

STATE OF CONNECTICUT
EXECUTIVE CHAMBERS

DANNEL P. MALLOY
GOVERNOR

GOVERNOR'S OFFICE

June 3, 2016

BILL NOTIFICATION
RELEASE No.11

For Immediate Release

Governor Dannel P. Malloy signed the following legislation of the 2016 Regular Session on June 3rd.

- HB 5328 AN ACT CONCERNING PUBLIC WORK CONTRACT RETAINAGE AND ENFORCEMENT TO THE
PA 16-104 RIGHT TO PAYMENT ON A BOND.
This bill shall take effect July 1, 2016.
- HB 5366 AN ACT CONCERNING COURT OPERATIONS.
PA 16-105 This bill has various effective dates. Read the text [here](#).
- HB 5356 AN ACT CONCERNING VETERANS' HEALTH RECORDS.
PA 16-109 This bill shall take effect from passage.
- HB 5359 AN ACT CONCERNING STATE MILITARY CONSTRUCTION PROJECTS.
PA 16-110 This bill shall take effect from passage.
- HB 5360 AN ACT CONCERNING THE ADJUTANT GENERAL.
PA 16-111 This bill shall take effect from passage.
- HB 5364 AN ACT CONCERNING THE FILING OF WORKERS' COMPENSATION CLAIMS WHEN A
PA 16-112 MUNICIPALITY IS THE EMPLOYER.
This bill shall take effect July 1, 2016.
- HB 5423 AN ACT ENCOURAGING MIDDLE SCHOOL AND HIGH SCHOOL STUDENTS TO CONSIDER
PA 16-114 CAREERS IN MANUFACTURING AND CONCERNING INFORMATION POSTED ON THE LABOR
DEPARTMENT'S APPRENTICESHIP WEB SITE.
This bill shall take effect from passage.

HB 5433 AN ACT MAKING MINOR AND TECHNICAL CHANGES TO DEPARTMENT OF CONSUMER
PA 16-117 PROTECTION STATUTES.
This bill shall be effective July 1, 2016.

HB 5620 AN ACT CONCERNING A STUDY OF IMPEDIMENTS TO INSURANCE COVERAGE FOR
SA 16-4 SUBSTANCE USE DISORDER TREATMENTS.
This bill shall take effect from passage.

SB 88 AN ACT ESTABLISHING A TASK FORCE TO STUDY THE ZONING OF TEMPORARY HEALTH
SA 16-5 CARE STRUCTURES.
This bill shall take effect from passage.

SB 233 AN ACT CONCERNING A REDUCTION OF CONSUMER-BASED PACKAGING MATERIALS.
SA 16-6 This bill shall take effect from passage.

HB 5291 AN ACT CONCERNING SENIOR CENTERS.
SA 16-7 This bill shall take effect July 1, 2016.

Governor Dannel P. Malloy signed the following legislation, IN THE ORIGINAL, of the 2016 May Special Session on June 3rd.

SB 503 AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE FOR CAPITAL
IMPROVEMENTS, TRANSPORTATION AND OTHER PURPOSES AND AUTHORIZING STATE
GRANT COMMITMENTS FOR SCHOOL BUILDING PROJECTS.
This bill shall take effect July 1, 2016.

Governor Dannel P. Malloy vetoed the following legislation of the 2016 Regular Session on June 3rd.

HB 5420 AN ACT CONCERNING PRINCIPAL INVESTMENT OFFICERS.
PA 16-113 This bill would have been effective from passage. The Governor vetoed the bill. Scroll
down to read the veto message.

HB 5425 AN ACT CONCERNING THE CREATION OF CONNECTICUT BROWNFIELD LAND BANKS,
PA 16-115 CERTAIN LENDER RESPONSIBILITY FOR RELEASES AT BROWNFIELDS AND REVISIONS TO
BROWNFIELD REMEDIATION AND DEVELOPMENT PROGRAMS.
This bill would have been effective July 1, 2016. The Governor vetoed the bill. Scroll
down to read the veto message.

HB 5437 AN ACT CONCERNING NONEMERGENCY TRANSPORTATION FOR MEDICAID RECIPIENTS.
SA 16-8 This bill would have been effective July 1, 2016. The Governor vetoed the bill. Scroll
down to read the veto message.

As of this date, the Governor has signed one hundred twenty (120) bills and vetoed six (6) bills of the 2016 Legislative Session. The Governor has signed four (4) bills and has exercised line item veto authority on PA 16-2 of the 2016 May Special Session.



Dannel P. Malloy

GOVERNOR
STATE OF CONNECTICUT

June 3, 2016

The Honorable Denise W. Merrill
Secretary of State
30 Trinity Street
Hartford, CT 06106

Dear Madam Secretary:

I hereby return, without my signature, House Bill 5420, *An Act Concerning Principal Investment Officers*. This bill would allow the Treasurer to determine the compensation for a Principal Investment Officer within a salary range established by the Treasurer in consultation with the Investment Advisory Council.

Under current law, except as otherwise allowed by statute, salary and compensation of all state executive branch officers, boards, commissions, deputies and employees are determined by the Commissioner of Administrative Services, subject to the approval of the Secretary of the Office and Policy and Management. To permit the Treasurer to deviate from this process and to determine the compensation for this class of employees in isolation would reduce the ability of the public service classification system to operate in a manner that is consistent across state government. Further, I am surprised that at a time when the legislature included no money for increased salaries in the budget, we are eliminating positions and currently negotiating contracts with the majority of our state employees, that the legislature would pass a bill such as this. This is not the time to allow the potential for the establishment of an increased salary range without further oversight.

