

**S - 608**

**CONNECTICUT  
GENERAL ASSEMBLY  
SENATE**

**PROCEEDINGS  
2010**

**VOL. 53  
PART 11  
3251 - 3554**

jp/mb/gbr  
SENATE

65  
May 4, 2010

THE CHAIR:

Senator Looney.

SENATOR LOONEY:

Thank you, Mr. President.

Will want I move all items on Senate Agenda Number 1, dated Tuesday, May 4, 2010, to be acted upon as indicated, that the agenda be incorporated by reference into the Senate journal and the Senate transcript.

THE CHAIR:

Without objection. So ordered.

SENATOR LOONEY: ...

Thank you, Mr. President.

Also move that the item on Senate Agenda Number 1 be placed immediately on our calendar.

THE CHAIR:

Without objection.

SENATOR LOONEY:

Thank you, Mr. President.

If we might stand at ease for a moment, Mr. President, to prepare for the next sequencing of items.

THE CHAIR:

The Senate will stand at ease.

jp/mb/gbr  
SENATE

66  
May 4, 2010

(Chamber at ease.)

THE CHAIR:

The Senate will come back to order. Senator Looney. Senator Looney?

SENATOR LOONEY:

Yes, thank you, Mr. President.

Mr. President, if the Clerk would call as the next item from calendar page 22, Calendar 542, House Bill 5027.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Calendar page 22, Calendar Number 542, File 209 State 230 for House Bill 5027, AN ACT CONCERNING THE UNIVERSITY OF CONNECTICUT HEALTH CENTER'S FACILITIES PLAN, AS AMENDED BY HOUSE AMENDMENT SCHEDULE "A," favorable report from the Committees on Higher Education and Finance Revenue and Bonding.

THE CHAIR:

Good afternoon, Senator Handley.

SENATOR HANDLEY:

Thank you, Mr. President.

jp/mb/gbr  
SENATE

67  
May 4, 2010

I move acceptance of the joint committees favorable report and passage of the bill in concurrence with the house.

THE CHAIR:

Thank you, Senator.

On acceptance and passage in concurrence with the House, will you remark further?

SENATOR HANDLEY:

Thank you, Mr. President.

This is a very important bill to the University of Connecticut and I think to the State of Connecticut.

THE CHAIR:

Excuse me, Senator Handley. People please take their conversations outside the chamber.

Thank you, Senator.

Senator Handley.

SENATOR HANDLEY:

Thank you.

As many of you know, the University of Connecticut School of Medicine has been in existence for about 40 years. It is connected with the research center and with the John Dempsey Hospital. Over the last few years, studies have been made to determine

jp/mb/gbr  
SENATE

68  
May 4, 2010

how to do essentially three things. One is to increase the student body in the medical school and at the same time to increase the status of the medical school with relationship to other medical schools in the country.

The second question that has been asked is how to expand the research branch of the university medical school and finally, what to do about the Dempsey Hospital, which is small, was designed 40 years ago in a style that is no longer appropriate for medical care. There have been a lot of studies. There's been a lot of work looking at this. And several iterations of plans for the medical school, the research center and the hospital.

This plan, I think -- I am convinced, is the best of the plans that we have looked at. It will provide for an expansion of the medical school. It will provide for a great expansion of the research capacity of the school and of the community that surrounds it. It will provide for the expansion of the hospital with 40 new medical surgical beds in the hospital, and it also includes what I think is most important for many people, the creation in statute of a network of care between the John Dempsey Hospital, the medical center

jp/mb/gbr  
SENATE

69  
May 4, 2010

and the community hospitals in Hartford and other surrounding towns and cities. The project involves the construction of a new tower at the site of the medical center.

It calls for the creation of an enterprise zone. It calls for the creation -- an enterprise zone, I might say in Farmington, Hartford, New Britain, and Bristol and it calls for the expansion of an already existing somewhat informal network of hospital relationships to begin to create the medical center, the medical school and centers health network. And I encourage my colleagues to support this, what I think is a very exciting and very promising future for our own medical school -- for the UConn Medical School and for the research that is being carried on at the medical school and for the renovation and modernization of the only public hospital that we have in the state.

THE CHAIR:

Thank you, Senator.

Will you remark further?

Senator DeBicella.

SENATOR DEBICELLA:

Thank you, Mr. President, and Mr. President, as

jp/mb/gbr  
SENATE

70  
May 4, 2010

both Senator Handley and I near the end of our last regular session together, I was wondering if through you I could ask some questions to her on this bill.

THE CHAIR:

Please proceed, sir.

SENATOR DEBICELLA:

Through you, Mr. President. The bill before us seems to have two very distinct parts to it and the fiscal note reflects this. As we have basically \$237 million in bonding, 207 million of which is going towards construction at Dempsey Hospital, specifically and mainly the new patient tower. Another 30 million of which is going toward the UConn health network initiative. Through you, Mr. President, would Senator Handley just be able to describe each of those two parts in a little greater depth. Through you Mr. President.

Senator Handley.

SENATOR HANDLEY:

Thank you. Thank you, Mr. President.

The UConn health network is, as I said, an attempt to put into a more formal arrangement, arrangements that already have been carried on between the Dempsey Hospital and other hospitals and -- I

jp/mb/gbr  
SENATE

71  
May 4, 2010

guess it's mostly hospitals. And this will provide -- the financing here will provide a method to expand and make more complete some of these activities which include a center for simulation at Hartford Hospital, an Institute for Nursing at the University of Connecticut, a cancer center in New Britain, and so forth. There are many of these, and this will provide some assistance.

The other activity involves the larger amount of money which is designed to construct the tower. It really is in three parts; \$25 million, which would provide for the planning of the new hospital -- of the new tower; \$100 million which is anticipated will come from the federal government or other non-state tax sources and which is critical. Everything else is contingent upon that. If that \$100 million is achieved, then the other 200-plus million is achieved, will be included in the UConn 2000 bond package.

THE CHAIR:

Senator DeBicella.

SENATOR DEBICELLA:

Thank you, Mr. President, and Mr. President, a couple of other questions on that second part of the bill in terms of the patient center. I did read that



jp/mb/gbr  
SENATE

72  
May 4, 2010

the \$100 million whether it be from federal or private sources needs to be achieved first before that bonding happens. Through you, Mr. President, is that \$100 million contained anywhere right now. I know at one point it was in the federal health care legislation. Is that \$100 million that we eminently expect to have? Through you, Mr. President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Thank you, Mr. President. The \$100 million is included in a competitive grant in the health care bill which was recently passed and we are hoping, with the help of Senator Dodd, that the funds will become available to us, and if they're not, then there is a -- there has to be a search for those funds for sources other than the taxpayers through their taxes in Connecticut.

THE CHAIR:

Senator DeBicella.

SENATOR DEBICELLA:

Thank you, Mr. President. And so then, just hypothetically, let us say that we don't get that \$100 million. Under the bill as it's written today,

jp/mb/gbr  
SENATE

73  
May 4, 2010

the UConn health network initiative would still go forward, but the patient tower would not. Is that my reading of the bill, is that correct? Through you, Mr. President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

No, that's not the case. The only thing that will begin is the \$25 million for the planning, that's the only thing that we are committing. Simply because if we either to get the \$100 million from the feds or to get the \$100 million from other places, we need to have a plan. We need to have something fairly concrete to demonstrate what we're up to.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. So if we didn't get that \$100 million, would there be any reason why we wouldn't go forward with the \$30 million for the UConn health network initiative. It seems like if we were to spend \$25 million on planning, wouldn't it make logical sense to move forward with at least the \$30 million part of the bill. Through you Mr.

jp/mb/gbr  
SENATE

74  
May 4, 2010

President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Thank you, Mr. President. The plan something for capital funds. It is not involved in the relationships that are going on between the hospital and other institutions. There's no reason why those cannot continue, but we're not obligating funds to that plan until the rest of the money has been acquired.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

I thank Senator Handley for the answers to those questions. Mr. President, it's been my honor in the four years I've been in the Senate to serve as the ranking member on the Higher Education Committee, and I've seen this debate over the course of the last four years. Where it started with Dempsey Hospital asking for an expansion of beds. A study done by CASE that showed that there was no need to actually have additional beds in the greater Hartford area, but

jp/mb/gbr  
SENATE

75  
May 4, 2010

instead, there was a need for greater collaboration. A need for greater collaboration between all of our area hospitals for to facilitate not only research, but patient excellence, but allowing sharing of best practices, specialization amongst the hospitals and the sharing of expertise that different faculty and different doctors and residents have.

The plan that has come before us today, Mr. President, contains some of those elements plus. And as I look at this, I see one-half of this plan that comes directly out of the work that has been done in the last four years. And that is the UConn health network initiative. The \$30 million described there to actually help all the area hospitals work in a more collaborative way, to actually increase specialization, but at the same time share that specialization amongst hospitals. It is not only a worthy goal, but directly follows the CASE Study findings.

The second part of this, Mr. President, which is the patient tower is -- and I've not received any evidence to the contrary, completely and utterly separate from the ideas in the CASE Study around collaboration between our area hospitals. Now, we

jp/mb/gbr  
SENATE

76  
May 4, 2010

could have an argument whether a patient tower is a good facilities plan or not for Dempsey Hospital, but the only argument I have heard is that we need upgraded facilities to attract the best and brightest doctors to Dempsey Hospital. Well Mr. President, I don't see how that can be worth \$200 million of taxpayer dollars, given the fiscal crisis that we're under right now. And so Mr. President, with that, I would ask the Clerk to call LC05432.

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO 5432, which will be designated Senate Amendment Schedule "A." It's offered by Senator Debicella of the 21st District.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

I move adoption of the amendment.

THE CHAIR:

On adoption, will you remark?

SENATOR DEBICELLA:

Thank you, Mr. President.

Mr. President, this bill strikes sections three

jp/mb/gbr  
SENATE

77  
May 4, 2010

through six of the bill which actually authorize the \$200 million in bonding for the new patient tower. It remains intact. The elements of this bill related directly to the CASE Study around collaboration between our area hospitals around the greater Hartford area. Now why do I offer this amendment? I offer this amendment because we need to help our area hospitals without breaking the bank. We need to do this in a way that allows us to get all of the benefits that CASE outlined for us and we've been talking about for the last four years. Without putting the burden on the taxpayers for an expensive new patient tower, now other folks in the circle might argue, gee, the patient tower is a good thing to do.

Dempsey Hospital needs an upgrade. We actually need to improve our facilities. Now I can't argue with that, but what I can argue with is, is it necessary to achieve what we actually need to achieve and what we've been talking about for the last four years. The answer is no, and because of that, now cannot be the time for us to embark on massive new banding projects that are nice to haves. We're going to have more of a discussion later, Mr. President, about the future of Dempsey Hospital, about where it's

jp/mb/gbr  
SENATE

78  
May 4, 2010

going.

But for the bill before us today, I actually think our concern should be how do we achieve the benefits that all of us agree on, while not simply building things that are nice to have for the sake of building them. Mr. President, I would encourage adoption of the amendment and make this bill pure to the objective CASE Study that was done in 2008.

Thank you, Senator. Will you remark further on the bill -- on the amendment? Will you remark further on the amendment? Senator Handley.

SENATOR HANDLEY.:

Thank you, Mr. President.

I first ask for a roll call vote on the amendment and I would urge my colleagues to vote against this amendment. It does not get to the base of what our efforts are here, which as I said, as Senator DeBicella has said, partly includes the expansion and the codification of this network, but it does not get to the fact that in order to increase the size of the student body in the medical school in order to increase the availability of research space in order to attract more research dollars and more research activity, we must increase -- we must change the

jp/mb/gbr  
SENATE

79  
May 4, 2010

configuration at the UConn Medical School and the most effective way to do that is to remove some of the hospital activities from the present Dempsey Hospital, put them in the new hospital, which will then open up the space, which is absolutely needed for those other goals. Remember our goal is multifold and part of it is to improve and give to the UConn Medical School the kind of status we certainly want in the -- for our medical school.

THE CHAIR:

Thank you, Senator.

A roll call vote will be ordered.

Senator Frantz.

SENATOR FRANTZ:

Thank you, Mr. President.

I do rise in favorite of Senator DeBicella's amendment and it really has nothing to do with the overall intent of the underlying bill that I have a problem with. In fact, it is absolutely a noble cause to be promoting that we put ourselves on the map either further, to a further degree as a destination for not only medical students but for medical services to people from not only within Connecticut, but also outside the state of the Connecticut. It is a very



jp/mb/gbr  
SENATE

80  
May 4, 2010

noble cause and if we were under brighter economic circumstances, you would have a resounding yes from this particular legislator.

However, given our fiscal circumstances, I just think we need to either wait another year to two years. I know it's a pressing issue. I also know that this would be good for the economy, not only in terms of the initial jobs that it would bring, but it also results in permanent, higher paying jobs in this particular area of the state. And there's no question that there would be some synergy that is created fairly rapidly within this organization and set in different facilities. And of course, everybody does stand to benefit from modern facilities that are equipped with the latest and greatest technology. That's where medical services are going.

And I recognize that fully, once again, it's only because of the fiscal circumstances that we face which are quite frankly unmanageable at this point, that I am in favor of this amendment, not against the underlying bill and its concept, but maybe the timing is just not right. Thank you, Mr. President.

THE CHAIR:

Thank you, Senator.

jp/mb/gbr  
SENATE

81  
May 4, 2010

Will you remark further on the amendment?

Senator McKinney.

SENATOR MCKINNEY:

Thank you, Mr. President.

If I could, through you a couple of questions to the proponent of the amendment.

THE CHAIR:

Please proceed, sir.

THE CHAIR:

Thank you. Through you Mr. President, Senator Debicella, would this amendment maintain the \$30 million commitment under the bill absent the construction of the tower? Through you Mr. President.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President. Yes, it would. It would maintain those funds.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

And through you, Mr. President, would this also negate this amendment if it were to pass, then negate the need to spend \$25 million on planning as put

jp/mb/gbr  
SENATE

82  
May 4, 2010

forward in the bill? Through you, Mr. President.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

Yes, sir, it would.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

So, then I'm correct that if we were to pass this amendment, we would be eliminating the need for \$232 million of new general obligation bonds. Through you, Mr. President, is that correct?

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Mr. President, through you, that is correct.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

Thank you and through you, Mr. President, does Senator Debicella have an accounting of what that would save us in terms of principal and interest on those bonds, assuming our standard 20-year bonds at a

jp/mb/gbr  
SENATE

83  
May 4, 2010

say four or five percent interest rate. Through you  
Mr. President.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

So I'm going to do this in my head as we go  
along, but on a 20-year bond, you're going to have  
\$10 million a year of principal and at about five  
percent interest rate, you're going to have another  
15 percent million in interest. So it's going to save  
us about \$25 million a year, \$25 million a year in  
interest costs -- interest and principal costs.  
Through you, Mr. President.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

Thank you and I thank Senator Debicella for his  
answers. Mr. President, we talk about the cost of  
bonding \$232 million new in general obligation bonds.  
And I will leave for a moment the \$2.2 billion that  
the University of Connecticut has received from the  
taxpayers of the State of Connecticut, and focus  
simply on that new \$232 million. We can talk later

jp/mb/gbr  
SENATE

84  
May 4, 2010

about the fact that we are about \$500 million under our soft statutory bond cap and this removes about half of that, getting our state even further in debt and perilously close to that bond cap.

But what we don't talk about, is what we have to pay every day, every month, every year to support that bonding. There's somewhere between 3 to \$400 million that we will spend, that taxpayers will spend to support this borrowing. Some \$20 million a year we will be spending to pay off the bonds, to construct the new tower and other physical changes to this plan. I guarantee you we could spend that \$25 million -- perhaps attracting some of the best and brightest minds to our medical school for research, grants or other doctors who could be attracted to the medical school.

We could spend that money to work on collaborative efforts between the greater Hartford area hospitals, Hartford Hospital, St. Francis Hospital, New Britain Hospital, all the way through Children's Medical Center. So when we talk about this project and we talk about just bonding and we talk about physical structures and a new tower, and I'm sure everybody would like to have a brand new hospital

jp/mb/gbr  
SENATE

85  
May 4, 2010

and a new tower, I think what we haven't focused on is the fact that this is some 3-\$400 million of general fund revenue. Some 15 to 20 or \$25 million of general fund revenue per year that has to go to sustain these bonds.

So when you vote for this project and this project clearly has the majority of votes to do that, and you're looking at budget deficits in the next couple of years, remember that that money, that 15 to 20 or \$25 million a year, is going to be going to pay off these bonds, when you're asked to cut adult dental or raise taxes on the middle class or businesses, remember that you thought it was important that the University of Connecticut on top of the \$2.2 billion they've received from the taxpayers of the State of Connecticut, that they get an extra \$200 million and that all of our taxpayers have to pay for it.

Many of the good parts of this bill will still be achieved if we pass this amendment and we could save the taxpayers hundreds of millions of dollars and still keep UConn going in the right direction and sit back down at the table and through a collaborative effort among area hospitals, and I'll talk about that a little bit later, make sure that our University of

jp/mb/gbr  
SENATE

86  
May 4, 2010

Connecticut Medical School is as good as it can be.  
And I would urge adoption of this amendment.

THE CHAIR:

Thank you, Senator. Senator Kissel.

SENATOR KISSEL:

Thank you very much Mr. President, and just as a preface, to the folks that are advocates of this project, I will say right now I apologize. For many months I have been very supportive of all the discussions that I have heard regarding this overall project, but I'm going to be very honest. This afternoon brings me to a point in time where I now have to look at this project in light of everything else that is going on in this building, and so, as much as I've heard over the last several months from the executive branch that some things have to be looked at in terms of the context of the overall state budget, in a perfect world, if we didn't have other things hanging higher out there on May 4, I would have less reservation in supporting this kind of expenditure of vast amounts of money.

So with that as a predicate and being a UConn alum and being very supportive of trying to do something with the health center for many years back

jp/mb/gbr  
SENATE

87  
May 4, 2010

when the chief financial officer was Lori Aronson, there was an extraordinarily freezing day in January where I actually went out to the facility and toured it and met with the staff and I saw some of the areas where the patients were, understand how the architectural design of the facility at this time may not be optimal, but Senator McKinney is right when he says that there are a lot of difficult decisions that are coming down the road. And I just haven't seen us put our arms around those decisions this year. So through you, Mr. President, some questions to the proponent of the amendment, my friend and colleague Senator Debicella.

