STATE REPRESENTATIVE

HENRY GENGA

PROUDLY SERVING THE 10TH HOUSE DISTRICT | EAST HARTFORD

Dear Friends and Neighbors,

Following months of negotiations, the Connecticut House of Representatives and the Senate overwhelmingly approved a bipartisan budget that ended our state's budget stalemate and the fear and uncertainty that having no budget has created for our municipalities, businesses and social service providers.

I am pleased I was able to protect against what would have been nearly \$5.3 million in cuts to East Hartford in the Governor's contingency plan for Fiscal Year 18 that would have hurt local property taxpayers and would have had a devastating impact on our local schools and services. While not perfect, we were able to craft a budget that garnered bipartisan support and help close a projected \$3.5 billion deficit over the next biennium by committing to significant structural reforms. Not only will this budget help Connecticut steady its financial footing, but it will help spur economic development and restore millions of dollars to municipalities, our schools and core state services.

This bipartisan, two-year state budget:

- Avoids the draconian education cuts contained in the Governor's Executive Order:
- Funds UConn and our state colleges and universities;
- Invests in our tech schools and workforce development programs;
- Protects many of the social service and youth services programs our residents rely on, including Care4Kids and disabilities funding;
- Implements spending and bonding caps to help reduce our long-term debt;
- Does not increase sales or income taxes;
- Rejects Gov. Malloy's plan to make local towns pay for state pension obligations;
- Requires future state labor contracts to be voted on by the Legislature

Now that the prolonged budget debate is behind us and with the next legislative session slated to commence in the coming few months, we can get back to working on strengthening our economy.

As always, please feel free to contact me with any issues or concerns regarding state matters.

Henry Henge

REPRESENTATIVE

DISTRICT

CT 06106-1591 Capitol: 800-842-8267 Hartford,

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CAPITOL UPDATE 2017

STATE BUDGET REFORMS

In order to address structural problems that have led to ongoing deficits we have implemented the following reforms to help get Connecticut's fiscal house back in order:

SPENDING AND BONDING CAP: The budget we passed strengthened our existing spending cap. Under the new cap, funding for pensions, distressed municipalities, and money used to receive matching federal grants will all come under the cap over time. This is important because it more accurately reflects what we are spending as a state and will force the legislature to prioritize spending on programs that work and that our communities need. The budget also created a \$1.9 billion cap on state bonding. With this cap, by reducing bonding this year, we expect to save nearly \$30 million in debt service payments in the next fiscal year.

VOTING ON UNION CONTRACTS: In order to create more government accountability, we have codified into statute a requirement that the legislature vote on all state employee union contracts. In the past, union contracts agreed to by the administration could go into effect if no vote was taken. This new statute increases transparency around state employee agreements. This will not change the fact that the legislature is not involved in the contract negotiations.



JOBS AND THE ECONOMY

SUPPORTING CT's SMALL BUSINESSES: The newly passed state budget maintains funding for important programs that our small businesses rely on, including the Manufacturing Innovation Fund, the Bioscience Innovation Fund, Angel Investor Tax Credits, and the Women's Business Development Council. Each of these programs provides resources and guidance for growing industries and Connecticut-based entrepreneurs. While the overall state budget reduces state spending for a number of programs, it is important that we not abandon successful programs that are creating jobs.

SUPPORT FOR MANUFACTURERS: Connecticut's Manufacturing Innovation Fund supports the growth, innovation and progress of our advanced manufacturing sector by encouraging collaboration with universities, assistance with business development and technical needs, job training, educational programs, and matching funds to leverage federal grants. The Republican budget that was vetoed by the Governor gutted funding for these initiatives. But, I'm proud that the budget we just adopted commits additional dollars to this effort to grow good Connecticut jobs.

WORKFORCE OPPORTUNITIES: Having a highly skilled workforce is critical to attracting new businesses, keeping the high-performing companies we have, and connecting our residents with good paying, quality jobs. That's why we created a landmark initiative within the Department of Labor that will strengthen existing workforce development programs and implement new job training opportunities using a mix of public and private funds. In addition, we are moving the vo-tech schools out from under the State Department of Education so they are able to be more responsive to job market changes. I will continue to advocate for these programs which can be helpful to manufacturers such as Pratt and Whitney here in East Hartford.



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K-9 Veterans Day: This session I introduced legislation that became law as a part of Public Act 17-204 that designates March 13th as K-9 Veterans Day. My sincere thanks to military vet tech Lisa Phillips and retired Marine Military Working Dog Rambo for their work to support this legislation. Rambo was injured in a training accident and this legislation is honoring him and other military service dogs for their sacrifice.

INVESTING IN OUR TRANSPORTATION INFRASTRUCTURE

Connecticut's aging transportation infrastructure has a real impact on our bottom line. According to a report by the American Society of Civil Engineers, the average motorist in CT pays an extra \$864 per year because of driving on roads that are in need of repair. That's why I'm glad that as part of this budget, we agreed to a long-term plan to move more sales tax revenue into the Special Transportation Fund. These resources will help the fund stay solvent. There is still a lot more we need to do, but this was an important step forward.

AFFORDABLE HIGHER EDUCATION

Making college more affordable is one of our top priorities. With the state budget we restored over \$50 million to the University of Connecticut from a Republican budget that would have led to dramatic tuition rate increases and cuts to our flagship university. In addition, this session we passed legislation aimed at lowering the cost of attending our state's public colleges and universities by making it easier for schools to secure goods and services while still requiring strong oversight policies. Also, we required state schools to establish guidelines to minimize student costs and cut down on textbook costs.

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Hartford, CT 06106-1591
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www.housedems.ct.gov/Genga

HONORING VETERANS

This year we passed a bill that allows municipalities to provide a property tax exemption to a parent or surviving spouse of a service member killed in action while performing active military duty. A municipality may exempt up to \$20,000 or 10% of the property's assessed value.

SOCIAL SECURITY TAX EXEMPTION FOR SENIORS

As a part of the budget, we passed a provision phasing in an exemption of social security and pensions from the state income tax starting in 2019. This will help provide much needed tax relief to those who most need it and allow them to keep more of their own money.

RENTERS' REBATE

Renters' Rebate is an important program for our seniors and those who are totally disabled to be able to afford to stay in their homes. An unfortunate change that came with the state budget was transferring the administration of the renters' rebate program to the towns. Upon learning about the delay this would cause, I immediately put pressure on legislative leaders to restore the program to the way it worked in prior years. And we were successful in doing so! Approved renters should expect to receive checks similar to last year's in December.

CHILD CARE FOR WORKING FAMILIES

With the State budget that passed we were able to restore funding to the Care 4 Kids child care subsidy program. This funding will allow for the program to reopen for enrollment and the program and begin to address the 5,769 families who have been on the waiting list. This is a program that helps low-income families afford safe, quality child care and allows parents to remain in the workforce.