

2015 State Legislative Session

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The state legislature concluded most of its 2015 business by the constitutionally-mandated adjournment time of midnight on June 3. A special session will occur this summer to adopt “budget implementers” – bills that spell out the details of the state budget and new taxes that were adopted on June 3 by the slimmest of margins (73-70 in the state House of Representatives, and 19-17 in the state Senate).

The regular session began in early January. The HBRA of CT read all 3,000 plus introduced bills and countless amendments. We testified on many bills that will impact our industry, wrote talking points and our own amendments, talked with legislators and their staff and advocated for and against many proposed new laws.

One of the significant pieces of our advocacy effort is an organized “Home Building Industry Day at the Capitol” or HBID. Held mid-session when we know the more important bills that survived the initial process, HBID in 2015 brought to the State Capitol 90 members and guests who met with over 40 legislators to discuss a dozen important bills. Unfortunately, we had to play mostly defense this year as there were a number of proposed new laws that would have adversely impacted our industry.

Other than the state budget and tax package, which is devastating to the business environment in Connecticut, I am pleased to report that we won every issue on our HBID Issues List, except one.

The list below starts with our HBID Issues List. The only “loss” was the failure to pass SB 892, favorable changes to the HOME CT or incentive housing program. All bills we opposed or had concerns about died, even though several of these were in good enough shape to pass due to adopted amendments that addressed our concerns. The list then continues with other major legislation on which we worked. HB means House Bill; SB means Senate Bill.

HBID Issues List:

- **SB 1039** - Created general contractor liability for the wages and workers compensation claims of all subcontractors' employees. Intended to protect all workers on a construction site, it misplaced liability on the wrong employers and displayed a gross lack of knowledge about how the construction industry is structured. It passed out of the Labor Committee but we defeated it upon a referral to the Judiciary Committee.
- **HB 6705** - Required prevailing wages be paid on all private construction that is supported by any state funding. We feared it could apply to incentive housing zone projects and some affordable housing programs that do not currently require prevailing wages. It passed out of Labor. We were told by House leadership on HBID that the bill is not intended for housing construction, and the bill died without action in House.
- **HB 6933** - Required all employers to provide a 21-day advance schedule for all hourly employees and if the schedule is changed to pay “predictability pay” to the employee. While the bill died in Labor (due only to a chaotic crunch of business on the committee’s last day for acting on bills), we were told it's a priority for Senate President Marty Looney (D) and House Majority Leader Joe Aresimowicz (D). Therefore, we expected an amendment to be filed to bring it back, but none was. Its difficulty is recognized by all, especially for certain industries such as construction, where it’s impossible to predict even hourly events that are out of an employer’s control. Budget implementer bills to be filed in the special session may include some version of this legislation.

- **HB 6972** - Expanded the State Codes & Standards Committee (CSC), the statutory body that writes our State Building Code, by adding 2 more fire marshals. It was promoted by fire marshals who felt they are outvoted on code changes they promote before the CSC. Claiming they are outnumbered on the CSC and the only advocates for safety on the CSC, fire marshals seemed to forget that there are a dozen interest groups that make up the balanced 21-member CSC – each of these interest groups, all of which care about public safety, is outnumbered. Fire marshals should consider the reasonableness of their code requests rather than seek to change CSC’s voting make up. While it passed the Public Safety Committee, the bill died without House action.
- **HB 5785** - Licensing of Home Improvement Contractors (HICs). The bill, originally intended to adopt exam or education requirements for certain HICs, had gone thru several changes and what passed the House included only general liability insurance requirements, a requirement for HICs to review the HIC booklet provided by the Dept of Consumer Protection (DCP), and required DCP to study its HIC complaint and enforcement process. The exam or education requirements were removed by the House. We supported the bill as passed by the House, but it died without action in the Senate.
- **SB 887** - Required a contractor to hold a proper license in order to validate a mechanics lien filed on property where work done requires such a license (HBRA supported this provision). However, it also allowed employees of any contractor or subcontractor who works on a construction site to file a mechanics lien on the property where they worked, presumably for wage claims (HBRA strongly opposed this provision). It passed the Banking Committee, but Judiciary later stripped the employee lien provisions. The bill was then in good shape, but died in the Senate without further action.
- **HB 6808** - Provided independent authority to the construction trade licensing boards. We opposed, desiring the check and balance of current law of requiring the boards to go thru the DCP Commissioner for enforcement actions, such as issuing cease work orders. DCP also opposed the bill, which passed the General Law Committee but died in the House without action.
- **SB 912** and **HB 6793** - both increased penalties for labor law violations. SB 912 was killed in Finance due to our concerns over applying the Dept. of Labor’s “ABC Test” to construction. The ABC Test is used by employers to determine if a worker is an employee or independent contractor, which of course determines whether, among other things, unemployment compensation taxes need to be paid. HB 6793 passed the full House but died in the Senate without action.
- **SB 407** – made relatively minor changes to Conn. Gen. Statutes, section 8-30g, the Affordable Housing Appeals Act. It passed the Housing Committee as the only vehicle – out of 55 bills that were filed – to amend or repeal the Act. The bill died without action in the Senate. In the last two weeks of the session, when it appeared SB 407 was not going to move, many amendments were filed on other bills in both chambers to amend or repeal 8-30g: none were called for debate and, therefore, no changes to CGS 8-30g were adopted.
- **SB 892** – Allowed the Dept of Housing to waive the strict density requirements of the Incentive Housing Zone program, and made changes to the building permit incentives paid to municipalities. A Governor's bill that we supported, it passed the Senate but died in the House without action.