THE CHAIR:

Please proceed, sir.

SENATOR KISSEL:

Through you Mr. President.

This amendment pares away some of the costs of the project. I'm wondering what remains of this initiative and what is sort of cut out. Through you, Mr. President.

THE CHAIR:

Senator Debicella.

SENATOR DEBICELLA:



jp/mb/gbr  
SENATE

88  
May 4, 2010

Thank you, Mr. President.

Through you, first what is cut out is the new patient tower which has been proposed at the UConn -- at the Dempsey Hospital. What remains is the collaborate -- the money to enable collaboration between UConn and its area hospitals. And if the good gentleman will abide with me for just one second, I will actually get you a more detailed list of what that \$30 million that remains will be sent on. The remaining \$30 million is for projects that are at not only at Dempsey, but at the area hospitals as well. And I am just, if the good Senator will bear with me, looking through the note to get to the specifics.

Yes, so there are things such as an Institute for Primary Care Innovation, which is a collaborative enterprise between UConn School of Medicine, St. Francis Hospital Medical Center, the Connecticut Institute for Nursing Excellence, which is going through at the UConn School of Nursing. There is -- looking at these further, a simulation and conference center at the Hartford Hospital campus that's going to be using new technologies and simulated care settings to educate and train health care professionals. An Institute for Primary Care at St. Francis Hospital, an

jp/mb/gbr  
SENATE

89  
May 4, 2010

Institute for Clinical and Translational Science at UCHC, a comprehensive cancer center to expand clinical trials and advocate patient care. A UConn Health Disparities Institute, and new patient room renovations at Bristol Hospital.

So if you actually look at the things that are still remaining in this bill, they are aimed at making sure that the hospitals in collaboration with each other are working on cutting edge things like advances in nursing care, advances in oncology. Where different hospitals will continue to take on different specializations, but in doing so, will share that knowledge with all the area hospitals. This was the core of the CASE Report that came back to say how we can actually improve the quality of care in the Hartford region. Through you, Mr. President.

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Thank you very much, and I appreciate that extraordinarily detailed response. So it appears that through this amendment as Senator DeBicella had pointed out, the core of the findings of the study are maintained, but it's this tower that is cut out. Is

jp/mb/gbr  
SENATE

90  
May 4, 2010

that correct? Through you Mr. President.

THE CHAIR:

Senator DeBicella.

SENATOR DEBICELLA:

Through you, Mr. President. That is correct. The patient tower was added in later. It was actually not in the original CASE Report, but was added in as a facility improvement that Dempsey Hospital believes is necessary. Through you Mr. President.

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Thank you very much, Mr. President.

And I appreciate the indulgence on my friends and colleagues here in the circle, because I've got to be honest. You know, sometimes I come in here and I sort of know exactly where my north star is on these issues. This one's real hard, because I see a lot of the good things that can happen creating the sin gees related to this, this UConn endeavor. But at the same time, I'm really, you know, this afternoon, it was a hot day, and when we were discussing other issues in our caucus, all of a sudden we heard thunder. I really see storm clouds over Connecticut's horizon.

jp/mb/gbr  
SENATE

91  
May 4, 2010

And I'm getting to the point now where I have a great amount of concern that is being heightened on an almost daily basis because I think that we are going to inevitably put ourselves in a position where it's going to be very, very difficult to get out from the corner that we paint ourselves in. How much money would this amendment save as far as not going forward with creating this tower? Through you, Mr. President.

THE CHAIR:

Senator DeBicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

I actually Senator McKinney asked me the question. I gave a range of 20 to 25. I actually calculated it out a little further. It's actually about \$22 million a year in principal and interest costs over the course of the next 20 years will be saved by this amendment. Through you, Mr. President.

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Actually, that sounds rather inexpensive for building this huge tower that they want in that area, but that being stated, who would be on the hook for

jp/mb/gbr  
SENATE

92  
May 4, 2010

that 20 -- let's say \$23 million? Through you Mr.  
President.

THE CHAIR:

Senator DeBicella.

SENATOR DEBICELLA:

Mr. President that would be the taxpayers of the  
State of Connecticut.

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Thank you very much, but is that -- through you  
Mr. President, is that the taxpayers through our  
general fund or is that money that we allocate to  
UConn?

THE CHAIR:

Senator DeBicella.

SENATOR DEBICELLA:

Mr. President, through you, it would be through  
the general fund. These are general obligation bonds  
that would be paid back along with all the other  
general bonds of Connecticut, currently about 10 cents  
of every dollar in the State of Connecticut go to pay  
for our bonding. So this would be added to that  
amount. Through you Mr. President.

jp/mb/gbr  
SENATE

93  
May 4, 2010

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Thank you very much. So the University of Connecticut would not be on the hook for any of this money? Through you Mr. President.

THE CHAIR:

Senator DeBicella.

SENATOR DEBICELLA:

Through you Mr. President, I do not believe so. The -- Senator Handley has explained this is actually going to be added into the UConn 2000 project if and only if that \$100 million of federal money and/or private money actually comes. So what this does not do is something we had talked about in committee and elsewhere is reallocating UConn 2000 funds to this purpose. Instead this is new bonding that is actually going to pay for the patient tower. Through you Mr. President.

THE CHAIR:

Senator Kissel.

SENATOR KISSEL:

Thank you very much.

And I want to thank Senator Fasano for privately

jp/mb/gbr  
SENATE

94  
May 4, 2010

sharing some information with me this afternoon regarding some concerns regarding this aspect and I certainly don't want to speak for my friend and colleague, Senator Fasano. But to my mind, I'm getting to the point to be quite honest, not that I wouldn't be anything but that, but tuitions continue to go up for people that are struggling to try to get a higher education. We send out our funds and in particular to UConn as like a block grant.

And I'm going to be honest. When I pick up the paper and I see something like a floor was squeaky and they did a renovation and all of a sudden they found asbestos, that's the kind of thing that my constituents say what is going on. We have hundreds of millions of dollars of deficit that we have to try to address and there seems to be no control mechanism out there. With all due respect, because I know that the folks that are working at UConn are working very, very hard and are diligent advocates and we have great sports teams and everything else. It's my alma mater, Bachelor of Science from the School of Education, Bachelor of Arts and History from the School of Liberal Arts and Sciences. Two bachelors degrees from that great institution.

jp/mb/gbr  
SENATE

95  
May 4, 2010

But I don't really think that we can continue to write a check as a block grant and let that school do whatever it wants. I think going forward, we have to take a step back and get some more control over things that we have going on in our state. You know, we have no hire policies to try to save money, but apparently those no hire policies don't affect these institutions of higher education. I don't know how many provosts we need in the State of Connecticut or bursars we need in the State of Connecticut or heads of various schools in the State of Connecticut. I'm not taking a shot at any of those folks, but to have a chancellor and four separate presidents under the state university system and to have an entire huge infrastructure of individuals at UConn, there's got to be duplication there and there's got to be ways to do this far more cost efficiently.

We can't even get into that game to have those discussions at this point in time, and now we're going to go down the road with something that, you know, in a perfect world, I love the idea. But we don't have the money. I, you know, my wife tells me I am crazy for running for reelection, but gosh darn it, I love this state, and I am honored that I have been able to



jp/mb/gbr  
SENATE

96  
May 4, 2010

be able to serve my constituents for the last 18 years in this circle and I want to make sure that when I am done, and hopefully it's on my terms and not some challenger's terms.

But you know what? It's a free country. But I want to be able to leave public service or change public service or in some other respect in a way so that I know I did my best for my not yet 14-year-old Nathaniel or my 6-year-old Tristan to create a state that they can live in. And right now, we talk about jobs leaving for North Carolina or other states. But I look at our future leaving. You know that whole thing about leaving the nation and the exodus of 18 to 30 years old. Talk about best and the brightest. How about everybody.

Is Connecticut such a bad place that we raise our children here and above every other state, they leave here. I love my kids too much to think that they're going to have to find greener pastures down south or out west or in the Midwest or somewhere else. I love New England. Born here, raised here, everything has been done here. This is a nice thing. I know that the governor is behind it and God bless her soul, I think she's done so many good things for the State of

jp/mb/gbr  
SENATE

97  
May 4, 2010

Connecticut. The UConn advocates have been impassioned regarding this, and I applaud them for their efforts. But we had UConn 2000 and then we added to that and we added investments in central and it just seems to go on and on and on and on and at some point in time, we have to pay the piper.

And I think that time is way sooner than we might think. Whoever is lucky enough to win reelection or to win election or to seek public service, to serve in our Senate or serve in our house or serve as our governor or any other constitutional officer, I swear, when they get sworn in, that's when the day of reckoning comes. We struggle trying to find three quarters of a billion dollars to fill holes and that is extraordinarily difficult. I can't imagine the difficulty of finding \$3 billion or more and then for the next year, another \$3 billion.

I don't think you can do it all by raising taxes. The public won't stand for that. Tea party? Forget about tea parties. People don't have it. Creative thinking. Yeah, there will be a lot of creative thinking, but I am of the firm belief that we have an unsustainable spending pattern. And as much as now we have notions of borrowing on our state credit card to

jp/mb/gbr  
SENATE

98  
May 4, 2010

pay for current operating expenses, and ladies and gentlemen we did do that in the fall. We were what? \$930 million, \$940 million short in fiscal year 2009. And we had over a billion dollars in the rainy day fund and what do we do? Seven year notes, borrow and because we didn't want to deal with it.

We wanted to just pray that we could just weather the storm, we pushed off the principal and interest and we didn't have to start paying that for three years. And that day hasn't come yet. But that day is right around the corner.

So whomever is lucky enough to be sworn in to be public servants next year, it's time to start paying for your operating expenses that were incurred in 2009. It will be 2011. We can't borrow our way out of this financial predicament and to then layer on another wonderful, how can you just say no to this project, because it will create such a synergy. So just continue to do these things. When are we going to say no? These are likes. I would like to do this. I would like to do this. Do I have to do this? No. I think we're now quickly moving -- quickly moving from the likes to the what do we have to dos. Oh, we'll have a few months where we can debate that and

jp/mb/gbr  
SENATE

99

May 4, 2010

go out on the campaign trail and no one's going to want to say how bad it is because all the choices are horrible. But I know my constituents know it in their bones. They realize that we are at a defining moment as a state. Do we start reining in our spending, stop our borrowing, and get our house in order, or do we continue to pray that this is all going to go away.

So there's things we have to do and things we'd like to do. And up until very recently, this is a Project that I wanted to do. I like to do it. It's great and laudable and this facility would be a shining beacon on a hill and we could really put ourselves on the map. But we can't afford it. We just can't do all the things we would like to do. And I am so concerned that before you know it, within a year, in the next year of our lives, God willing, we're all alive and walking on this planet. The folks that are working here in this building a year from now, because that will be the long session.

You won't be like, oh, beginning of May. You'll be saying, oh, we don't get done until the beginning of June. That's when the heavy lifting will have occurred all during that period of time. A year from now, you will not be debating in this circle things we

jp/mb/gbr  
SENATE

100  
May 4, 2010

like to do. You will be debating hard choices about things we have to do. What do we have to do for the people of the State of Connecticut and how can we possibly cut back on those things? Because they will be looking to us to maintain the safety net. They will be looking to us to maintain basic services. They will be looking to us to make sure bridges don't collapse. They will be looking to us to make sure that prisoners don't run in the streets.

And when you add it all up, there's only going to be so much money to go around and you're going to look at that pie chart and say "How much control do we have? Oh, look at that giant piece of the pie that grew too large. What is that?" That's our bonded indebtedness. That's our obligation to Wall Street. We can't touch that.

If we don't make tough decisions now, we're never going to make them until they're made for us. Every day that we put off these issues is one less day that we have to make decisions that are less painful than tomorrow's. My constituents understand that. That's why it's taken me a long time to wrestle with this issue. It has not been easy. But at the end of the day, to use that hackneyed phrase, I've come to the

jp/mb/gbr  
SENATE

101  
May 4, 2010

conclusion that I have no choice. I have to support this amendment, and if this amendment doesn't pass, I'm afraid I can't support this project.

Whether Uncle Sam wants to send us a check for \$100 million or not. You know, it's like winning a car. Hey, great, I won a car. I'm broke. I can't pay the taxes. Guess I can't get the car or I have to sell the car to pay the taxes. We don't have the money to continue to do likes. We need to get down to business and figure out needs. We don't need to do this huge project.

Ladies and gentlemen, I support the amendment and I urge my colleagues to support it as well. Thank you, Mr. President.

THE CHAIR:

Thank you, Senator.

Will you remark further on the amendment?

Senator Fasano.

SENATOR FASANO:

Thank you, Mr. President.

Mr. President, I'll keep my comments short. I support the amendment and sort of for a philosophy reason that's been stated. But to me, it's a little bit more precise. What really is happening is as the

jp/mb/gbr  
SENATE

102  
May 4, 2010

underlying bill says, is that the State of Connecticut is going to put up \$25 million on the come. So if you're thinking of like a bet, there's \$25 million by the team on the come, which is the State of Connecticut. And we're betting with a roll of the dice that either we're going to get \$100 million from the federal government or if we don't get the \$100 million, we're going to get 100 million is going to be raised by UConn.

Now, if that happens, our \$25 million that we put up is a valid investment. If it doesn't happen, we lose the \$25 million. So I guess I don't understand the bet. I don't understand the bet. What makes more sense is for UConn to put up the \$25 million. Let them have the skin in the game. Then if the \$100 million comes in either by virtue of the federal government or it comes in by virtue of charitable donations to raise that \$100 million, then I would be happy as a Legislature to come back and reimburse the \$25 million.

Well why are we out of the General Fund putting up the come bet? And that's a concern that I have with respect to this underlying project. So Mr. President, in a more laser point fashion, that's the

jp/mb/gbr  
SENATE

103  
May 4, 2010

reason why I support the amendment. Because if the amendment goes through, it doesn't necessarily impair the ability to go forward, it just realigns the financial structure of the deal. So I support the amendment. Thank you, Mr. President.

THE CHAIR:

Thank you, Senator.

Will you remark further?

Senator DeFronzo.

SENATOR DeFRONZO:

Thank you, Mr. President.

Mr. President, I rise to support the opposition to this amendment. We've got that straight there. You know, this has been a difficult proposition for me. Last year the proposal that was put forward was a very difficult one and I opposed it. But things have changed dramatically in this proposal, and probably later when we discuss the bill in depth, we'll be able to discuss some of those things. But this amendment really embodies a tough decision that's going to be demanded in us in this bill. And Senator Kissel said and, I agreed with him to some extent, that we are being -- I think the time is upon us when we have to make difficult decisions. It's not what we like.



jp/mb/gbr  
SENATE

104  
May 4, 2010

It's what we have to do.

In the case of the UConn Medical Center, I think the time for doing nothing is long past. I've been here eight years. This issue has been kicked around, been passed around, been tossed around, here's an idea, here's an idea, and nothing's gotten done. We have already invested billions of dollars in UConn. Are we going to protect that investment or are we not going to protect this investment.

There's a vision involved in this proposal before us. You may agree with the vision. You may not agree with the vision. But there is a vision. It's a coherent plan. It's based on a distributive model. You may disagree with it. You may agree with it. This amendment will cut the heart out of that model and will render the entire proposal null and void and destroy it. That's what the amendment does.

Financially, I might clarify for Senator Fasano that the \$25 million that is being proposed is coming out of the UConn 2000 fund. It's not new bonding. It's a reauthorization of existing bonding. So that piece needs to be clarified.

In addition, a lot has been said in this discussion earlier about the cost to Connecticut

jp/mb/gbr  
SENATE

105  
May 4, 2010

taxpayers of paying this \$232 million, which only becomes a real cost if we receive \$100 million in federal funds. And I would suggest to members of the Senate that our cost would be 40 percent or 50 percent higher if we do not get that \$100 million. I mean, that is a fact to bring into this. If in the future, we want to make these types of systemic changes, our costs are going to be borne by the same taxpayers. But we're not -- who's kidding who here? UConn 2000 is still the taxpayers of the State of Connecticut. It's only an accounting distinction as far as I'm concerned.

So those arguments that are put forth are -- certainly we've got to consider all of our bonding capacity and all of that impact on our bond situation going forward. But this amendment will essentially destroy the underlying purpose of the bill and the image and the vision that's put forward here. So Mr. President, I would urge members of the circle so defeat this amendment. Thank you, Mr. President.

THE CHAIR:

Thank you, Senator.

Will you remark further? Will you remark further on the amendment?

jp/mb/gbr  
SENATE

106  
May 4, 2010

If not, Mr. Clerk please announce the pendency of a roll call vote.

THE CLERK:

Immediate roll call has been ordered in the Senate. Will all Senators please return to the chamber. Immediate roll call has been ordered in the Senate. Will all Senators please return to the chamber.

THE CHAIR:

Senator Gomes. Senator Witkos. Senator McDonald. Senator Gomes. Senator Witkos. Senator McDonald.

Have all Senators voted? If all Senators have voted, please check the board to make sure your votes are accurately recorded. Have all Senators voted? The Clerk will announce the tally.

THE CLERK:

The motion is on adoption of Senate Amendment Schedule "A."

Total number voting	32
Necessary for Adoption	17
Those voting Yea	9
Those voting Nay	23
Those absent and not voting	4

jp/mb/gbr  
SENATE

107  
May 4, 2010

THE CHAIR:

Senate Amendment "A" fails.

Will you remark further on the bill as amended?

Oh, sorry. Will you remark further on the bill? Will you remark further on the bill?

Senator McKinney.

SENATOR MCKINNEY:

Thank you, Mr. President.

I rise for purposes of an amendment. Mr.

President, I believe the Clerk is in possession of LCO Number 5090.

(The President in the Chair.)