For this reason, I disapprove of House Bill 5420, *An Act Concerning Principal Investment Officers*. Pursuant to Section 15 of Article Fourth of the Constitution of the State of Connecticut, I am returning Substitute House Bill 5420 without my signature.

Sincerely,

A handwritten signature in blue ink that reads "Dannel P. Malloy".

Dannel P. Malloy
Governor



Dannel P. Malloy

GOVERNOR
STATE OF CONNECTICUT

June 3, 2016

The Honorable Denise W. Merrill
Secretary of State
30 Trinity Street
Hartford, CT 06106

Dear Madam Secretary:

I hereby return, without my signature, Substitute House Bill 5425, *An Act Concerning the Creation of Connecticut Brownfield Land Banks, Certain Lender Responsibility for Releases at Brownfields and Revisions to Brownfield Remediation and Development Programs*. This bill establishes a framework for organizing and operating local nonprofit land banks for acquiring, remediating and selling brownfields. The provisions would help smaller municipalities that do not have the resources to undertake this complex, expensive and important work.

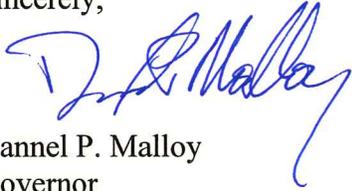
While I support the intent of this bill, it has been brought to my attention that Section 5, which exempts any notes or other obligations issued by a brownfield land bank from all state taxation, could result in millions of dollars of revenue loss for the state. Under a federal statute and a United States Supreme Court case, there is "parity" treatment required between state and federal securities relative to corporate taxation. *Memphis Bank & Trust Co. v. Garner*, 459 U.S. 392 (1983), 398, 31 USC Section 3124. For this reason, if the state exempts a security of an entity (a land bank) that might be considered an agency of a political subdivision of the state (a municipality) from all taxes, then corporations could argue that they also should not be required to pay state corporate taxes measured by their holdings of federal securities. Even if no land bank ever issues debt obligations under this section, the mere existence of this language may run afoul of the parity provision, and put state corporate tax revenues at risk.

The stakeholders who worked on this bill have agreed that a fix is necessary to remove this problematic language. I would urge the proponents to adopt a revised version of this bill early next legislative session so that this important program can move forward.

For this reason, I disapprove of Substitute House Bill 5425, *An Act Concerning the Creation of Connecticut Brownfield Land Banks, Certain Lender Responsibility for Releases at Brownfields and Revisions to Brownfield Remediation and Development Programs*. Pursuant to Section 15 of

Article Fourth of the Constitution of the State of Connecticut, I am returning Substitute House Bill 5425 without my signature.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. P. Malloy". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

Dannel P. Malloy
Governor



Dannel P. Malloy

GOVERNOR
STATE OF CONNECTICUT

June 3, 2016

The Honorable Denise W. Merrill
Secretary of the State
30 Trinity Street
Hartford, CT 06106

Dear Madam Secretary:

I hereby return, without my signature, Substitute House Bill 5437, *An Act Concerning Nonemergency Medical Transportation for Medicaid Recipients*. This bill requires the Commissioner of the Department of Social Services to issue a request for proposals for transportation broker services for the coordination and administration on nonemergency medical transportation services for medical assistance recipients.

Currently, procurement of goods and services by state agencies is governed by the Connecticut General Statutes. These statutes clearly establish that competitive procurement processes are the standard in this state, and that only limited exceptions to these rules are permitted. I fully support the existing competitive procurement processes required for the goods and services we provide through our agencies. In addition, there are existing checks on this competitive procurement process, as compliance with both the Connecticut General Statutes and the regulations adopted in accordance with those statutes is subject to review by the Auditors of Public Accounts, and contracts resulting from the competitive procurement process are approved by the Office of the Attorney General as to form.

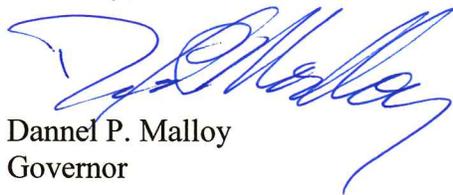
House Bill 5437 is a clear legislative intrusion into the function of the executive branch. The bill directs the Department of Social Services to engage in a specific procurement process for a specific service by a date certain, and further directs the agency as to the items that it is required to both consider and to include in any contract resulting from the procurement process. House Bill 5437 intrudes on the authority of the executive branch by specifically proscribing how a procurement process already governed by state law should be undertaken and by establishing a precedent permitting the legislature to direct any future procurement processes going forward.

The Department of Social Services has already begun the process of reviewing the manner in which the state contracts for and provides nonemergency medical transportation services through the issuance of an Request For Information in March of this year. The Department should focus

its resources on the procurement process that is already underway and I am directing the Department to proceed with this procurement in an expeditious manner taking into account the circumstances and issues identified by the legislature. The department's resources should not be diverted to comply with a new procurement dictated by the Legislature.

For these reasons, I disapprove of Substitute House Bill 5437, *An Act Concerning Nonemergency Medical Transportation for Medicaid Recipients*. Pursuant to Section 15 of Article Fourth of the Constitution of the State of Connecticut, I am returning Substitute House Bill 5437 without my signature.

Sincerely,



Dannel P. Malloy
Governor