Other bills on which the HBRA of CT worked:

- **HB 6777**, mandated fire sprinkler installation in all new 1&2 family homes. After the sprinkler coalition had over 20 people testify in support, including fire fighters, fire marshals, municipal

officials, sprinkler manufacturers, union pipefitters and nonunion sprinkler installers, we defeated the bill in the Public Safety Committee without a vote (i.e., it was not called for a vote).

- After meeting with the Dept of Revenue Services Commissioner, we killed a DRS proposal (before a bill was filed) to apply the conveyance tax to home construction in “dual transaction” arrangements, where lots are transferred and homes then constructed.
- **HB 6942, Public Act 15-68** – Got passed in the House an amendment the HBRA drafted on this bill to overturn the trial court decision in Arrowhead Point HOA v ZBA Brookfield, a ruling that required a land use applicant to conduct a title search to identify adjacent neighbors for notice purposes. Our amendment makes it very clear that a title search is not required and that applicants and local land use boards can rely solely on tax assessor’s maps and the municipality’s grand list. Passed the House 145-0 and Senate 36-0 and as of this writing awaits the Governor’s signature.
- The HBRA of CT is part of a broad business coalition to oppose several additional anti-business labor bills, including expansion of mandatory paid sick leave (from current 50 employees to 10 employees), adoption of a new employer mandate for paid family & medical leave, and penalties on large employers (250+ employees) for paying any worker less than \$15/hr. All these anti-business labor bills, which would depress job growth in CT, died, but the special session could include one or more such proposals.
- **SB 1032, Public Act 15-28** – The HBRA is also part of a coalition of construction interests that got passed thru both the Senate and House a new 10-year statute of limitations for doing state or municipal public works, overturning the Connecticut v. Lombardo Supreme Court case. This case ruled that there is no statute of limitations when doing public construction work, meaning the state can sue contractors forever. The new 10-year statute of limitations will be effective Oct. 1, 2017.
- Finally, the HBRA testified against the legislative Democrats original \$2.4 billion tax increases on May 11. The state budget and revenue package was subsequently negotiated between legislative Democrats and the Governor's office. Republicans were left out of negotiations. The new tax package does not add many of the services to the sales tax about which we testified (i.e., architects, engineers, interior design and others). But, the tax package nonetheless amounts to \$2.0 billion in new taxes over the 2-year state budget. The spending side of the budget continues the state’s run-away spending habits, which is the root of the state government’s continuous fiscal imbalances.

For copies of any bills that did become law, our testimony or talking points on any legislation, or for any questions or comments about the HBRA’s advocacy efforts, please do not hesitate to contact me at 860-216-5858, or bethier@hbact.org.

Many thanks should be given to members who serve on the HBRA of CT Government Affairs Committee, led by its chairman, Bob Wiedenmann, Jr., and which helps set our advocacy agenda. Thanks also to Nort Wheeler, the HBRA of CT’s 2015-2016 Board Chair & President, who leads our Board of Directors and is another champion of our advocacy work. And, thanks go also to T.J. Casey and the team at Gaffney Bennett & Associates, the HBRA’s outside contract lobbyists who help me keep track of the hundreds of bills that would have some impact on our industry each year.

To all our members across the state, thank you very much for your membership. Keep building CT’s economy, communities and better lives for all. With your support, we’ll keep using advocacy and knowledge to solve our member’s problems.