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO 5090, which will be designated as Senate Amendment Schedule "B." It is offered by Senator McKinney of the 28th District.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

Thank you, Mr. President.

jp/mb/gbr  
SENATE

108  
May 4, 2010

Mr. President, I move adoption of the amendment before us and seek leave to summarize.

THE CHAIR:

Motion on the floor for summarization. Please proceed, sir.

SENATOR MCKINNEY:

Thank you. Mr. President, in putting forward this amendment, if I could, I would like to ask through you several questions to the proponent of the underlying bill for clarification.

THE CHAIR:

Senator Handley.

SENATOR MCKINNEY:

Thank you, Mr. President.

Senator Handley, if section five of the bill before us and if you're looking at a copy with line numbers as I am, I believe it starts on line 360 and then goes through 390. That would be all of section five.

SENATOR HANDLEY:

I am sorry, I was looking at the wrong numbers. Would you give me those numbers again, please? 360 --

SENATOR MCKINNEY:

Absolutely.

jp/mb/gbr  
SENATE

109  
May 4, 2010

SENATOR HANDLEY:

Yeah, okay, I see it.

SENATOR MCKINNEY:

Thank you, Senator Handley. Section five, there is a new subsection (e) and a new subsection (f), starting in line 360 through 376 for subsection (e) and 377 to 390 for subsection (f). Does the good Senator have that section?

SENATOR HANDLEY:

I do. I do.

SENATOR MCKINNEY:

Through you Mr. President, Senator Handley, is it fair to characterize this section as the section dealing with the funding and the \$100 million that we would hope to get through a grant through the federal government, through you Mr. President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Through you, it certainly includes it. Yes, Senator.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

jp/mb/gbr  
SENATE

110  
May 4, 2010

Thank you and through you Mr. President, is it also true that in addition to securing \$100 million grant from the federal government we could also seek -- the University of Connecticut could also seek private or other non-state monies for \$100 million. Through you, Mr. President, is that true?

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Through you, Mr. President. Yes.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

Thank you and through you Mr. President. On lines 363 and 364 -- well let me back up if I could, Mr. President, and I apologize to Senator Handley. Online 362 -- 360, it talks about how the plan of funding for the new health center, new construction and renovation shall be, one, the contribution of not less than \$100 million of federal, private or other non-state money or any combination thereof. And what I would like to ask, through you Mr. President, is through you, if we were to secure a grant from the federal government of less than \$100 million, would

jp/mb/gbr  
SENATE

111  
May 4, 2010

the plan of funding and the additional 200 --

THE CHAIR:

Senator Looney, for what purpose do you rise, sir? Excuse me, sir.

SENATOR HANDLEY:

Yes, they are, sir, thank you.

SENATOR LOONEY:

Yes, Mr. President, for a point of order, just for clarification.

THE CHAIR:

Please proceed, sir.

SENATOR LOONEY:

Thank you. Through you Mr. President. Senator McKinney has offered an amendment and I believe his comments are questioning Senator Handley on the underlying bill. Just wanted to clarify the direction and the content. Because normally, it would be the amendment would be explained and then voted upon apart from its effect on the underlying bill.

SENATOR MCKINNEY:

Well, thank you. Through you to Senator Looney. I'm actually trying to shorten the prospect and the process here. My amendment deals specifically with the funding plan in subsection (f) and I think it's



jp/mb/gbr  
SENATE

112  
May 4, 2010

important to understand my amendment to have a full understanding of subsections (e) and (f), and rather than spend a lot of time talking about it, I think Senator Handley can at least help set up the basis for my amendment, if she's okay. Thank you. Through you, Mr. President.

THE CHAIR:

(Inaudible) the point of order, sir?

SENATOR LOONEY:

Yes, through you Mr. President, withdraw the point of order and inquiry. Just wanted to clarify that it was going to tie together somehow to the amendment rather than just the underlying bill.

THE CHAIR:

Thank you, sir. Senator McKinney.

SENATOR MCKINNEY:

Thank you. And so, through you, I guess Senator Handley what I'm trying to understand is the term any combination thereof. Obviously, the language of this bill is our law and published reports in the media, things that have been put out by the University of Connecticut notwithstanding, but there was a lot of media reports about how if we did not get the \$100 million grant from the federal government through

jp/mb/gbr  
SENATE

113  
May 4, 2010.

the health care bill that was recently passed by Congress, we had to get that \$100 million before the plan went forward.

And is it fair reading of this language, through you, Mr. President, that we don't have to get \$100 million from the federal government. We can get something less than \$100 million or even nothing, but if we were to raise the money privately, we being the University of Connecticut, we could still go forward as long as that amount of money raised is \$100 million. Through you, Mr. President, is that a fair reading of that language?

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

The development of the plan is contingent upon that money, whatever its source, federal or private.

SENATOR MCKINNEY:

Thank you.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

And therefore -- and Senator Handley is there a date by which -- a cut-off date by which if the state

jp/mb/gbr  
SENATE

114  
May 4, 2010

or the University of Connecticut as an applicant has not received a grant of \$100 million or has not raised \$100 million, whereby the project would end? Through you Mr. President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

2015 or 2016. There is a date certain, but the date's shifted around a little bit, but there was a date certain.

SENATOR MCKINNEY:

That's...okay. There is a date certain.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

Thank you and the reason why I ask that, through you Mr. President, is Senator Handley if I could bring your attention to the second part, which was subsection (f) and line 382, it says that the university shall not expend any funds authorized in this bill, in effect, expect for \$25 million which is for planning and design costs. So as I understand this language, through you Mr. President, the University of Connecticut cannot spend any money on

jp/mb/gbr  
SENATE

115  
May 4, 2010

this project other than that \$25 million for planning and design until they've secured that \$100 million, and if they haven't secured it by that date, whether it be 2015 or 2016, then the project would end as we pass this. Is that correct, through you?

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Yes.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

Thank you. And I want to thank Senator Handley that she has answered all my questions and I appreciate that.

Mr. President, the reason why I asked those questions is because there have been a lot of reports about the fact that this project will not go forward if we don't get \$100 million from the federal health care legislation. There are rumors obviously that Senator Dodd got into the health care legislation a \$100 million grant. As I understand it, there are more than one state, maybe as many as 12 or 13 states that will be competing for those grant dollars. And

jp/mb/gbr  
SENATE

116  
May 4, 2010

that while Connecticut may stand a good chance, I'm sure those other states are equally emboldened by their prospects as well.

The reason why I ask that is because in subsection (f), we are saying that the University of Connecticut is going to spend \$25 million to plan and design this project. Yet we don't know if this project's even going to go forward. And we're going to spend \$25 million and if we can't find \$100 million, stop the project. That to me seems like a very bad bet for the State of Connecticut. We're going to spend a quarter and if we can't raise a dollar, we're going to lose the quarter. We're going to put \$25 million at risk, at jeopardy, and spend \$25 million, incur the debt costs on those 25 million bonded dollars over 20 years. And if we don't get this money from the federal government, we have wasted \$25 million. Now if we don't get the \$25 million from the federal government, the University of Connecticut has until 2015 to go raise the \$100 million. My guess is they will not be able to raise 100 million private dollars. They probably may be successful in raising some, but they probably won't be able to raise \$100 million.

jp/mb/gbr  
SENATE

117  
May 4, 2010

So one of two things are going to happen. Either the project will die and we will waste \$25 million or the University of Connecticut will be back before the Legislature saying we're \$20 million short, please give us the \$20 million. Who wants to bet me it's going to be the latter? And I would stand here today and tell you that if we've already spent \$25 million on planning and design, and they're \$20 million or \$50 million or even \$100 million shy of their goal, it would be fiscally irresponsible not to give them the rest of the money, rather than lose and waste \$25 million.

So when we say, we're not going to spend any money and this project is not going to happen until we get this \$100 million from the federal government or we raise it privately, we're not being entirely accurate with the people of the State of Connecticut. We're saying we're going to spend \$25 million on the hopes that this project happens. That's a bad bet.

So this amendment, Mr. President, which I have offered here, would simply say this. It would simply say we're going to make an application under the federal health care legislation, University of Connecticut or the state. I don't know who would be

jp/mb/gbr  
SENATE

.118  
May 4, 2010

the applicant, probably the University of Connecticut, maybe the medical school or the medical center. And we're going to wait until we hear whether we get that \$100 million, and if we get that \$100 million, then the project goes forward, we spend the \$25 million in planning and design and we build the project. But what this amendment would say is we're not going to spend that \$25 million until we first know whether or not we are successful in our grant application with the federal government.

Why would you spend 20 -- this isn't -- you know, this isn't you know a small soft-cost figure, Mr. President. This isn't a couple of thousand dollars on architects' fees. This is \$25 million that we are going to spend on a project that we have said in the law will not go forward if we don't get \$100 million from the federal government. Why would we want to risk that \$25 million? Now, what are the down sides of my amendment? The down sides are, there's probably a year or two delay in the project. I don't know how fast we're going to hear from the federal government. Perhaps Senator Dodd, as a swan song, can get that application through faster. It appears that he got it written into the bill. Maybe he can get the

jp/mb/gbr  
SENATE

119  
May 4, 2010

applications. I honestly stand here not knowing what that application process is. But why would we want to spend \$25 million and I thank Senator Handley for her answers, and she's right. We spend \$25 million and if we don't get the \$100 million, the project stops and \$25 million is wasted. So this amendment says we're not going to spend a dime of that \$25 million until we first know we've secured the funding to build the project.

How many people, how many small business owners, how many homeowners are going to go out there and say we're going to spend a lot of money you on something we don't know we have the money to build. That would be foolish for a business to do that. In fact, a business couldn't get a loan on those terms. It would be even more foolish for a family to do that with their money. But apparently, as the State of Connecticut and the University of Connecticut, we can do that.

Now I understand that this \$25 million comes from UConn 2000, phase 3, 21st century UConn. That doesn't make it not real money. It's still real money. It's still \$25 million that we're going to pay interest and principal on over 20 years. It's still part of the



jp/mb/gbr  
SENATE

120  
May 4, 2010

\$2.2 billion, with a "b." We've given UConn. And this might sound a little harsh, but sometimes the truth hurts. I understand that more than \$25 million of UConn 2000 was wasted with all the construction problems. And we've gone down that road before and this Legislature has taken action and UConn has taken action to correct it so those mistakes don't happen again. Why would we want to be party to making the same mistake, wasting \$25 million, on the chance that we get a grant from the federal government for \$100 million. Let's make our application. Let's hope that the governor and the University of Connecticut and the UConn Medical School and the health center put the best application possible so we can win.

To be fair, our track record hasn't been great. We applied for Race to the Top, we didn't get it. We applied for transportation funds under the ERA. We didn't get it. Not blaming anybody, but if it is true as reports from Washington say that there are 12 or 13 states that will compete for this money, we are risking \$25 million on the chance that we get 100 when maybe a dozen other states are competing for that \$100 million. Who in this circle would make that kind of bet with their own personal finances? Who in this

jp/mb/gbr  
SENATE

121  
May 4, 2010

circumstance would make that kind of bet, that kind of gamble with their own business' finances? I don't know that anybody would.

And I don't think we should make that bet with the taxpayers of the State of Connecticut. This does not kill the project. As an opponent of this project, this does not kill it. This will delay it some, yes. But to those who will stand up and say we can't delay it, my response is, well, we've been waiting eight, nine, ten years. John Dempsey Hospital when built was built with the vision of a 400-bed plus hospital, was only built at 224. So one could argue that they've been waiting since it was very first constructed in 1975 for this to happen. I'm sure that we can wait another year in order to protect that \$25 million.

So Mr. President, I would say that this amendment does not kill the underlying bill. It makes it a better bill. It might even warrant my support and I would ask that when we vote on this amendment we vote by roll call.

THE CHAIR:

Thank you, sir.

A roll call vote will be ordered.

Senator Handley.

jp/mb/gbr  
SENATE

122  
May 4, 2010

SENATOR HANDLEY:

Thank you. I would urge my colleagues to vote against this amendment. There are a couple of issues. One, it is the University of Connecticut's Medical School which is going to be foregoing remedial projects in order to provide this money. This is not coming out of stores. It is the medical center. It is their commitment to what they believe is necessary for the future of the medical school, the research and the hospital. I think this is important to understand.

It also is important that the planning begin. Number one, because it may be necessary to have -- it probably is necessary to demonstrate when the grant proposal goes to Washington that we have begun a commitment. That this is not just a pie in the sky idea and we don't know what's going to be in the request for proposal from Washington, but certainly the ability -- the decision of the university medical school to commit this kind of resource to the planning is a demonstration of good faith.

Secondly, if the grant proposal fails in Washington, we certainly will need -- or the university and the medical school will certainly need

jp/mb/gbr  
SENATE

123  
May 4, 2010

to have a plan to demonstrate to potential supporters that what is going to be constructed and what is going to be designed and planned for has real substance.

So for those reasons, I encourage my colleagues to vote against this amendment.

THE CHAIR:

Thank you ma'am. Senator DeBicella.

SENATOR DEBICELLA:

Mr. President, briefly in favor of the amendment. You know, one of the things that I like to think about in this circle is common sense. And if you think about the amendment that Senator McKinney has brought forward, it just makes common sense to say that we are not going to spend \$25 million of taxpayer dollars until we know whether or not we're actually going to do this project. It's also common sense, with all due respect to Senator Handley, that you don't need \$25 million of planning to actually have a good enough plan to go get the grant. \$25 million is an awful lot of planning if you're trying to put together some architectural drawings, a small model of the place. This is not \$25 million. And so my worry, Mr. President, is that with this amendment does not pass, the risk to the State of Connecticut and to the

jp/mb/gbr  
SENATE

124  
May 4, 2010

taxpayers is we spend \$25 million and end up with  
bupkis. We end up with a nice plan. A really  
expensive plan, but no patient tower, no grant from  
the federal government.

Again, Senator McKinney's amendment just makes  
common sense and I urge its adoption.

THE CHAIR:

Thank you, sir. Will you remark further on  
Senate amendment "B?" Will you remark further on  
Senate amendment "B?"

If not, Mr. Clerk, please call for roll call  
vote. The machine will be open.

THE CLERK:

A roll call has been ordered in the Senate. Will  
all Senators please return to the chamber. Immediate  
roll call has been ordered in the Senate. Will all  
Senators please return to the chamber.

THE CHAIR:

Have all Senators voted? If all Senators voted,  
please check your vote. The machine will be locked.  
The Clerk will call the tally.

THE CLERK:

Motion is on adoption of Senate Amendment  
Schedule "B."

jp/mb/gbr  
SENATE

125  
May 4, 2010

Total number voting	34
Necessary for Adoption	18
Those voting Yea	12
Those voting Nay	22
Those absent and not voting	2

THE CHAIR:

The amendment fails.

Will you remark further on House Bill 5027?

Senator Debicella.

SENATOR DEBICELLA:

Thank you, Mr. President.

On the underlying bill, I stand in opposition reluctantly to this bill. And I say reluctantly because I do think there are good aspects of this bill with UConn health network. Unfortunately, Mr. President, I think the bill misses two key facts. One is any sense of fiscal reality about the State of Connecticut right now. We can't afford this bill. Plain and simple. We cannot be bonding \$237 more for a patient tower that is not recommended by CASE, but is simply something that Dempsey Hospital wants. It is at the end of the day, a nice to have.

But second, Mr. President, I also think that this bill misses what is sure to be a topic of conversation

jp/mb/gbr  
SENATE

126  
May 4, 2010

for the next two years and that's the future of John Dempsey Hospital. Is -- with our budget crisis looming. An \$8 billion of a deficit for the next two years. With no stimulus package, with no rainy day fund, we are going to be looking at all options. And there's been talk on the Higher Education Committee of looking at other models. Of looking at models like Harvard Medical School, which partners with a private hospital. We all know Dempsey Hospital has a loss year after year after year that the taxpayers have to fill.

This bill is a missed opportunity for us to actually discuss what Dempsey Hospital should look like in the future. Should it be public? Should it be private? Do we need it at all, given the strength of our hospitals and teaching hospitals in the State of Connecticut?

So Mr. President, I believe that this bill before us, both for physical reason -- for fiscal reasons and for the fact that it misses a tremendous opportunity to talk fundamentally about whether we even need Dempsey Hospital or not is a bad bill and we should vote against it. Thank you, Mr. President.

THE CHAIR:

jp/mb/gbr  
SENATE

127  
May 4, 2010

Thank you, sir.

Will you remark further on the bill?

Senator McLachlan.

SENATOR McLACHLAN:

Thank you, Mr. President.

I rise for a point of question to the proponent of the bill please.

THE CHAIR:

Senator Handley, please proceed, sir.

SENATOR McLACHLAN:

Thank you, Mr. President. Senator Handley, thank you for all your hard work on this. I see many wonderful points about this plan. I can see that an awful lot of effort has gone into it and a lot of people have worked very hard on this. I have one very specific question that I'm not sure about and that is where is this \$100 million from federal government coming from? What was the purpose of that? Was it an application for a grant? Could you clarify where that money, you anticipate that coming from? Through you Mr. President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:



jp/mb/gbr  
SENATE

128  
May 4, 2010

Thank you, Mr. President. The origin of that \$100 million is the health care bill which passed recently through the Congress and was signed by the president. Included in that bill was a \$100 million grant proposal introduced by Senator Dodd as a -- in the hopes that it might support some of the work that would be done at Dempsey Hospital. It has evolved into a grant program, through you Mr. President, a competitive grant program. So we have to engage, or the university and perhaps the state has got to engage in some activity in order to apply for that grant.

THE CHAIR:

Senator McLachlan.

SENATOR McLACHLAN:

Thank you, Mr. President. Thank you, Senator Handley for that answer. Now just for further clarification, the grant program, as I understood it originally, it was known in sort of political speak as an earmark, meaning that we basically didn't have to do anything to get the money. What do you mean by a grant? We have to apply to qualify for the \$100 million or does that go out to all of the United States and another hospital can apply for that money? Through you Mr. President.

jp/mb/gbr  
SENATE

129  
May 4, 2010

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Through you -- Thank you, Mr. President. It may have begun as an earmark but it evolved, as I said, into a grant program for which according to the stories I've seen, anywhere from 10 to 12 hospitals in the country may be eligible. It's still not clear.

