

STATE REPRESENTATIVE  
**JONATHAN STEINBERG**  
PROUDLY SERVING THE 136TH HOUSE DISTRICT | WESTPORT

Dear Friends and Neighbors,

So, now we finally have a state budget! Should we all rejoice? Well, yes and no. Yes, we can now move forward without the specter of a budget impasse hanging over us, which was creating uncertainty for both the business community and our residents, many of whom are dependent on services which the State provides.

We should also be encouraged by the bipartisan nature of this truly consensus budget, hopefully ushering in a new era of cooperation between the parties on critical issues, in stark contrast to the situation in Washington. As a moderate, I'm excited by the prospect of continuing to govern from the middle, not from either extreme, in the best interests of the people of Connecticut.

However, it's also true that this budget is not only far from perfect, it is full of regrettable decisions which will have significant impact on many who lack good alternatives. This budget reflects our collective desperation, after many years of ballooning deficits and resulting budget cuts. We may congratulate ourselves on avoiding raising income taxes or sales taxes, which would have been counterproductive. But that left us with these terrible choices on what to cut, knowing full well we'd be increasing risk for many of our most vulnerable citizens and eviscerating a number of programs we know are important and effective.

We're not far away from the start of the next legislative session. Rather than relax until then, I pledge to use the intervening months to establish the agenda for next year. We may have passed a budget, but we still have miles to go in creating an economic plan for the long-term – the only way we'll restore Connecticut to its former vitality. I intend to work with colleagues, the business community, our municipalities and other experts to fashion programs which will lift all boats, restore consumer and market confidence, and put us in a path to reverse some of the worst cuts we've just been forced to make.

So, we've got a budget. But I won't celebrate until I'm convinced we have a plan which will assure we won't be back in the same situation every two years. Let's get started.

Sincerely,



Jonathan Steinberg

STATE REPRESENTATIVE

**JONATHAN STEINBERG**

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**2017 STATE BUDGET UPDATE**

**PROTECTING WESTPORT TAXPAYERS**

With the final passage of the budget, the biggest threat to Westport was averted, thanks to my persistent opposition to the Governor's attempt to have well-off towns like Westport to pick up the expense of teacher pension costs. When he temporarily convinced leadership to include it in the budget, I built a coalition to fight it, resulting in that version of the budget not being called for a vote, even though we had all assembled for that purpose. The Governor vowed that he would veto any budget which failed to include this cost-shifting, but, he was ultimately obliged to relent and signed the budget. It was one of the toughest fights I've had in my seven years in the legislature. Protecting Westport always has been and always will be my #1 priority.

## GOOD NEWS ENDING THE HOSPITAL IMPASSE

The Governor and Connecticut's hospitals have been at loggerheads for several years, ever since the Administration reneged on past promises to remit to hospitals Federal funds generated by the enhanced tax on hospitals. It left a number of hospitals in the red, leading to layoffs and the elimination of critical community preventive services. The hospitals ended up suing the State.

The Speaker of the House commissioned me to engage the hospitals in a dialogue to build rapport and reestablish basic trust. This effort, spanning many months, spawned new compromise language which encouraged hospitals to reopen negotiations with the Administration. The resulting agreement established a new taxing formula which generates additional Federal matching funding while providing the assurances the hospitals required. I'm gratified that our efforts to find common ground and restore comity between the parties culminated in a deal which is good for hospitals and the people of Connecticut. The resulting agreement will lead to hundreds of millions of dollars coming back into our state, which was a tremendous help in balancing the budget.

*Rep. Steinberg speaks at press conference for Connecticut Hospital Day held at the State Capitol.*



## BAD NEWS FOR THE ENVIRONMENT

Serial deficits lead to some bad decisions, and this budget had a number that are really distressing. In the final compromise, leadership chose to raid energy funds, such as the Regional Greenhouse Gas Initiative (RGGI), Connecticut's landmark Green Bank, and the Energy Efficiency Fund. These funds, much of them paid for by ratepayers on their electric bills, support green initiatives across the state and the good-paying jobs they create. Cutting them endangers the progress we've made in promoting renewable energy and efficiency projects and also undermines our credibility in the marketplace as we embark on new projects. I played a role in restoring some of the Green Bank funds, which will allow them to continue to operate, but I'm afraid the damage has been done.

