developers of solid waste disposal technologies, including gasification technologies. The responses can be viewed on DEEP's website. Running another similar but more limited RFI would at best be both duplicative for the Department and confusing for the private sector.

The governor's message also points to two provisions in another act (<u>PA 23-170</u>, §§ 17 and 18), stating that they mirror provisions this act (§§ 1 and 3) regarding legislative approval of the solid waste management plan and the RFIs, respectively. In it, he states that these provisions in the two acts contains "minor differences that would make implementation of the sections in both Acts

contradictory." He further states that, under this act's provisions, "the RFI shall not seek information on technologies that provide for incineration, combustion, or landfilling of solid waste; 23-170 contains no such language."

PA 23-179: An Act Concerning the Mashantucket Pequot and Mohegan Fund

The Mashantucket Pequot and Mohegan Fund is a separate, nonlapsing fund containing revenue from casino gaming. Casino gaming revenue is deposited into the General Fund and then transferred to the fund, in an amount equal to the grants to be distributed. Money in this fund is distributed to municipalities and three tribes according to various factors (e.g., the value of state-owned property, population, equalized net grand list, and per capita income).

In FY 23, the appropriation for this grant was approximately \$51.5 million. This act increases the Mashantucket Pequot and Mohegan grant by approximately \$87.9 million for a new total of \$139.38 million beginning in FY 26. The act also prevents the grant amount from being reduced except by certification of an emergency from the Governor and a two-thirds vote from the members of the General Assembly (PA 23-179, effective July 1, 2023).

Excerpt from the governor's <u>veto message</u>

Our state adopted the biennial budget process as part of the reforms enacted during the consequential 1991 legislative session to ensure that adequate revenue would be available to fund important, ongoing state programs. This legislation seeks to operate outside that biennial process to prioritize a singular grant program without a complete understanding of the out-year budgetary implications.

More problematic, however, is the provision of the bill that constrains legislative and executive power with respect to the budget process by limiting the ability of the Governor and the General Assembly to reduce the annual transfer from the General Fund to the Mashantucket Pequot and Mohegan Fund except pursuant to a declaration of an emergency by the Governor and a two thirds affirmative vote by the General Assembly. State budgeting responsibilities in Connecticut are carried out primarily by the Governor and the Legislature and, given the major fiscal reforms enacted in 1991 and the constitutional requirement for a balanced state budget, both the Governor and the Legislature must have flexibility when developing the budget.

PA 23-181: An Act Concerning Certain Adjustments to Gross Assessments of Taxable Real Property

Under existing law, any person who is legally required to pay real property taxes may file a property tax assessment appeal with the board of assessment appeals. If the board finds a change in the gross assessment is warranted and adjusts it, the assessment amount is generally set until the municipality next implements a revaluation (at least every five years). But, under existing law and the act, assessors may modify an assessment set by the board to (1) comply with a court order, (2) reflect an addition for new construction, (3) reflect a reduction for damage or demolition, or (4) reflect a certificate of correction change (e.g., to correct a factual error). The act prohibits assessors from modifying these assessments for any reasons other than those specified in the law (PA 23-181, effective July 1, 2023).

Excerpt from the governor's <u>veto message</u>

This [act] would expressly restrict the ability of a tax assessor to reassess property until the next valuation, except under very narrow circumstances. If a board [of assessment appeals] unreasonably, or incorrectly, reduces or increases an assessment, that assessment cannot be corrected until the next valuation....

Legislation of this kind should not be used to resolve a local dispute, where the effects will be wide-ranging and disruptive to the rest of our municipalities.

Historical Context

Table 2 lists the number of vetoes for the current governor by legislative session. Prior veto packages can be found under <u>"Veto Packages" on OLR's website</u>.

Governor	Legislative Session	Vetoes	Vetoes Overruled	OLR Veto Package Report
Lamont	2019 Regular Session	3	0	2019-R-0155
Lamont	2019 July Special Session	0	0	-
Lamont	2019 December Special Session	0	0	-
Lamont	2020 Regular Session*	0	0	2020-R-0241
Lamont	2020 July Special Session	0	0	-
Lamont	2020 September Special Session	0	0	-
Lamont	2021 Regular Session	4	0	2021-R-0118
Lamont	2021 June Special Session	0	0	-
Lamont	2022 Regular Session	2	0	2022-R-0126
Lamont	2022 November Special Session	0	0	-

Table 2: Vetoes by Legislative Session Since 2019

*suspended due to COVID-19

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