THE CHAIR:

Senator McLachlan.

SENATOR McLACHLAN:

Thank you, Mr. President, and so the grant funds -- the total grant funds available countrywide is \$100 million and we'll be applying for the full amount of \$100 million? Through you Mr. President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Thank you, Mr. President. Yes.

THE CHAIR:

Senator McLachlan.

SENATOR McLACHLAN:

Thank you and thank you, Senator Handley for your answers. And once again, thank you for all your hard

jp/mb/gbr  
SENATE

130  
May 4, 2010

work as ranking member. You've had a distinguished career in the State Senate. I applaud your efforts.

As I read through the bill, I am heartened to see strategic partnerships at all levels. I have continued to advocate for strategic partnerships of this nature in local, state and federal government. I think that's a good thing. My concern though is that similar to my colleagues on the minority caucus who feel that this is an inappropriate time for us to take on such a very large amount of debt for a "what if" scenario. And that perhaps this is the right time to continue the planning process for this strategic partnership until such time as our economy improves and we are not so close to our statutory limitation of state bonding debt.

And so reluctantly, I will oppose this bill in hopes, frankly, that another day will bring per opportunities for us to further this type of a strategic partnership and perhaps many others. Thank you, Mr. President.

THE CHAIR:

Thank you, sir. Senator Boucher.

SENATOR BOUCHER:

Good afternoon, Mr. President. Thank you.

jp/mb/gbr  
SENATE

131  
May 4, 2010

THE CHAIR:

Good afternoon, ma'am.

SENATOR BOUCHER:

I rise actually to support this bill, but also to respond to really accurate comments by some of my colleagues, particularly Senator DeBicella when he talked about the actual structure of our UConn Hospital. For years, for those of us that have been here and on appropriations, we struggled on a yearly basis to meet some shortfalls that seemed to be continually coming up and created quite a bit of controversy with regards to deficits that were being run at the hospital, usually to the tune of 20-\$22 million a year. Mostly due to the cost structure of the employees of that hospital that far exceeded other hospitals in the area, non-profit hospitals and often times the cost structure of most university, non-profit hospitals. This is a very unique model in Connecticut. Most state university hospitals are structured as non-profit entities, are spun off and because, in fact, they do have to compete and are reimbursed for costs in a way that other non-profit hospitals are charged and reimbursed.

In order to struggle to meet some of the crisis

jp/mb/gbr  
SENATE

132  
May 4, 2010

situations that appeared on a yearly basis, there were many plans and many negotiations to sit down and negotiate with area hospitals as a way to address some of those very serious crisis situations that Dempsey Hospital found itself in. And we also spent quite a bit of time listening to outside consultants that would review possible mergers between the area hospitals, and in do so, it became very clear over the years that it was very difficult to do so. The cost structure for salaries, benefits and other costs with labor between those two hospitals were vastly different.

And if they were to merge, those other hospitals in the area would not be able to sustain themselves due to the reimbursement rates and other charges that they were allowed to have. So I think the whole issue ran into quite a few road blocks and as such, now we find ourselves at this point and as I said, I stand here as a great supporter of the university, but I think that in this process, we've missed an opportunity and a very important opportunity to address that structural difference so that in the future the functioning of the hospital sector of this health care program could sustain itself long-term,

jp/mb/gbr  
SENATE

133  
May 4, 2010

could compete and be similar to the cost structures of all of our Connecticut hospitals.

My concern is that with this kind of infusion of investment, we find ourselves back at the same problem with having shortfalls on a yearly basis because we really haven't addressed the real serious problem internally. And I would hope that others that come after us will take a look at this again. Maybe there will be a different time and a different climate that would be more hope to this. I'm sure that there are a lot of folks that are running for office these days that are going to have address some of these issues as well. But as I said, I do stand here as a supporter of this proposal because I do believe, as I did in UConn 2000, when I had to, as a local board of ed person, persuade my colleagues that were serving in the house and in the Senate at that time. They were asking my opinion of UConn 2000. I believed even then that it was the right thing to do. That we had an amazing higher educational institution with an amazing academic reputation whose buildings and structures left it at the bottom of the pack when it came to competing for the best and brightest.

We had wonderful athletic teams that also were

jp/mb/gbr  
SENATE

134  
May 4, 2010

being addressed at that time to create a division I football people and a stadium. I also came forward and testified in favor of that because we found that in talking to the professors that teach there, they found themselves disadvantaged prior to our team's receiving such national notoriety, such great success. Once they did that, they say that even they were respected more. That within academia that all of a sudden, people knew who UConn was and they saw the value of investing in certain aspects of the university. Buildings and infrastructure, so when students came to look at our schools, they felt they wanted to go there. They wanted to have a quality experience over the four years.

And the success and the investment in our wonderful successful athletic teams that have added so much to the prestige of the university. Not just prestige. It translated into real money and real investment. Because you can talk to the UConn foundation folks and they will tell you that their donations really grew at a rapid pace the more its reputation was improved and gained widespread recognition. So I do believe in investing greatly in our premier institute of higher education. It has

jp/mb/gbr  
SENATE

135  
May 4, 2010

helped the state. It has brought economic development. It has brought dollars.

But we also need to be reasonable about this and in fact, as I said, this particular difficult problem with the university Health Center, a lot of it does revolve around the fact that it is structured differently and maybe not appropriately in the way it should be as a hospital. That section of it. Maybe not the research section of it, but certainly the hospital that delivers hospital services that should be more in line with the other hospitals in the State of Connecticut, so that it can be sustainable into the future. That it can support itself on the reimbursement levels that they get that are based on a very different employment structure.

And so I raise those concerns because I do agree with many of the concerns that have been expressed this afternoon by my colleagues. But as I said to you before, I do feel that I have to make the commitment to support it in this new venture. Thank you, Mr. President.

THE CHAIR:

Thank you, Senator Boucher.

Senator Handley.



jp/mb/gbr  
SENATE

136  
May 4, 2010

SENATOR HANDLEY:

Thank you, Mr. President.

I would like to respond briefly to Senator Boucher's comments. Number one, the change in the makeup of the hospital beds from the infant beds to medical/surgical beds will add 40 rather higher paying beds in the hospital. And it is anticipated, through you, Mr. President, that that addition will resolve much of the fiscal problem of the hospital. That is part of the design.

I might also add that the position of many of us on the Higher Education Committee was that it was important for us to maintain the Dempsey Hospital as a public hospital. It plays an important part in serving the health needs of the entire state and it provides certain very important programs in terms of psychiatric care and the care of prisoners who need hospitalization. So it was an issue of public policy that we maintain the hospital and as I said, the expectation is that the fiscal problem, which has diminished in the last year or two can be resolved by the changing composition of the beds.

THE CHAIR:

Thank you, ma'am.

jp/mb/gbr  
SENATE

137  
May 4, 2010

Will you remark further on House Bill 5027?

Senator McKinney.

SENATOR MCKINNEY:

Thank you, Mr. President.

Mr. President, I believe the Clerk is in possession of an amendment LCO Number 5105. I ask that he call the amendment and seek leave to summarize.

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO 5105, which will be designated Senate Amendment Schedule "C." It is offered by Senator McKinney of the 28th District.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

Thank you, Mr. President.

Mr. President, I move adoption of the amendment.

THE CHAIR:

Motion on the floor for summarization and adoption.

Seeing no objection, please proceed, sir.

SENATOR MCKINNEY:

Thank you, Mr. President.

Mr. President, what this amendment would do is change the funding plan for the hospital before us so that what we were to find, if this amendment were to pass, would be a true partnership. One in which the University of Connecticut would raise \$135.5 million and the taxpayers would give them in terms of bonding \$135 million. Now why should we have a true partnership? We should have a true partnership because over the last decade and more, the taxpayers of the State of Connecticut have given the University of Connecticut a \$2.26 billion in bonding. Forget about the hundreds of millions of dollars in our general fund we spend on principal and interest to sustain that level of borrowing. Forget about the operating funds that we give to the University of Connecticut in our general fund. This state and the taxpayers of this state -- not even sure I should say this state, because it's not the state's money. It belongs to the people of the State of Connecticut.

The taxpayers of the state have been extraordinarily generous to the University of Connecticut, and in return the University of Connecticut has been a very good steward of the

jp/mb/gbr  
SENATE

139  
May 4, 2010

people's money. Some mistakes along the way, no doubt, but the University of Connecticut has grown into an extraordinary state university. As a graduate of the University of Connecticut law school, I am grateful for this state's involvement in the University of Connecticut. Its law school, its medical school and everything else in between. But at some point, at some point, you have to say enough is enough. At some point, money runs dry for the people in the State of Connecticut. At some point, we have to stop spending money.

So Mr. President, this amendment would simply create a partnership where the University of Connecticut would have to come up with the same amount of money and raise the same amount of money, \$135.5 million that they would receive in bonding. And with that, Mr. President, I urge adoption of the amendment.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Thank you, Mr. President. I would urge a rejection of the amendment. This would create a very unusual situation; one that I am not aware of has ever

jp/mb/gbr  
SENATE

140  
May 4, 2010

been imposed upon a state facility. And we do have to realize that the University of Connecticut and the university -- the medical school of the University of Connecticut are two separate institutions, although they have some connections in terms of their goals. They are separate, and I am not at all sure that the University of Connecticut would be in a position to raise this kind of money for its medical school. I think this is not appropriate.

THE CHAIR:

Thank you ma'am.

Will you remark?

Senator McKinney, for the second time:

SENATOR MCKINNEY:

Thank you, Mr. President, and for the second time to clarify, while I think Senator Handley's in part right and in part incorrect. This is not -- this is not the funding mechanism and trigger and plan and this amendment is not the first time we've done something like this, because this is modeled under exactly what we do in the underlying bill. The underlying bill, Senator Handley, requires UConn if they can't get a federal grant to go out and raise private dollars. This just says and I said 135, I

jp/mb/gbr  
SENATE

141  
May 4, 2010

guess dyslexia is hitting me today. It's actually 153 and a half, so you get half of 207. But this says where under your bill, they should raise \$100 million, this says they should raise 153. This says the University of Connecticut can go out and raise half the money and they'll get half of the money from the taxpayers. That's a true partnership. It may be unique, but the idea comes from the underlying bill. It just creates more equity and more balance, Mr. President. And that's why I urge adoption. Thank you.

THE CHAIR:

Senator Handley, for the second time.

SENATOR HANDLEY:

Thank you, Mr. President. Two things. If, when we vote, I would like it to be on a roll call --

THE CHAIR:

Roll call.

SENATOR HANDLEY:

And I might -- Senator DeFronzo has pointed out that it apparently is part of the federal grant that 60 percent of the cost of the building -- of the project be undertaken by state funds. So we would have to -- this would not keep us in compliance and we

jp/mb/gbr  
SENATE

142  
May 4, 2010

would lose the \$100 million that are possible through the grant. So I would again urge rejection.

THE CHAIR:

Thank you, ma'am.

Will you remark further on Senate "C?" Will you remark further on Senate "C?"

If not, Mr. Clerk, please call for a roll call vote. The machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate. Will all Senators please return to the chamber. Immediate roll call has been ordered in the Senate. Will all Senators please return to the chamber.

THE CHAIR:

Have all Senators voted? Have all Senators voted? If all Senators have voted, please check your vote. The machine will be locked. The Clerk will call the tally.

THE CLERK:

The motion is on adoption of Senate Amendment Schedule "C."

Total number voting	34
Necessary for Adoption	18

jp/mb/gbr  
SENATE

143  
May 4, 2010

Those voting Yea	9
Those voting Nay	25
Those absent and not voting	2

THE CHAIR:

Senate Schedule "C" fails.

Will you remark on House Bill Senate 5027?

Senator Kane.

SENATOR KANE:

Thank you, Mr. President.

I've actually been enjoying the debate that's been taking place in regard to this bill, and especially concerned about the bonding issues that have been brought up. Along those lines though, I have some other concerns in relation to the actual UConn Health Center. So through you, a couple of questions to the proponent of the bill.

THE CHAIR:

Senator Handley.

SENATOR KANE:

Senator Handley, this UConn Health Center is a teaching hospital, correct? Through you Mr. President.

THE CHAIR:

Senator Handley.



jp/mb/gbr  
SENATE

144  
May 4, 2010

SENATOR HANDLEY:

Among -- among its functions, it is a teaching hospital. Yes, through you Mr. President.

THE CHAIR:

Senator Kane.

SENATOR KANE:

And Thank you, Mr. President. Our other teaching hospital is I believe Yale New Haven, which is in the City of New Haven? Through you Mr. President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Through you Mr. President. Yale New Haven Hospital is connected with Yale Medical School, although not as intimately as Dempsey and the UConn Medical School.

THE CHAIR:

Senator Kane.

SENATOR KANE:

Right. Agreed. Thank you, Mr. President. My point was not that it's a state-run facility. We know that it's a private facility, but it is a teaching hospital. And it is located in the City of New Haven. So are there any other teaching hospitals in the State

jp/mb/gbr  
SENATE

145  
May 4, 2010

of Connecticut? Through you Mr. President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Depending on how you want to define you, through you Mr. President, the hospitals in the greater Hartford area, that is St. Francis, Hartford Hospital, Bristol Hospital, New Britain Hospital, all serve as teaching hospitals and there are many more. That is they provide teaching services and clinical training to the UConn medical students.

THE CHAIR:

Senator Kane.

SENATOR KANE:

Thank you, Mr. President, and I appreciate that. That's I guess kind of where I'm going with this. In addition to what you mentioned, what is the other role of a teaching hospital? Through you Mr. President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

I'm not an expert, through you Mr. President. I'm not an expert on hospitals, and certainly not on teaching hospitals. I think that -- my understanding

jp/mb/gbr  
SENATE

146  
May 4, 2010

is that among the other functions of the teaching hospital in Farmington is to provide medical service to the community and also provide a site for research which is being carried on in the medical school's research department.

THE CHAIR:

Senator Kane.

SENATOR KANE:

Thank you, Mr. President.

Through you, would you agree with my assumption or understanding that teacher hospitals were created obviously for what we've spoken about, but also to help maybe the indigent community, low-income community, inner cities, those types of things.

Through you.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Thank you, Mr. President. When we began this, and I don't mean to the smart-alecky, but when we began this study, somebody said from the CASE Institute, when you've seen one teaching hospital -- medical teaching hospital, you've seen one medical teaching hospital. There is really a great diversity

jp/mb/gbr  
SENATE

147  
May 4, 2010

of the way in which these schools and the hospitals that they are related to carry on. Certainly in many cases that's the care of the indigent and the care folks with particularly very extreme medical needs a part of their job.

THE CHAIR:

Senator Kane.

SENATOR KANE:

Thank you, Mr. President. So you would agree that teaching hospitals are typically are located within the inner city or within an urban center.

Through you Mr. President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Thank you, Mr. President.

That's not always the case. Frankly, in some of the Midwestern medical colleges, as I understand, they are located on large college campuses rather than in urban areas. So as I said, when you've seen one, you've seen one. It's very hard to generalize.

SENATOR KANE:

Thank you, Mr. President. You mean, when you've seen one, you've seen them all?

jp/mb/gbr  
SENATE

148  
May 4, 2010

SENATOR HANDLEY:

No. No.

SENATOR KANE:

Okay, so they're specific is what you're trying to say. See -- I guess the point I'm trying to make is, you know, we're not in the Midwest. The Midwest is obviously very different from the topography and geography where we live. I can only think of New York City, for example, I mentioned many times that my wife is a clinical psychologist and she went to the new school of social research and she did her internships -- her schooling at elm Hearst Hospital, which was located in queens. You know, so that was a teaching hospital located in a very urban area. And many teaching hospitals are located in those communities because they're able to help the people within those communities.

My question in relation to that, and I know you didn't make this decision and someone made it somewhere along the line, but we have a teaching hospital located in Farmington and I'm guessing we can call it the Farmington valley, which is a much more affluent community, probably much nicer homes and the like. Do agree that this teaching hospital should be

jp/mb/gbr  
SENATE

149  
May 4, 2010

out in the suburbia rather than in the inner city,  
which is typically where teaching hospitals should be?  
Through you Mr. President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Thank you. As I said, if I had my druthers, 40  
years ago things would have moved in a different  
direction, Senator. What we have is what we have.

THE CHAIR:

Senator Kane.

SENATOR KANE:

Through you Mr. President. It's been 40 years?  
Through you Mr. President,

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

I believe so.

THE CHAIR:

Senator Kane.

SENATOR KANE:

Thank you I appreciate that. I did not know that  
and I was look for that. The people that we're talk  
being within the inner city, within the urban

jp/mb/gbr  
SENATE

150  
May 4, 2010

community, how do they get to Farmington? Through you  
Mr. President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

I would guess that they come in any number of  
ways, LIFE STAR and transportation on their own. I  
understand that the university of -- that the Dempsey  
Hospital, the university hospital serves people from  
every town, almost every zip code in the state in the  
course of a stretch of time. So it does serve for in  
particular areas, all kinds of people.

THE CHAIR:

Senator Kane.

SENATOR KANE:

Thank you, Mr. President. I really wasn't  
referring to LIFE STAR, but more importantly  
preventive care, exams, physical exams, checkups,  
dental, what have you. I guess my concern is that --  
and I'll say it again is teaching hospitals in  
addition to instruction were created to help those  
individuals who live within an urban setting and need  
that care and don't have access to that care  
otherwise. I think Senator Harp, when we talked a few

jp/mb/gbr  
SENATE

151  
May 4, 2010

weeks ago about the budget deficit mitigation, mentioned that UConn Health Center has a great population of Medicaid patients. And I think it could be highest or at least one of the higher ones. I don't know, if you know that for sure, through you Mr. President, whether the Medicaid population is greater at UConn Health Center.

SENATOR HANDLEY:

I'm having trouble hearing whether you said Medicaid or Medicare. The senior health care or the health care for the poor?

THE CHAIR:

Senator Kane, could you repeat your question, and we ask the chamber to keep the noise level down please.

SENATOR KANE:

I think I said Medicaid.

SENATOR HANDLEY:

I am sorry, -- I am not able to hear you. Can you try it again?