## BREAKING THE CYCLE OF DEFICITS

It's not enough just to pass another two-year budget, particularly when it doesn't address the long-standing problems and will soon result in further deficits. Changing the trajectory of Connecticut's future will depend on two things: reviving the state economy in a way which will restore business confidence and offer good job opportunities; and finding some way to address the unfunded pension liability which is the real source of our cascading deficits. I secured language in the budget to create a taskforce charged with pursuing a concept tried successfully in Europe but generally unknown in the United States. The Pension Real Estate Trust concept involves donation of specific State-owned properties to an independent trust charged with optimizing the value of these real estate assets, with the resulting revenue stream dedicated to reducing the unfunded liability. It's the only idea I've heard of (that's legal) which would help us mitigate the impact of the liability on the budget. Hopefully, the Taskforce will soon recommend a plan to activate such an initiative and we'll be on the path to reduce the unfunded liability.

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## OTHER BUDGET HIGHLIGHTS

**SPENDING CAP:** The budget 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. As a member of the former Constitutional Spending Cap Commission, I endorse the new cap because it more accurately reflects what we are spending as a state and will force future legislatures to prioritize spending on programs that work and that our communities need.

**VOTING ON UNION CONTRACTS:** In the past, union contracts could go into effect if the legislature failed to vote on them within 30 days. I've long argued that all contracts should be approved by the Assembly. This budget codifies into statute a requirement that the legislature must vote on all state employee union contracts, which will increase transparency.

**SUPPORTING BUSINESS:** The newly passed state budget continues funding for important programs that our small businesses rely on, including: the Bioscience Innovation Fund, Angel Investor Tax Credits, and the Women's Business Development Council, which I fought to maintain. These programs provide resources and guidance for growing industries and Connecticut-based entrepreneurs. While the overall state budget reduces state spending for many programs, we must also invest in successful programs which create good jobs.



*Rep. Steinberg hosts a public meeting on the State Water Plan Draft with Betsey Wingfield of DEEP and Lori Mathieu of DPH at the Earthplace in Westport.*



*Rep. Steinberg attends a Ribbon Cutting with DECD Commissioner Catherine Smith at the Yale Center for Genome Analysis in his role as Co-Chair of the Bioscience Caucus to promote jobs in the industry.*

**PROTECTING CEP:** Connecticut's Citizens' Election Program was once a national model for providing opportunity for candidates of limited means and assuring a voice for all its citizens. Although we weakened it in some ways a few years ago (I voted against the changes), it is still an essential part of our democratic process. Therefore, I was alarmed by the proposed Republican budget which sought to end the program. I spoke out against its elimination on the floor of the Assembly and successfully fought for its reinstatement in the eventual consensus budget. But I also agree with the reforms included, such as making sure those candidates who file shortly before Election Day do not receive a full grant and eliminating the increase in the grant amount that all candidates were scheduled to receive this year. It's a sensible compromise.

*This year, I was appointed by the speaker to serve as the House Chair of the Public Health Committee, where I became even more involved in the legislative process. We worked very hard this year to protect the Public's health; over thirty Public Health bills became law.*

## PUBLIC HEALTH

**CREATION OF THE OFFICE OF HEALTH STRATEGY:** In an effort to develop a comprehensive healthcare vision for Connecticut, this budget creates an Office of Health Strategy. This new office will oversee the innovative patient-centered health care reforms that we have put in place in recent years, including efforts to collect and analyze data, modernize the way we pay for medical services and strengthen oversight of healthcare facilities. With everything in flux at the federal level, having the Office of Health Strategy will help us make sure we are putting patients first. As House Chair of the Public Health Committee, I'm eager to see this new office initiated as we strive to deliver better quality care and manage costs.

**OPIOID ABUSE:** We've continued to focus on this national scourge which touches every economic and demographic segment of our state. This year, legislation will assure that doctors can and will explain the symptoms and risks of opioid addiction, which will lead to changes in prescribing and usage behavior, that it will be easier to monitor doctors and patients who abuse the drugs, and that we can help families quickly find recovery beds and treatments slots across the state.

**FAIR COST FOR PRESCRIPTION DRUGS:** Eliminates restrictive "gag clauses" that prevent pharmacists from telling customers how to reduce drug costs. It also bans "claw back" provisions which result in consumers paying more than a prescription drug actually costs.



*As Public Health Co-Chair, I had the opportunity to work with a number of great organizations which, in turn, recognized my contributions to Connecticut's Health. Here shown with: the Fairfield County Medical Society, the Connecticut Water Works Association and Clean Water Action.*