THE CHAIR:

Senator, I think you said Medicaid, sir?

SENATOR HANDLEY:

Medicare?



jp/mb/gbr  
SENATE

152  
May 4, 2010

THE CHAIR:

Senator Kane, please.

SENATOR KANE:

Medicaid.

SENATOR HANDLEY:

The intensive care for babies, the newborn babies has a very high Medicaid rate. All of the prisoners are on Medicaid. The dental school, the school of dental medical and the clinic is the clinic of last resort for all Medicaid dental patients in the state. So there are high degrees of Medicaid patients at the Dempsey Hospital. What the Hartford hospitals provide, of course, is immediate service for folks who are in the city and that is why the students at the University of Connecticut Medical School do much of their work -- their clinical work in Hartford, at St. Francis and at Hartford Hospital.

THE CHAIR:

Senator Kane.

SENATOR KANE:

Thank you, Mr. President. I'm glad you mentioned St. Francis and Hartford Hospital. I think we are agreeing to the same thing and that is that 40 years ago if you and I had our druthers, we would have not

jp/mb/gbr  
SENATE

153  
May 4, 2010

put the hospital in Farmington. We would have placed it in the inner city. We also know that St. Francis and Hartford are teaching hospitals. Why not scrap this whole plan and put a teaching hospital in the inner city, Hartford, New Haven, Bridgeport, Waterbury, where it's needed most. Through you, Mr. President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

It -- through you, Senator if your colleagues on your side of the aisle were concerned about the cost of this tower, I would hate to think what the cost of doing what you suggested is. It would be a very large amount and I think you would find it, in this world in which we are living, almost insurmountable.

THE CHAIR:

Senator Kane.

SENATOR KANE:

Thank you. Through you Mr. President. Do we have studies that show that? I mean, have we looked at that possibility? Have we questioned that? Whether the building in Hartford would be more than the tower that we're proposing here? Through you Mr.

jp/mb/gbr  
SENATE

154  
May 4, 2010

President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

The only study that has been done recently was the study that was done by the CASE -- the CASE Institute, at which argued that there were sufficient numbers of beds for -- until about 2015 to 2020 in the greater Hartford area, and that the medical needs of the area are reasonably well accommodated by the hospitals that we have.

THE CHAIR:

Senator Kane.

SENATOR KANE:

Thank you, Mr. President, and I appreciate Senator Handley's answers, and I appreciate you taking the time with me. I think without putting words in your mouth, I think you tend to agree with me that if we had our druthers, we would have placed this hospital within the urban center. The needs of the inner city community are greatest. That's typically where teaching hospitals go. No one has looked at the question and asked the question. Maybe we should do it in the inner city rather than continue down this

jp/mb/gbr  
SENATE

155  
May 4, 2010

road. I mean we've already said that, you know, jeez, if we had what we call ideal, we wouldn't have put it out in Farmington to begin with. But now we're going to spend more money in Farmington when, in fact, this should be in the inner city.

So I do have a problem with the bonding issue, but that's not even my biggest concern. I think my biggest concern is that teaching hospitals should be in the inner cities. I believe that's where they do the most good and help the most people who need it most. So for those reasons, I'll be opposing the bill. Thank you, Mr. President.

THE CHAIR:

Thank you, sir.

Will you remark on the bill?

Senator McKinney.

SENATOR MCKINNEY:

Thank you, Mr. President.

Mr. President, if I could through you, a couple of questions to the proponent of the bill before us.

THE CHAIR:

Senator Handley.

SENATOR MCKINNEY:

Thank you, Mr. President.

jp/mb/gbr  
SENATE

156  
May 4, 2010

Senator Handley, in 2006 we passed Substitute House Bill 5695, which became Public Act Number 06-134. This essentially was legislation creating the construction oversight at the University of Connecticut and the prequalifications of substantial contractors. That was due to many of the missteps and mistakes that occurred with some of the projects in UConn 2000. Would the construction and development of this hospital fall under all of those changes we made and the oversight of that public act in 2006? Through you, Mr. President.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Thank you, Mr. President. I assume so.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

And I assume so as well. If it were the case that we were to learn later down the road that the University of Connecticut were -- this project were to operate differently than the rest of UConn 2000, would the good Senator agree and support that we should make sure that this follows the same rules as those

jp/mb/gbr  
SENATE

157  
May 4, 2010

projects.

THE CHAIR:

Senator Handley.

SENATOR HANDLEY:

Thank you. As far as I'm concerned right now, through you Mr. President, the rules of engagement in the construction are in place and I would expect them to continue to be in place. I've had occasion to look at the work of that oversight council and I'm rather impressed with the level of detail in which they pay attention to construction sites.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

Thank you and I agree, and a good friend of mine, Jim Bradley, was very helpful in looking at that. I just want to make sure that since the medical school is different than the University of Connecticut, I want to make sure it fell under that as well.

Mr. President, through you -- well let me just back up before I ask the question. You know, one of the things that I think is very important to bring out in this debate. Senator Kane eluded to it and he's exactly right. Is not whether or not we should help

jp/mb/gbr  
SENATE

158  
May 4, 2010

the university the Connecticut, its medical school and the University of Connecticut Health Center. The question really is how do you best do that. I think that's the question that Senator Handley as cochair of the Higher Ed Committee have struggled with. If you look at where we've come through the years, the project has had a number of different forms. We started out with a new hospital at the cost of I believe some \$595 million. We then came -- UConn came with a proposal which was a collaboration between, I believe, Hartford Hospital and the University of Connecticut, and now we have the proposal before us.

What strikes me though is that the initial proposal for a brand new hospital, a brand new hospital with an excess of 400 beds was premised upon the fact that the CASE Study and the Tripp Umbach findings says that there was strong relationship between schools that own their own hospitals and bed capacity. Not that there was one way to have a successful university school and hospital. Senator Handley is right, if you read this report, if you've seen one, you've seen one. But there were common themes. There were common themes for ownership of your own hospital and one of the common themes was

jp/mb/gbr  
SENATE

159  
May 4, 2010

this strong relationship between bed capacity and, in fact, what we know is that all of the top ten medical schools had more than 450 beds and that none -- excuse me, only two in the top 20 had less than 400 beds. So what we know from all of your research is if you want to have a top 20 medical school, if you own your own hospital, you have to have in excess of 400 or 450 beds.

So through you, Mr. President. I understand that we're not adding bed capacity with the NICU unit moving to the Children's Medical Center, I believe we do add 40 to 65 different beds in the hospital, but we still don't get anywhere close to that 400 or 450-bed mark. Through you, Mr. President, is Senator Handley concerned about that? Are we trying to just have a better medical school? Have we lost the goal of having a top 20 medical school? How do we rationalize what was the unassailable research that was done on this project that said if you own your own hospital and you want to be in the top 20, you have to have over 400 beds or 450 beds. Yet here, we don't get close to that number. Through you, Mr. President.

THE CHAIR:

Senator Handley.



jp/mb/gbr  
SENATE

160  
May 4, 2010

SENATOR HANDLEY:

Thank you, Mr. President.

I think that is the blessing of the collaboratives that are being set up here. In effect the UConn Medical School will have access to hundreds and hundreds of beds in both the Hartford area, specifically, and the neighborhood areas. I notice you very carefully said, "Schools which own their own hospitals have large hospitals." Harvard University Medical School, which is one of the great medical schools in the country, owns no hospital beds. But has access to the -- all of the richness of the hospitals in the Boston area.

THE CHAIR:

Senator McKinney.

SENATOR MCKINNEY:

Thank you, Mr. President, and I think that's the best answer I've heard all day. Because when I fought against the first phase and the first design of this project for a \$595 million brand new hospital, all of the advocates and the University of Connecticut said Senator, you don't understand. If you own your own hospital, you have to have the bed capacity. And my answer was, well, and I know I'm a Yale graduate, but

jp/mb/gbr  
SENATE

161  
May 4, 2010

Harvard Medical School is probably the best medical school if not in the country, in the world. One of the most well-renowned medical schools in the world, and they don't own their own hospital.

And I was told repeatedly time and time again, no, Senator McKinney, you don't understand. We own our own hospital. We have to own our own hospital and we have to have over 450 beds to have a top tier medical school because we own our own hospital. The Harvard model won't work here.

I can't tell you how many times I was told the Harvard model won't work here. Yet, when we can't get the funding to build a brand new hospital, Senator Handley is exactly correct. The University of Connecticut can rely on those beds at Hartford Hospital and St. Francis and Bristol and Children's Medical Center and New Britain. Because of a collaborative effort. So then I ask you, if we can rely on all of those beds. If we know because study after study has told us that we don't need greater bed capacity in the greater Hartford area, at least until 2025, then why are we spending \$207 million on a brand new tower and brand new beds? It seems to me that there's a group of people that wants new. We're going

jp/mb/gbr  
SENATE

162  
May 4, 2010

to get a new tower, and that's one of my greatest frustrations is that when they said, when you own your own hospital, it is unassailable, nobody disagrees with this report. You own your hospital in order to be a top 20 medical school, you have to have over 400 beds. Top ten medical school, you have to have over 450 beds. Not beds that you can access in the community. Beds in your own hospital that you own.

That is what this report says. And then when I said there's another way to do this. There are medical schools like Harvard and other medical school models around the country that can do it without their own hospital or could do it with a collaborative effort between hospitals, I was told no, that won't work here. And now when the bill is brought out and I ask about why the 224 John Dempsey, which is not enough beds, and we're going to spend an additional \$237 million in bonding, the 207 is going to cost us 315-400 million in interest and principal payments over 20 years. Why, when we're not building a hospital to get those 400 or 450 beds, I'm told we can access beds at the area hospitals. Of course, we can. That's why we don't need new beds. That's why we don't need to build a new tower.

jp/mb/gbr  
SENATE

163  
May 4, 2010

It is always hard to argue against a moving target. And over the years this has been an incredibly moving target. I will say that when I met the head of the UConn Medical School, I found him to be an extraordinarily brilliant, intelligent and hard-working asset to our state, as he walks into the room. My conversation with the president of the University of Connecticut was a little more frustrating, and I just wanted to share with the circle some of those frustrations. Because in this report or this packet that has been done in support of this project. It talks about how the University of Connecticut Health Center represents one-half of the University of Connecticut, one-half of its budget, one-half of its employees and one-half of its research portfolio, and I'm happy that we have such an incredibly capable person running that one-half of that University of Connecticut.

So when I ask the president, I said UConn 2000 was slightly over a billion dollars. UConn 21st century was slightly over a billion dollars, which is \$2.26 billion that we've given to the University of Connecticut. My assumption would have been that roughly half of this was going to half of the

university. Shocking to find out that maybe only about 10 percent was being districted towards half of the University of Connecticut. Half its budget, half its employees and half of its research portfolio. So who was doing the planning for UConn 2000 when we first decided to ask the people of the State of Connecticut, the taxpayers to spend \$2.2 billion? Because when I look at the history of John Dempsey, they tell you it was originally built to have another tower for 400 beds. So the idea that a 224-bed hospital was going to be too small is not something that just crept up on us just last year or the year before that. It's been with us since very beginning.

So that's why I've been saying and I'm frustrated that when we have over \$780 million left on phase 3, UConn 21st century, don't you think the University of Connecticut could reprioritize its programs, its projects, its spending so that they can focus on one-half of the university? And I ask the president, could you do that? No, Senator McKinney, we can't. We have to spend every dime of that 780, \$880 million we have left.

It's all critically important to the operations of the university. We need an additional, at the

jp/mb/gbr  
SENATE

165  
May 4, 2010

time, 500 plus million dollars for a brand new hospital. Now an additional \$237 million.

And I say that as a University of Connecticut alumni. I love the school. They've done a great job. It's something we should all be proud of. But when does it stop? 3 billion, 4 billion, 5 billion? How much money do we continue to get from the taxpayers and at what point do we say to the administration, if you're getting \$2 billion, how can you focus about 10 percent on one-half of your university? And who, if anyone, are we going to hold accountable for that? One of the reasons why I offered the amendment to say let's not spend the \$25 million until we know whether or not we get the research grant, because I guarantee as I stand here right now, that if we do not get that federal grant and the university cannot raise that \$100 million, we will spend the \$25 million and they will be back here asking for more. And you know what? The Legislature at the time is just going to give it to them. Because it seems like there's a blank check and it's a check the people of the State of Connecticut cannot afford.

Senator Kane is 100 percent right. I don't blame those who put John Dempsey in Farmington. I blame

jp/mb/gbr  
SENATE

166  
May 4, 2010

those who want to double down and expand it in Farmington. If we want a world-class medical school with a hospital. If we want to spend hundreds of millions of dollars more to make our University of Connecticut Medical School a world-class facility, we should be doing it in Hartford. Every single one of us has talked about smart growth. About how hard our cities have been hit by flight into the suburbs, and here we are further exacerbating those mistakes of the past.

So when I hear, as I have in the past, the echoes of Senator Penn fighting for his City of Bridgeport and economic development there and Senators from Hartford and New Haven and Waterbury and New Britain, I say you're right. But instead of recognizing that a mistake was made. Instead of recognizing that there's a better way that the State of Connecticut, the University of Connecticut and its medical school and its health center can work on rebuilding downtown Hartford, Connecticut, a city decimated by insurance industry jobs leaving our state and other jobs leaving. Being part of rebuilding our state's capital city, we say, no, let's give it to Farmington. They don't need it.

jp/mb/gbr  
SENATE

167  
May 4, 2010

So it is not acceptable to this Senator to say somebody made a decision decades ago to put it in Farmington. We're stuck with that decision for the rest of eternity. I don't accept that.

Mr. President, I was going to spend a lot more time talking about had bill, but I don't think it's a surprise that it's going to pass and it's going to become law. To those who support this plan, to those who run John Dempsey and the health center and the medical school, I hope you're right and I'm wrong. I hope you're right and I'm wrong. But if we see more deficits in the future. If we see further trouble at our hospitals in the area like St. Francis or Hartford, then you've got some explaining to do. Because all of our hospitals in this state at one time or another have been hurting, especially those in our urban centers, whether it's Bridgeport Hospital, or New Britain Hospital or the hospitals in Waterbury. They've struggled financially.

And to all of those hospitals, I say I'm sorry that we decided to spend \$237 million on our state hospital and none on yours. Now I understand there's a little exaggeration because there's \$5 million in this bill for New Britain Hospital and \$2 million for



jp/mb/gbr  
SENATE

168  
May 4, 2010

Bristol Hospital. There are a lot of other hospitals that I didn't name who aren't getting their favors or extra money for new programs. So as a state we have still have a big health care problem with the viability and long-term success of our hospitals as our main health care providers. And this doesn't do anything to help that. This may actually do something to hurt that.

At a time when we are about \$500 million under our bond cap, we're going to spend \$237 million new. At a time when we can least afford to waste a penny, we are going to gamble \$25 million in design and planning on the hope that we get \$100 million from the federal government. In a plan that acknowledges we do not need to have a large-bed hospital if we own it, because we can rely on hospital beds in the area, we're still going to build new beds because we want a new tower. And we're going to build those new beds and that new tower in the suburbs which goes against every smart growth, transit oriented development program we've talked about in this Legislature since I've been here. Since I've been here.

I don't -- I don't oppose or I'm critical of any member of this circle or anyone downstairs who

jp/mb/gbr  
SENATE

169  
May 4, 2010

supports this plan. I'm frustrated in what I think has been an unwillingness on the part of our state, whether it's in the executive branch or in this Legislature, who's been willing to hold up a critical mirror to this entire process and demand better and demand more from the University of Connecticut. Because for \$2.2 billion, now add another \$237 million, the people of the State of Connecticut have been more generous to the University of Connecticut than anyone could have envisioned or imagined. And yet, we have a plan that hopes to eliminate the structural deficits that hospital has faced. Those structural deficits that in years have been 20, 21, \$22 million. That has been made up by the taxpayers of the State of Connecticut. Not a plan that guarantees it, but a plan that hopes.

So Mr. President, I understand that this will pass. I hope I'm wrong, but I would ask those if they're on the fence, to reject this proposal before us and get back to the drawing board and come up a better plan for our region and for our state's medical school. Thank you.

THE CHAIR:

Senator Williams.

jp/mb/gbr  
SENATE

170  
May 4, 2010

SENATOR WILLIAMS:

Thank you, Mr. President.

I rise to support the bill and also to thank Senator Mary Ann Handley, Senator Don DeFronzo for their work on this, together with the other Senators and represents of both parties who have expressed not only interest, but great support for the idea of moving our state medical school into tier 1 and enhancing the medical economic sector in our state.

Now my friend Senator McKinney is correct, I think, in many ways. So if we could go back in time, back when the Dempsey Hospital was constructed in Farmington, maybe we would want to revisit that. Maybe we want to go back in time and change those decisions. Perhaps locate everything in downtown Hartford. I suspect there are many folks who might say that if we could go back in time and change those decisions, we would do that.

However, to do for better or worse, we are faced with the infrastructure that's in place. The fact that Farmington now has come to depend on the Dempsey Hospital in so many different ways and the quality of care that is provided for that part of our state. I would say, at the same time, that this proposal does

jp/mb/gbr.  
SENATE

171  
May 4, 2010

move us forward in terms of connecting more of downtown Hartford with our medical school, bringing other hospitals into not only the sphere but into the actual educating process of our medical school.

Particular Hartford Hospital, St. Francis Hospital, Hospital of Central Connecticut, the Children's Hospital. So there are significant steps forward here in bringing more of our health care infrastructure and professionals into the process of educating the next generation of medical students in the State of Connecticut.

Now, we also know how important this is to our economic future, and I would like to thank the folks who have been involved in the Legislature, but also the Board of Trustees, and particularly Larry McHugh, who stepped up and recognized that, you know, this has to be part of our economic future. Because we know that in other states medical and technology corridors have produced jobs and contributed to moving the economy of states forward. In these tough times, not only is high quality health care important, but jobs and providing the jobs of the future, that's also a very important goal. This proposal does that. It's estimated that there will be at least an additional

jp/mb/gbr  
SENATE

172  
May 4, 2010

5,000 jobs created from this proposal.

And as we are successful moving the University of Connecticut into tier 1, in terms of the quality of its medical school. That in turn with the research that occurs at the school will help attract the cutting edge medical sector technology jobs of the future here in Connecticut. Is this plan perfect? Of course, not, but as is often said, we cannot let the perfect be the enemy of the good. And in this case, this is not only a good plan, this is an excellent plan for moving our medical school forward, and increasing the number of jobs in Connecticut.

Thank you, Mr. President.

THE CHAIR:

Thank you, Senator Williams.

Will you remark further? Will you remark further?

If not, Mr. Clerk please call for a roll call vote. The machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate. Will all Senators please return to the chamber. Immediate roll call has been ordered in the Senate. Will all Senators please return to the

jp/mb/gbr  
SENATE

173  
May 4, 2010

chamber.

THE CHAIR:

Have all Senators voted? If all Senators have voted, please check your vote. The machine will be locked. The Clerk will call the tally.

THE CLERK:

The motion is on passing the House Bill 5027, in concurrence with the action in the House.

Total number voting	35
Necessary for Adoption	18
Those voting Yea	28
Those voting Nay	7
Those absent and not voting	1

THE CHAIR:

The bill passes. Senator Kissel.

SENATOR KISSEL:

Thank you very much, Mr. President.

I rise for a point of personal privilege.

THE CHAIR:

Please proceed, sir.

SENATOR KISSEL:

Thank you very much Mr. President. Well, it's a tradition in the Kissel household that on the very first day of session, my wife and wonderful two boys

jp/mb/gbr  
SENATE

174  
May 4, 2010

come up and then sometime in the last week, two years later, they come back to make sure that I'm still alive and, I am and so with that, I just want to introduce to my friends and colleagues here in the circle my beautiful and wonderful wife Cindy and my sons Nathaniel and Tristan.

They tolerate me. They really, really tolerate me. Thank you, Mr. President.

THE CHAIR:

Thank you, Senator Kissel. It's great to see your family here with you today. Senator DeFronzo.

SENATOR DeFRONZO:

Thank you, Mr. President.

I just want to second those remarks. I know what it is to tolerate Senator Kissel on a daily basis.

SENATOR KISSEL:

Touché.

SENATOR DeFRONZO:

I rise for a point of personal privilege, Mr. President.

THE CHAIR:

Please proceed, sir.

SENATOR DeFRONZO:

Thank you, Mr. President. We're joined in the

jp/mb/gbr  
SENATE

175  
May 4, 2010

chamber tonight by a young woman who came forward last year and helped us introduce a bill to recognize May 12 as fibromyalgia day. This is a debilitating illness and her mom suffers from it. Her mom is now essentially at home, not able to work, substantially debilitated by this disease. And Brianna Tulin is the young woman who came forward, asked that we introduce the legislation, the GA Committee, Senator Slossberg, was helpful in moving that through. The Legislature passed the bill. It's now been enacted and the governor has designated May 12 as fibromyalgia day in the State of Connecticut. And I would just ask the members of the chamber to recognize Brianna and her dad who are here tonight and right here.

Thank you, Mr. President.

THE CHAIR:

Senator Looney.

SENATOR LOONEY:

Yes, thank you. Thank you, Mr. President. Two items to mark at this time, or actually we'll mark a number of items. The first one to be taken up is calendar page 17, Calendar 513, House Bill 5030. The next bill would be emergency certified bill on calendar page 39, Calendar 545, Senate Bill 493.



jp/mb/gbr  
SENATE

176  
May 4, 2010

Additional go items, Mr. President, that we'll mark as well would be calendar page 4, Calendar 225, Senate Bill 241. Also calendar page 4, Calendar 185, Senate Bill 369. In addition, Mr. President, calendar page 8, Calendar 427, Senate Bill 110. And Mr. President, returning to calendar page 2, Calendar 114, Senate Bill 214. Also Mr. President, on calendar page 35, Calendar 333, Senate Bill 270. And on calendar page -- returning to calendar page 8, Mr. President, Calendar 398, Senate Bill 231. And then calendar page 36, Calendar 397, Senate Bill 196.

Mr. President, would mark those items at this time and the first two to be taken up -- the first two mentioned, that is calendar page 17, Calendar 513 and then calendar page 39, Calendar 545.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Calendar page 17, Calendar 513, File Number 545, House Bill 5030, AN ACT CONCERNING THE FORFEITURE OF MONEY AND PROPERTY RELATED TO CHILD SEXUAL EXPLOITATION AND HUMAN TRAFFICKING AND THE POSITION OF CHILD PORNOGRAPHY, favorable report on the Committees of the Judiciary and Public Safety.

THE CHAIR:

Senator McDonald.

SENATOR McDONALD:

Thank you, Mr. President.

Mr. President, I move acceptance of the joint committee's favorable report and passage of the bill.

THE CHAIR:

Acting on acceptance and approval, sir, would you like to remark further?

SENATOR McDONALD:

Yes, Mr. President. This legislation extends a civil forfeiture proceeding to property whether monetary or otherwise that was involved in crimes involving sexual offenses. It's a well-known established procedure under the law. It also expands the definition of what constitutes first degree position of child pornography.

THE CHAIR:

Will you remark? Senator Stillman.

SENATOR STILLMAN:

Thank you, Mr. President. For the purpose of an amendment.

THE CHAIR:

Please proceed, ma'am.

SENATOR STILLMAN:

Thank you, sir.

If the Clerk would kindly call LCO Number 5327  
and then I be allowed to summarize.

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO 5327, which will be designated Senate  
Amendment Schedule "A" is offered by Senator Stillman  
of the 20th District.

THE CHAIR:

Senator Stillman.

SENATOR STILLMAN:

Thank you, sir. I move its adoption.

THE CHAIR:

Please proceed.

Thank you. This amendment sets forth criteria  
that must be incorporated with any request for  
proposal issued either by the Department of Correction  
or the court support services division of the Judicial  
Department for a residential sexual offender treatment  
facilities services pursuant to Sections 19 or 20 of  
Public Act 08-1JSS. And what this amendment does is  
it lay -- as it said, it lays out criteria. The

May 4, 2010

departments are putting together proposals and starting to look at siting a sex offender treatment facilities which we have given them the authority to do. But we now need the criteria to be put in place, and again, I move its adoption.

THE CHAIR:

Motion is on adoption of Senate Amendment "A."

Senator Prague.

SENATOR PRAGUE:

Thank you, Mr. President.

Mr. President, I rise in strong support of this amendment. Lines 13 through 21 clearly indicate the parameters within which a facility can be located. It's critically important that these facilities, which are treatment facilities, be located where the communities will be safe. I want to add my support to this. The state has a lot of property that they're not using and it's my strong suggestion that those properties be looked at as possible sites for this sort of facility. Those sites have to meet the requirements of this amendment. Thank you, Mr. President.

THE CHAIR:

Thank you, ma'am.

May 4, 2010

Will you remark further on Senate amendment "A?"

Will you remark further?

If not, I will try your minds. All those in favor please signify by saying aye.

SENATORS:

Aye.

THE CHAIR:

Oppose, nay.

The ayes have it. The amendment is adopted.

Will you remark further on House Bill 5030?

Senator McDonald.

SENATOR McDONALD:

Thank you, Mr. President.

Mr. President, I just rise in support of the bill as amended and since this item requires additional action in the House, I will not be asking for it to go on consent. Thank you, Mr. President.

THE CHAIR:

Will you remark? Will you remark further on House Bill 5030? If not, Mr. Clerk, please call for roll call vote. The machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate. Will all Senators please return to the

chamber. Immediate roll call has been ordered in the Senate. Will all Senators please return to the chamber.

THE CHAIR:

Senator Gomes, have you recorded your vote, sir?  
Thank you.

Have all the Senators voted? Is your vote properly recorded? If so, the Clerk will close the machine and the Clerk will kindly take the tally and announce the tally please.

THE CLERK:

Motion is on passage of House Bill 5030 as amended by Senate Amendment Schedule "A."

Total number voting	35
Necessary for Adoption	18
Those voting Yea	35
Those voting Nay	0
Those absent and not voting	1

(Senator Hartley of the 15th in the Chair.)

THE CHAIR:

Bill passes as amended. Mr. Majority Leader.

SENATOR LOONEY:

Yes, good evening, Madam President. Very good to see you there, Madam President.

THE CHAIR:

Good evening, sir. Thank you.

SENATOR LOONEY:

Madam President, would move for immediate transmittal to the House of Representatives of calendar page 17, Calendar 513, House Bill 5030 as amended.

THE CHAIR:

Without objection. Seeing none, so ordered.

SENATOR LOONEY:

Thank you, Madam President.

If the Clerk would return to the call of the calendar with calendar page 39, an Emergency Certified Senate Bill 493. Calendar 545.

THE CHAIR:

Will the Clerk please call.

THE CLERK:

Turning to calendar page 39, Emergency Certified Bill Calendar Number 545. Bill Number 493, AN ACT REDUCING ELECTRICITY COSTS AND PROMOTING RENEWABLE ENERGY. The Bill is accompanied by Emergency Certification signed by Donald E. Williams, Jr.,

May 4, 2010

President Pro Tem of the Senate, Christopher G. Donovan of the House of Representatives.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Thank you, Madam President.

Madam President, I move for acceptance of the emergency certified bill and passage of the bill.

THE CHAIR:

The motion is acceptance of the emergency certified bill and passage of the bill.

Will you remark, Senator Fonfara?

SENATOR FONFARA:

Yes, Madam President.

Madam President, the Clerk is in possession of amendment LCO 5273. May he please call and I be permitted to summarize.

THE CHAIR:

The Clerk is in possession of LCO 5273. The Senator has asked if you would call and waive the reading.

THE CLERK:

LCO 5273, which will be designated Senate Amendment Schedule "A" is offered by Senator Fonfara,



May 4, 2010

the 1st District, et al.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

I move adoption, Madam President.

THE CHAIR:

The motion is for adoption.

Will you remark, sir?

SENATOR FONFARA:

Yes, thank you, Madam President.

Madam President, this bill is the product of not only many hours and hours of work on substance, but also a determined and sincere effort to build a relationship between two people who share a desire to do what's best for our state when it comes to energy issues, but who have different philosophies on how to get there. And before I go on with my remarks, I would like to thank my cochair, Vickie Nardello for working with me on this legislation, as well as Senator Witkos. Irrespective of how we end up in vote, he was invaluable to me and to the process, along with Representative Williams, Rich Kehoe from the Attorney General's Office, Joe Rosenthal from the Office of Consumer Counsel. Jennifer (inaudible), our

May 4, 2010

003371

LCO, Kevin McCarthy, our Legislative Researcher, and Melissa Buckley from the Senate research staff.

Well we set out to find a path that would allow us to develop meaningful policy and advance the state's interest without violating our individual beliefs our letting our differences dominate or derail us. In broad strokes, the bill takes meaningful steps, some more immediate and some longer term, to reduce the costs of electricity and energy overall and it makes meaningful investments to make our energy more -- energy use more efficient. To improve our economic competitiveness and to create jobs.

The bill begins the reorganization of the Department of Public Utility Control, renames that agency to the Connecticut energy and technology authority. It establishes a working group to develop a new division which would consolidate the many different agencies now located in different locations. It makes us more efficient. It makes this agency more efficient, cost-effective and organized. It establishes a research unit which, among other things identify how we can begin building an energy and technology based economy. Secondly, it seeks to lower rates. For the first time, it requires that the

planning process for insuring that our electric needs are met --

THE CHAIR:

Senator Kissel, for what reason do you rise, sir?

SENATOR KISSEL:

Thank you very much, Madam President.

It is great to see you there. As members of my friends and colleagues of the circle note that I just saw my wife and two children out of the chamber and as I came back, I realized that you were on the energy bill. So to avoid even the appearance of conflict of interest or impropriety, I am standing to abstain from this particular vote under rule 15.

THE CHAIR:

Thank you, Senator Kissel.

Senator Fonfara, you may proceed.

SENATOR FONFARA:

Thank you. As I was saying, that the bill seeks to lower rates by for the first time requiring that the planning process for insuring that our electric needs are met, that the price, not just availability of the electricity is considered and it requires that recommendations on how to lower our electric rates by 15 percent. It establishes a docket at the DPUC to

determine the affect of the independent system operating in New England and how those rules and policies may be helping or hurting Connecticut ratepayers as it relates to electricity.

It provides for a more strategic approach to buying power for standard service customers who have not gone into the private market. And it provides for a low-income rate for the most disadvantaged of us in the state. Families and individuals who struggle to pay their electric bills.

The bill also seeks to improve efficiency in growing jobs and building our economy. It invests money in fuel cell investments, the home grown technology initiated here in Connecticut. And invested in combined heat and power, a highly efficient means of generating electricity and creating -- and capturing waste heat to be used as a secondary energy source..

It invests in boilers and furnaces so that homeowners, property owners and businesses can remove inefficient boilers, natural gas and oil, with highly efficient furnaces and creates a funding mechanism to stretch out those payments over a 10-year period, thereby avoiding the need to have to come out of

pocket for a significant sum and be able to finance the project and still see a lower bill for heating oil on a monthly basis. It invests greatly in establishing a solar industry in the state. It creates more sustainable and efficient funding for the fledgling solar industry. Residential, commercial and industrial projects..

It reduces our peak demand, the most expensive and dirtiest generation sources, and begins to focus our renewable investments of which all ratepayers today, pay a portion of their electric bill. More in Connecticut than in other states and other countries. It requires that 3 percent of the conversation renewable investments will be focused in underserved areas in our state and supports the growth of minority-owned businesses, of which there are have you few in the energy industry in Connecticut currently.

The bill also provides for consumer protection. An allocation of costs for retail choice customers. It establishes a procedure for determining the proper allocation of profits for standard service customers and retail choice customers. It provides for rules for solicitation of customers with 100 or less KWH, identification, time of solicitation, clear terms of

the contract.

And lastly, it provides for electronic efficiency standards, primarily for TVs, to improve the efficiencies of increasingly energy using electronic devices.

In all, Madam President, and members of the circle, this bill represents the efforts of a lot of people coming together to take significant steps to help our state's energy users, residential, commercial, industrial, institutional to have the tools to reduce their cost, to become more competitive and to improve efficiency.

Yes, these issues are complex and that enables those who seek to maintain the status quo to create enough confusion in this chamber and the chamber downstairs and in the governor's office, to make thoughtful, well-meaning people question the direction of this bill overall. But I say we must no longer accept as inevitable, the title as the state with the highest electric rates in the continental United States.

With the passage of this bill, Connecticut will have a smarter energy policy. We will prudently take steps to understand better what is causing us to have

high rates and begin to change that structure. We will support economic growth and job creation with investments in solar, wind, hydropower and fuel cells. We will help the most disadvantaged who struggle most to pay their energy bills.

In short, working together Madam President, this bill -- with this bill we begin today to turn the corner towards a more positive energy future in our state. And I urge passage of the amendment. Thank you, Madam President.

THE CHAIR:

Thank you, Senator Fonfara.. Will you remark?  
Senator Witkos.

SENATOR WITKOS:

Thank you, Madam President.

The good Senator summarized a bill 86 pages long in under eight minutes. A bill that will have sweeping, profound changes on our energy policies here in the State of Connecticut. I want to first start my comments off about talking about the process as to how we got here today. And I realize this is my first term on the Energy and Technology Committee and there is, as Senator Fonfara mentioned earlier in his comments that the chairs of the committee come from

different viewpoints as to what would be best for Connecticut ratepayers.

And I think that's the ultimate goal. That we want to do what's best for Connecticut residents and that's what's driven us here today. But I think what's driven us here today was rushed Madam President. It reminds me of the debate that happened in Washington, D.C. on Christmas Eve when a bill 2,000 pages long were plunked on Congress' desk, and they were asked to vote for a health care bill, without reading the bill, not knowing what was in there. This is almost a copy-cat of that same process.

I would ask by a show of hands how many members around the circle read the bill, but I wouldn't want to embarrass anyone, because I know what the answer is. There aren't that many. It's a very, very complex subject matter that we're dealing with today. And we should be concerned with the magnitude of the impact this legislation and how it affects the electric industry in the State of Connecticut and we should be more concerned with the underlying goals of reducing energy costs in the state. However, we have not done a comprehensive analysis of whether these changes in this bill will yield the desired results.



12 years ago members of this circle were asked to vote on deregulation. Whether you supported it or you didn't, you were asked to trust the chairs of the committee at that time. Put your trust in a bill that was so complex many people didn't know what it did. They heard the words, it's going to save and reduce our rates, so you know what, let's just go for it and we'll try it. And here we are today.

And I believe we're asking you to do the same thing, ladies and gentlemen, today with this bill before you. There are many, many changes enumerated in this bill. The first of which creates -- well takes the department of utility control and breaks it up. It says we're not going to create two divisions, and we're going to call it the CETA, C-E-T-A, Connecticut Energy Technology Authority. And contained within the CETA is what is known as the Department of Public Utility Control and then also the acronym of DRED, the Division of Research and Energy and Technology. And there shall be a procurement individual who will go out and buy the power. It says that in the bill. But then there's also going to be three bureau chiefs contained in that.

And then we heard that there's going to be a

working group that's going to back fill the agency. Now does that make sense to you? We're going to create an agency, we're going to hire a person, we're going to put them over there. We don't know where "there" is yet. And then we're going to have a working group study how we're going to create the agency, even though we're creating the agency in statute. It's kind of like putting the cart before the horse, don't you think?

If I may, Madam President, through you, a few questions to Senator Fonfara.

THE CHAIR:

Senator Fonfara.

Can you prepare yourself for questions, sir. You have the floor, you may proceed Senator Witkos.

SENATOR WITKOS:

Thank you, Madam President.

Through you, what would be the make-up of the new CETA group? I'm concerned more with staffing levels, the anticipated number of employees and funding for that. Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. That will be decided by the working group, or recommended by the working group, of which the chairs and ranking members will be -- I believe the majority members of that working group and ranking members of the Energy and Technology Committee. The recommendations of the working group will be forwarded to the energy and technology group and then to the Energy and Technology Committee and then acted on by the Legislature. Through you.

THE CHAIR:

Senator Witkos, you have the floor, sir.

SENATOR WITKOS:

Thank you, Madam President. I was kind of confused as to this group goes to that and then it goes back to this group and then the group's going to report back to the CETA group and everything will happen. It's kind of like put it all together, turn it all around and that's what it's all about. And here we are. The bill speaks of conducting a study by the academy of science and engineering. Could the Senator describe what -- who is the Connecticut academy of science and engineering and their expertise? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. It is, as the title indicates, it's an organization of engineers, scientists and others who have done a number of studies for the Legislature and for the Energy and Technology Committee in the past. And I think that -- I think that answers the question, through you.

THE CHAIR:

Senator Witkos.

SENATOR WITKOS:

Thank you, Madam President. Does the academy -- are they a quasi-public agency? Are they affiliated with a school? Is it a consulting firm? Do they work for a college? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. To the best of my recollection, it's a non-profit organization that offers itself to the Legislature to address complex issues that we, in this building, would not have the capacity to undertake. Through you.

THE CHAIR:

Senator Witkos.

SENATOR WITKOS:

Thank you, Madam President. And when I understand it's a non-profit organization, there's still a cost associated with doing the study, so would the good Senator have an idea as to the cost of the study to have the academy of science and engineering do that study for the Legislature? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President, I do not.

THE CHAIR:

You have the floor, sir, Senator Witkos.

SENATOR WITKOS:

Thank you, Madam President, and through you, to Senator Fonfara, while we don't know how much money the study would cost, do we know where the funds to fund that study would come from? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. The DPUC would contract with the academy. Through you.

THE CHAIR:

Senator Witkos, you may proceed.

SENATOR WITKOS:

Thank you and, through you, Madam President, if the DPUC contracts out for that to pay for that service, where does the DPUC get their money from, their revenue stream? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. As all of these expenses do, through ratepayer assessment. Through you.

THE CHAIR:

Senator Witkos.

SENATOR WITKOS:

If a clarification, the ratepayer assessment is our ratepayers throughout the State of Connecticut, both commercial and residential. Is that not correct, through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President, yes.

THE CHAIR:

You have the floor Senator Witkos.

SENATOR WITKOS:

Thank you, Madam President. And if the Senator could explain, we have the academy of science and engineering reporting back to the working group by November 1, 2011. Yet the working group has to report back to the Energy Technology Committee their findings by January 1, 2011. So we have a working group that are not comprised of engineers reporting back to the Energy Technology Committee, and the professionals out there that we're paying for, report back 11 months after the working group has to report to the Energy Technology Committee for their recommendations. I think there's a drafting problem in the bill because why would we pay for a study that we'll never. And when I say "we" pay for the study, I mean every ratepayer in the State of Connecticut is going to be paying for that study. That is one of the costs associated in the bill.

Through you, Madam President, to Senator Fonfara.

Do you believe the division of research energy and technology will be similar in size and scope to the New York equivalent? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

I'm sorry, Madam President. Could the gentleman repeat the question?

SENATOR WITKOS:

Thank you, certainly. The state of New York has a division similar to what we're trying to establish here in the State of Connecticut. And do you think that the goal of Connecticut would be to have something similar in size and scope, the scope meaning the duties that we're trying to establish in this bill as New York does?

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. I'm not sure which organization Senator Witkos is referring to. If he could be a little bit more specific.

THE CHAIR:

You have the floor, Senator Witkos.



SENATOR WITKOS:

Thank you. The division I'm referring to is the  
NYSERDA.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. Again, the  
determination of the scope -- of the scope of the  
responsibilities of this unit, the research bureau,  
would (a) be recommended by the academy and then  
brought to the department and then recommended to us  
in terms of what should be done. That's a couple of  
step process to look at whether -- what the size of  
this unit should be. Right now we don't have one.  
NYSERDA has been around for many years. It has grown  
over the years and the focus on this would be to, as I  
said in my opening remarks, to help us to have a  
facility, which we don't have right now, to understand  
how to grow an energy-based economy, how to support  
renewables in this state that are based in  
Connecticut, to keep the dollars here in Connecticut,  
to support technology development as well in our  
economy. Another opportunity that we do not take  
advantage of very well in my opinion in this state,

and the research arm would be there to help the Legislature, help regulators and that division of the new authority to be able to have information and so study different approaches as it relates to energy and technology. Through you.

THE CHAIR:

Thank you, Senator Fonfara. You have the floor, Senator Witkos.

SENATOR WITKOS:

Thank you, Madam President. We often look to other entities or potentially other states to see if they have something that we're aspiring to do or become. Why reinvent the wheel? If they have a successful organization or division in this case that work well for them, why should Connecticut go out and start anew. We should copy some of their ideas and maybe tweak them a little bit to our liking and maybe correct the problems that they've made. If they've discovered the problems, we certainly don't want the problems that they've discovered, so we'll take the good and kind of throw out the bad. And the reason why I brought up the NYSERDA to the chamber -- Senator, I'm finished questioning for just a few minutes. You don't have to stand. Is because of the

cost of the NYSERDA. Our DPUC budget is roughly \$11.6 million per year with 141 employees. The NYSERDA, which is in New York, their budget last year was \$31 million with only 288 employees. And why is it that the budget is almost double with not that many extra employees? It's because of those type of employees. The engineers, their procurement folks, research people. They command high salaries. And those salaries will be borne by the ratepayers of the State of Connecticut.

Remember in the onset -- in the opening remarks, the ultimate goal is to reduce the cost of electricity to our residents to the State of Connecticut. We used to be number two on the list. I tell you, if we pass this piece of legislation tonight unamended, we will become number one. I brought up the examples of NYSERDA and I wanted to touch base a little bit about the establishment of the CETA group, the authority, because it goes back to the process, Madam President. After the months of public hearings and many of the bills were heard on an individual basis, but they were never combined into a conglomerate of bills. So I kind of said the hokey pokey a little bit earlier, I turned it all about, and here we have a bill. Well,

when the bill was being worked on, the two co-chairs and I applaud their efforts of working together spent many hours together, alone without the republicans in the room. Is that right? No, it is not. And when it was brought to the chair's attention, the doors were opened, and I thank them for inviting us in. It might have been overlooked, but the discussions began. And when we're talking about complex issues such as this, the rest of the people weren't at the table either. Where was OPM? Where was the DPUC? The DPUC, the agency talking about breaking in half. They weren't there. Not until the very end, were they invited in. The attorney general's office was there. The office of consumer counsel was there, and the republicans were there along with the chairs, but the DPUC and the OPM were not part of the initial discussion phase. And then I saw something I never thought I'd see. A note posted on the energy technology door that said, "Technical amendments are welcome, but substantive policy changes, basically, keep to yourself."

Can you imagine that? We're talking about changing our energy policies in the State of Connecticut. We don't want input from suppliers. We don't want input from generators. No, you're

disallowed, and by the way, you have 24 hours to get them to us. Otherwise you're SOL. Can you imagine? Billions of dollars. Billions with a "b." 24 hours, I believe at the time, it was 129-page bill to get them to us. And I was part of the conversations and thanks in large part to Senator Fonfara. And I listened as many of those folks came in and they abided by the rules and they didn't offer substantive changes and they had their technical changes, and they were saying the way the bill is, isn't getting you where you want to be. And they were asking, well what do you mean? Well, they brought the bill back and they had teams of lawyers who deal with these issues every day, eight hours a day. And I'm sure it was a sleepless night for those folks, the council members that had to get their recommendations back to the Energy and Technology Committee by noon the next day. And I don't blame our LCO attorneys because they've been working around the clock with many, many, many changes. But when you have a team of attorneys saying you need to tweak this, because we know where you want to go, but it doesn't get you there. And still to move forward with those -- I enumerated earlier about the studies. One being 11 months before the other

jp/mb/gbr  
SENATE

205  
May 4, 2010

one. That's just one example. As I read through the bill, I became more concerned about some of the areas and one of those areas was the part about the electronic home appliance efficiencies. Connecticut is adopting a California standard? From the east coast, to the west coast. How do we adopt California standards? More importantly, why are we adopting California standards? Because state standards are not effective in creating efficiency gains, folks. You will create a patchwork across these United States by allowing individual states to say you must have an efficient rating in this state, but it may not conform to the same efficiency rate in that state. And by the way, the bill says if it's passed and signed into law, that if there's a product on the market and California doesn't have a code -- an efficiency code, then any other states that are in this multistate agency that we belong with, we have to adopt theirs. So can you imagine if little Rhode Island who is a member adopts an efficiency standard of televisions must be at 97 percent efficient. Otherwise they can't be sold. And California doesn't have that. We have to adopt Rhode Island's. You know what's going to happen to televisions in our state? They're going to be

non-existent. You're going to have to go out of state to buy a TV. And one of the reasons why I have concerns in particular about this section of the bill is that many folks go to a discount store because of economies to purchase these appliances, whether it's a toaster, a television, a CD player, and you can see a wide range of products and prices. You could start at the lower end and I'll give you an example. For an audio-- a DVD player, \$150. Those can go owl the way up to the 700-dollar range and people will buy according to their ability to pay and the quality of the product that they want. If this bill passes, you can say good-bye to the \$150, and the 300 and the \$400 item, because they may not be as energy efficient, so they're off the shelves in Connecticut. But hopefully you've saved up your pennies, because you're paying \$500 and \$700 for the items because that's all we have. Unless you go to a neighboring state and you can give your neighboring state your tax dollars.

While the State of Connecticut is in a huge deficit, we're going to be chasing our residents out of the State of Connecticut on the six percent sales tax, because they're not going to be able to afford the bottom line of the item. This bill will create

confusion in the marketplace. The technology of these items grows so rapidly and changes so frequently. How many of you have the old-style, flip-up cell phones and how much of you have the new iPhones. The time span of those from research/development to the market was rapid. Imagine in that time frame if we had these efficiency standards and all of it you had they just get dropped off on the shelves and now they're no longer able to be sold in the State of Connecticut. That is the wrong direction for Connecticut.

As far as the solar piece goes. Now I consider myself an environmentally friendly person. In fact, I personally like solar, but the portions in this bill will raise ratepayers fees astronomically. The sections of the bill which allow for renewable energies, if you met their goals, we're looking at 1.5 to \$2 billion over 20 years. 1.5 to \$2 billion. But there is a cap. So all those advocates out there that are saying, yes, great, great, look at all those programs we can get into -- we can get involved in. Renewable energy, green energy, great thing for Connecticut. It should be is, but guess what? The program is going to open and it's going to close the same day because while we have these goals of



providing financial incentives and assistance and loans for wind power, hydropower, thermal power, we can't afford it.

Can we afford to add another \$150 million to ratepayers expense? Because everything we do in this bill is going to affect ratepayers dollar -- ratepayers in the State of Connecticut electric bills. We've heard from our business community that the cost of doing business in Connecticut is outrageous and one of the number one issues is the cost of energy. Well guess what, you pass this, you're raising that. And when we talk about affordability, remember we have a no shutoff law in the State of Connecticut and we've just passed that deadline so they can be shut off. There are 64,044 residents in the cue to be shut off in the State of Connecticut. 21,000 are waiting for their matching payment program.

So the net of that is 42,648 residents will have their utilities shut off. Why? Because it's too expensive and they can't pay their bills. Do you think that number is going to go down? Certainly not. Every single thing in this bill is going to raise ratepayers costs. The speculation is how much is it going to raise. We talked about the laddering effect

and how we procure our electricity. The laddering effect has worked so far for the State of Connecticut. We buy our electricity on a three-year sliding scale. We know today, that next year and the year after, we are guaranteed that our electric rates will go down by 10 percent each year. And you could say, do you have a crystal ball, Senator Witkos? How do you know that? I know that because we've already bought the electricity out those two years. We purchased it already.

We can't say that for 2012, because we haven't bought all of 2012. But last year it went down 10 percent, this year it's going 10 percent and next year, it's going down 10 percent and it's because of the laddering effect. Because we maintain a constant level and there are no spikes in our electric rates, like you might see in other states. Depending on when you take that picture as to comparing our rates to another state's rates. They may be down three cents a kilowatt, we may be up. But if you did an overall average, we don't succumb to those spikes because of the way we purchase. But there are some very good things in the bill, that we'll go over in a few minutes when I call my amendment.

And I find it odd when we talk about providing discounts, low -- providing lower rates for folks. And in the bill it says it should be at 60 percent of the median income. And I try to think, well we always assimilate and associate things with income and in our building we talk a lot about the federal poverty level, and I was curious as to what we provide at the federal poverty levels. So I did a little research, with some help. And at the 150 percent poverty level for a family of four, okay? That's making \$33,000 a year. Those folks are eligible for the earned income tax credit, food stamps, HUSKY aid for children, HUSKY aid for parents/caregivers, school breakfast, school lunch program and utility assistance. That's at the federal poverty level, family of four, \$33,000.

If the person makes \$20,000 more, guess what? You're on your own. But, you're still eligible for the lower discount rate for electricity. How is it that we won't provide shelter and food for somebody at that level but we'll certainly give them a discounted rate on their utility bills? It makes no sense to me. Shouldn't they be matched up?

The bill talks about project 150. Now project 150 is a project that actually came into being back in

1998. Back then it was known as project 100. And the numeric at the end stands for the amount of mega watts that's supposed to be generated. And through the years, nothing happened and back in I think it was '05, it became project 150. And the cost of project 150 will soon be borne by ratepayers because the utility companies have already signed the contracts, they are building these generating facilities, biomass, trash to energy, fuel cells, ten locations spread throughout the State of Connecticut. At a cost of 100s of millions of dollars and who's paying for it? Ratepayers. Do you kind of see a constant theme in my argument? The cost of shifting to ratepayers.

When all we're saying is our electric bills are too high, we keep adding more and more and more on. These hundreds of millions of dollars in the project 150, that's already been passed into legislation. The next time the DPUC adjusts the rates, you're going to see it. There's nothing we can do about that now. They're in the works. Contracts have been signed. What we can do is to slow down the rate so we can reduce our rate and I think that's what the people of Connecticut are asking for and demanding for.

The programs are so great that the cap that is

placed upon them basically will be the same result as the clean energy fund. It opens up and everybody gets in the pipeline and then the program shuts down. And then people become frustrated. We ought to have an ad in the paper that says "While supplies last." Bait and switch. That's what we're doing at the capital. Bait and switch. Because we're not being honest with everybody. We're saying we're giving you millions of dollars, tens of millions of dollars and we're not really. Not with the cap buried in there. And as this bill moves forward, we're going to be discussing the budget bill pretty soon and in that budget bill it removes 35 percent of the conversation fund. That is downright wrong. That is ratepayers money to be used for energy efficiency.

The one program we should not touch that actually can reduce electric rates, we're raiding. And you want to increase the cost of ratepayers to more funds so we can raid it and put it in the general fund? No. I urge the chamber's rejection on the amendment before us.

Thank you, Madam President.

THE CHAIR:

Thank you, Senator Witkos.

Will you remark? Senator Kane.

SENATOR KANE:

Thank you, Madam President. Good evening.

THE CHAIR:

Good evening, sir.

SENATOR KANE:

Senator Witkos' remarks have led me to a great number of questions, through you, Madam President, can you ask a few questions to the proponent of the amendment?

THE CHAIR:

Please phrase your question.

Senator Fonfara, would you prepare yourself, sir.

SENATOR KANE:

Thank you, Madam President.

Does this new Connecticut Energy and Technology Authority, I believe I have the acronym right, is that really renaming the DPUC or creating a new agency? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, madam speaker. It renames the organization. It establishes a second division. On

one side, you'll keep the Department of Public Utility Control, which will actually become the Division of Public Utility Control. Nothing on that side would change. It would continue to maintain its responsibilities with respect to regulating utilities and other responsibilities in that regard that are in statute and regulation. And we'll create a second division which would establish a division where research, energy and technology would be located. Through you.

THE CHAIR:

Thank you, sir.

Senator Kane.

SENATOR KANE:

Thank you, Madam President.

So it's not creating a new agency, but we are creating a new bureaucracy. Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President.

To the contrary, as the gentleman, I'm sure, is aware and the circle is aware, that Connecticut has

some of the most disparate elements across the state that have responsibilities for energy. And as a matter of fact, in 2007 our governor proposed in her budget address, creating an energy department for the very reason that I just stated. That we in Connecticut have energy offices of one kind or another located in many different places. And she then called for the creation of an energy department. And while we're not calling this an energy department, in many respects, they will have the same kinds of responsibilities that the governor had suggested to the Legislature that we do. And for the same reasons, because we're inefficient.

We are costing taxpayers many more dollars right now because of that decentralization and because of -- people aren't talking to each other the way they should, because they're not working together. They don't see each other. They aren't able to benefit from the opportunities to work in the same place and communicate. And this will begin that process.

Through you.

THE CHAIR:

Thank you, Senator Fonfara. You have the floor, Senator Kane.



SENATOR KANE:

Thank you, Madam President. So through you, the existing structure, DPUC is not doing what this new division will be suggested it do? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. Again, it is the beginning of the consolidation of a number of offices and agencies that currently are occupying space around the state, and in particular in the Hartford area, that have responsibilities with respect to energy in this state. And we will begin the process of consolidating them at the new authority under the responsibility of the same five commissioners who currently run the Department of Public Utility Control. Through you.

THE CHAIR:

Thank you, Senator Fonfara. You have the floor, Senator Kane.

SENATOR KANE:

Thank you, Madam President. I'm sorry, I guess I'm unsure then because you're saying that we're

jp/mb/gbr  
SENATE

217  
May 4, 2010

consolidating but we're create a new division. Is it truly a consolidation when there's a new creation? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. Again, it is consolidating the many agencies that exist under one roof. So there's organization, there's coordination, there's efficiency, and getting away from this alphabet soup of operations that we have around the state that our own governor in 2007 described very accurately in her budget in proposing an energy department. Through you.

THE CHAIR:

Thank you, sir. You have the floor, Senator Kane.

SENATOR KANE:

Thank you, Madam President. I guess that's what I can't get my arms around is the creation of a new division is in some way a consolidation when in my mind if we look to be efficient, we make the existing agency do what this new agency is supposed to be created for, when if they're not being efficient, why

can't we make them more efficient. I guess that's what happens in government as opposed to the private sector. We just create another division to make ourselves more efficient, when in fact, we're making the actual bureaucracy larger, which creates inefficiency. Can you, through you, Madam President, explain the costs of this new division?

THE CHAIR:

Senator Fonfara, you have the floor.

SENATOR FONFARA:

Through you, Madam President. As I indicated earlier to Senator Witkos, with respect to his question, the working group that will report back to the Energy and Technology Committee next January will work through the fall to come up the recommendation as to what agencies would come under the new DRED, the division of research energy and technology. And with the charge of consolidating the various office was and departments currently operating in the State of Connecticut, but not operating in a single -- under a single agency and a single authority. Through you.

THE CHAIR:

Thank you, Senator Fonfara. You have the floor, Senator Kane.

SENATOR KANE:

Thank you, Madam President. Through you, this new division will have bureau chiefs assigned to it. Through you, is that true, Madam President?

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. Yes.

THE CHAIR:

You have the floor Senator Kane.

SENATOR KANE:

Thank you, Madam President. And through you, how much is the cost for those new bureau chiefs. Through you

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. That too will be part of the responsibility of the working group. Through you.

THE CHAIR:

Thank you, sir. You have the floor, Senator Kane.

SENATOR KANE:

Well the working group that you mention and I think you -- I believe you believe you said that it will be made up of the chairs and the ranking members. Have the chairs and ranking members on the Energy Committee discussed what the possibilities of the costs for these bureau chiefs would be? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. I can only speak for myself and I have not. Through you.

THE CHAIR:

Thank you, sir. You have the floor Senator Kane.

SENATOR KANE:

Thank you, Madam President.

How about this bureau of power procurement? Is that underneath that same division or is that a new division. Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. I believe it will be under the conversation and renewable component.

jp/mb/gbr  
SENATE

221  
May 4, 2010

Through you.

THE CHAIR:

Thank you, sir.

You may proceed, Senator Kane.

SENATOR KANE:

Thank you, Madam President.

And the conversation and the renewable, is that an existing division or is that a new division.

Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. Currently there are responsibilities undertaken at the DPUC regarding conversation and there is a separate agency, the clean energy fund and board located away from the DPUC, which would be brought under -- at least that is anticipated and the working group will ultimately decide that and make recommendations back to us, but that is what is currently anticipated. Through you.

THE CHAIR:

Thank you, sir. You may proceed Senator Kane.

SENATOR KANE:

Thank you, Madam President.

Senator Fonfara, I hate to make you keep going up and down, because I do have plenty of questions. I'm glad you brought up the Connecticut clean energy fund. I think you said that that would be moved and I think what I've been told, what I understand, the Connecticut clean energy fund is a quasi-public agency, if I'm explaining that correctly, and the reason for that is the timeliness and the speed of contracts, and they're able to move.

Is that a danger of us moving us underneath a governmental agency, if I'm understanding it correctly? Putting us in danger with that timeliness and speed of contracts? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Thank you, Madam President.

Through you, and I think and that's an excellent question by Senator Kane because it's something that has been discussed and I think again the working group is the best place to make those decisions as to how to bring the best of that organization, its timeliness, its ability to make decisions quickly, which I think is in the best interests of ratepayers and projects

jp/mb/gbr  
SENATE

223

May 4, 2010

and proposals, but also to be able to benefit from the coordination that would be brought about by the creation of this new division. So that's an excellent issue, an important issue that needs to be considered by the working group. Through you.

THE CHAIR:

Thank you, Senator Fonfara.

You have the floor, Senator Kane.

SENATOR KANE:

Thank you, Madam President.

So is that now in the bill or is that something that can be adjusted through the working group, that can be changed if it's found that it does not make sense that they're underneath a governmental agency. They need that speed that, I think, you and I agree upon. That's something that can be worked on through the working group? Through you, Mr. President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President.

I don't think there's anything that is off the table for the working group and clearly if they felt that it would be better to recommend that something



not happen that was envisioned early on or something else happened that wasn't envisioned, there's nothing to prevent the working group from doing that. That's the benefit of having the time where you're not distracted by other aspects of work to consider all elements and bring all the parties together.

Remember the objective here is to bring about greater efficiency, to expand the opportunities that this new division would provide for the State of Connecticut as it relates to energy and do that in a manner where thoughtful -- hopefully, thoughtful people will be coming together and to make recommendations back to the Legislature. Through you.

THE CHAIR:

Thank you. You have the floor Senator Kane.

SENATOR KANE:

Thank you, Madam President.

I appreciate that answer. Through you, Madam President, I don't -- I don't -- I want to ask about the ISO piece in here that Senator Witkos talked about. Can you just talk a little bit about ISO New England and how it was created and why it was created. Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Yes, through you, Madam President.

The purpose is that of all the areas that have an effect on the cost of electricity for Connecticut ratepayers, it is my belief and others that the role and the effect of the independent system operator in New England, otherwise known as ISO, has as much of an affect as any other on how their rules and procedures impact Connecticut's rates in contributing our rates to our rates being as high as they are. And this process is being created and we're called for a docket at the DPUC, an examination in other words, an examination by those that we have charged with understanding these issues, these complex issues far better than we to look at the policies and procedures, the rules of the ESO and how they affect us, positively, negatively, how they might help our rate, how they might hurt our rate structure and to come back to the Legislature with findings in that regard and recommendations if they feel that there ought to be changes with respect to the system that we currently are a part of. Through you.

THE CHAIR:

Thank you, Senator Fonfara. You have the floor  
Senator Kane. You may proceed.

SENATOR KANE:

Thank you, Madam President, and I appreciate that  
explanation. Has ISO New England, in its creation, in  
its existence, been a success? Through you, Madam  
President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. I don't know how  
Senator Kane defines that word, so I'm not going to  
venture a guess in trying to respond to it. Maybe the  
gentleman could be a little bit clearer in what you're  
seeking as an answer. Through you.

THE CHAIR:

Thank you, sir. You have the floor. You may  
proceed.

SENATOR KANE:

Thank you, Madam President. Well, I guess what  
I'm saying is, we joined ISO New England, it was  
created as you mentioned in depth. There has to be  
some outcome, some measures whether it's working or  
not and because I do believe in this bill, it suggests

that we move away from ISO New England and out of that ISO New England. So if we're suggesting we do that, there must be some knowledge or some background that says, with it didn't work or it did work but we could do better. I have to believe there has to be some kind of information to make that decision upon.

Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President.

There in no way are we prejudging the fact finding efforts by the DPUC and in no way are we prejudging that and it's our objective to get facts. This is a complex field. The ISO process and how generators are compensated for delivering electricity to our state is one of the most complex areas that I have to be responsible for in my responsibility and role as chair of the Energy Committee. And because, as much as any other area, and by the way, generation costs are approximately 50-55 percent of the total bill, and the ISO rules and regulations impact on those generation costs that drive our energy rates to where they are today in a significant way, it's

important that we understand whether or not those rules and those regulations and that organization are working in the best interests of ratepayers of this state, of our economy, and all who are affected by that.

THE CHAIR:

Thank you, Senator Fonfara. You have the floor, Senator Kane.

SENATOR KANE:

Thank you, Madam President. I'll move on.

Senator Witkos talked about this California efficiency requirement, and I'm curious how during the public hearing process businesses talked in regard to this particular piece. Were they in favor of moving toward this California efficiency requirement? Were they against it? Was there any input from the business community, from the manufacturers, from the retailers, from the wholesalers? Any input at all in regards to making a move towards this California efficiency requirement? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. I do recall that

there were Representatives of the retail community who spoke against it. I'm not certain beyond that. At this point, I wouldn't be able to represent accurately what was testified to. Through you.

THE CHAIR:

Thank you, Senator Fonfara.

You have the floor. You may proceed, Senator.

SENATOR KANE:

Thank you, Madam President. I appreciate that answer. How about -- um, the procurement of power and our ability to fluctuate with the market be it short-term or long-term. I believe part of this bill says that we cannot enter into agreements for a certain period of time, I don't know if it was six months or longer or shorter. I thought there was an issue in regards to this. And I just ask the chair of the Energy Committee what your opinion is on that as far as the purchasing or procurement of power in relation to this short-term versus long-term policy. Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Thank you, Madam President. I appreciate the

gentleman's question. And I do sincerely because I think it is illustrative for folks who may not spend time doing these issue -- working on these issues, and the more people understand, I think more people will appreciate the value of the bill or the amendment before us. But specifically to the question, currently, and I'll try to be as succinct as possible with respect to this, current the way Connecticut utilities and they're the entities charged with purchasing power for customers whoever not gone out into the retail market.

And roughly that is a very small percentage of industrial or large commercial customers and as you shrink in size and in terms of size of the commercial customer, an increasing percentage has not left into -- go into the retail market to buy their power from a private provider, if you will, and as you move closer to the residential/small business and then the residential market, a much larger percentage of those customers remain under what is called standard service. Where the utility while not owning a generation is the purchaser of that generation from private providers and then provides that electricity for the vast majority of residential customers still

and a smaller percentage of businesses that still remain to get their electricity that way.

That process of purchasing electricity was created back, I'm not remembering exactly, less than ten years ago under law in which it said we're going to buy this power in blocks of time, six months as you indicated, over a three year period, rolling process. And it was designed that way by the former Chairman of the public utility control commission to stabilize rates and insulate ratepayers from rate shock and that has worked.

The down side of it that many believe is that it insulates ratepayers so well that it doesn't allow the process to take advantage of buying opportunities for power in shorter term means that could benefit ratepayers and some have called this current system probably the most inefficient way to benefit ratepayers. And to give you how to illustrate that for everyone, in the best way I that know of, Connecticut ratepayers who remain on standard service and the majority of our residential constituents are on standard service, are paying for power that was purchased two, maybe three years ago, certainly two years ago when natural gas prices were much higher



than they are today, and since natural gas sets the price for electricity in Connecticut, that means that the price of electricity at that time was much higher. It was purchased at that time and we are today paying for electricity that was purchased two years ago. And so, therefore, we are paying much higher prices today than what the market would bear or is offering.

This new approach says for a smaller percentage of the load of that amount of energy has to be purchased, you're able to go out and purchase it in a more strategic way, a more aggressive way, so that if you have opportunity to buy that power, you do so. If it's in a very short period of time, then the procurement administrator with the utilities would make that decision. If it's, I believe, more than six months in time, then the Department of Public Utility Control commissioners would approve that. And not to steal my colleagues thunder here, but an example of how that works is through CMEEC, which is the municipal cooperative here in the State of Connecticut. I believe that's about six or seven towns and they have measurably lower rates than we do and they purchase all of their power in this strategic portfolio management approach. Through you, Madam

President.

THE CHAIR:

Thank you, Senator Fonfara.

You have the floor, Senator Kane.

SENATOR KANE:

Thank you, Madam President.

I guess in your answer you said that we are paying higher rates today based on higher gas prices of two years ago? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through me -- through you, Madam President, yes.

THE CHAIR:

You have the floor, Senator Kane.

SENATOR KANE:

Thank you, Madam President.

I guess that leads me to my next question. If that means that we are paying higher rates because of the transportation of the gas, of the energy to our state, wouldn't it make sense then to have more sources of creation of that energy here rather than rely on the transportation, maybe alternative vehicles to produce the energy here? Through you, Madam

President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. First of all, this is natural gas we're talking about and because our generation sources here in Connecticut, on most days the price is set and it goes back to the issue with the ISO that I spoke about earlier, but on most days, electricity in Connecticut, the price of it is set by natural gas, being the clearing price and that gets really esoteric, but when the utilities go out and purchase that electricity, they do that in a rolling process over three years. And so what might be the price of electricity that they are contracting for and they just, I believe United Illuminating just did this last week, they're buying power for 2011 now. And that price gets blended in with the year before, the year after and it keeps rolling in that manner.

So if the price of electricity that you're buying in year 3 is higher or lower than it is in year 1, when you blend that together, it effects the price. Today the price of electricity much lower than it was three years ago or two years ago because the price of

natural gas, due to the economy, due to some discovers of how to bring natural gas out of the earth, have dramatically lowered the price of natural gas, leading to the lower prices of electricity. On the spot market or the retail market today.

But again, because of the means by which we purchase electricity for standard service customers, which was designed to protect ratepayers from huge swings in prices, it's worked. But many would argue that it's not working to the advantage of the consumer of the -- electricity users of this state, across the state, because of this lag, because of the inability to purchase opportunistically when there's a good opportunity to buy electricity cheaply, they're not able to do it under the current system. Through you.

THE CHAIR:

Thank you, Senator Fonfara. You have the floor, Senator Kane.

SENATOR KANE:

Thank you, Madam President, and you know, to your example about buying for 2011 and then mixing that in with the price, I think Senator France would call that dollar cost averaging in his business. But I still am a bit hung up on that because basically what you're

saying is we're going out -- well first of all, we're paying a greater price because of gas prices in 2008. Now potentially, we have lower prices and we'll mix that into the rate, which will then lower over the whole period. Then why would we risk, if it's working, I think you said that, the volatility of a shorter market. Wouldn't that be more risky to that, what we've been talking about? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. There's no question that it does introduce a degree of greater risk, but you hope and you put people in charge of this that know how to buy, as with CMEEC. They look at the markets. They pay a lot of attention to opportunities out there. If it makes sense to buy electricity for a month period, two-month period, a six-month period, or buy long for a year or for two years, they have that ability. That's not the case currently under the current system. And while there is a degree of added risk, there's a degree of added benefit that comes with that.

The way it was structured back some years ago, that was not the consideration of how to take advantage of opportunities that came along. I wouldn't say the sole, but the primary objective, was to insulate ratepayers and there's been some reconsideration of that policy with the introduction, gradually, not all at once, allowing the department to consider this on a 10 percent, a 15 percent, a 20 percent basis of the overall load to see how it goes, with the ability to close it down if they felt it wasn't working well. But also the ability to open it up further and buy more and more of their power that way if they felt that was advantageous to ratepayers. And by the way, the private market does this this way every day. Through you.

THE CHAIR:

Thank you, Senator Fonfara. You have the floor. You may proceed, Senator Kane.

SENATOR KANE:

Thank you, Madam President.

In fact, your answer just led me to my last question about the private sector and the alternative providers out there. Have we seen that this step or move towards deregulation that we've had over the last

few years is finally starting to work. People are understanding that there is choice out there and that they're getting educated on all the new choices available and they are finally seeing some lower rates. Would you agree that it is working and we should continue moving in that direction, and if so, doesn't this bill contradict what we agree upon?

Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. Couldn't agree more that it's working. And I along with others on the Energy Committee who believe in the retail market, who believe in the competitive market, have stood strong against some efforts to try to reverse these gains. I continue to do so. My colleague Senator Witkos continues to do so. Senator Duff continues to do so. So resist any efforts that return to a day of a single provider that I find to be very inefficient.

But introducing new opportunities for those who have decided not to leave, for whatever reason, and it is their right. Connecticut did not decide when we deregulated to take all retail -- all customers and

send them out into the retail market. They gave people a choice to stay and have the utility purchase the power for them. They also gave them a choice to move into the retail market. That market is beginning to grow and this provision simply enables those who have stayed home, if you will, not left the mother nest, if you will, the opportunity to benefit from different ways of purchasing their power. I for one do not believe that the means to creating a robust, efficient, positive retail market, that we should artificially keep rates for all other customers who haven't left the nest, if you will, high. I don't think that's appropriate. I think the retail market ought to win and I want it win, but I believe that it should win by working hard, being smarter, thing more aggressively, not by using the law or regulations that create the margin to attract customers by artificially keeping, through means that we've spoken about, keeping that rate higher. Through you.

THE CHAIR:

Thank you, Senator Fonfara.

You have the floor, Senator Kane.

SENATOR KANE:

Thank you, Madam President.



And I appreciate all the Senator's answers and actually enjoyed the dialogue considering how complicated an issue this is. I guess I just have one last question and I will continue to listen to the debate as it progresses.

I do believe there's also, in regards to this retail market, some issues in regards to the administrative costs and what I think is that, from what my understanding is, the administrative costs are currently being taken care of, overcome by the CLMP, the UI. And in this bill, that administrative cost will now move to that retail market. Through you, Madam President, do you believe that these retailers then -- will then push that costs or -- relay that cost, pass that cost on to the end user or the consumer? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. I apologize. Senator Kane, my aide who has a knack for talking to me just as someone's asking me a question, as hardworking as she is, could I ask you to repeat the question.

THE CHAIR:

Thank you, Senator Kane for your indulgence.

SENATOR KANE:

Thank you, Madam President. Of course. My question, I guess was there's I believe an issue in the bill, not necessarily a large issue compared to what we've talked about for the last 25 minutes or so, about in relation to administrative costs. And currently right now, CLMP and UI take care of or pay for those administrative costs. I believe under this bill those administrative costs will now be put upon the retail market, the alternative providers. My question to you, if that is true, which I believe it is, will those providers then be forced to relay that same cost on to the end-user, to the consumer, which will incur a higher cost for the consumer in the long run? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. It was always anticipated and not objected to by the retail market that they would pay the costs incurred by them exclusively. And this bill attempts to do that. It

establishes that the Department of Public Utility Control will create the process through a docket of determining what are the costs that have been created solely by the retail market. What are the costs that are borne solely, or should be borne solely by the standard service customer and what are the costs that are jointly, for the system and all customers, irrespective of whether they're in the retail market or in the standard service -- remain with standard service would pay. I think that's fair and as I've said, the retail providers have said repeatedly that they understand that that's their responsibility and they should pay that. Through you.

THE CHAIR:

Thank you, Senator Fonfara. You have the floor, Senator Kane.

SENATOR KANE:

Thank you, Madam President. But, and I -- that is okay except for the fact that they will then pass that along to the consumers. Is that to be believed? Through you, Madam President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. It the extent that the system is paying if costs that ordinarily would be borne by the retail companies, but because the utilities are providing services such as single billing, that those costs are not currently something that normal companies that didn't have this process would have to pay for, and are being avoided currently. This simply says let's create a system that would allocate those costs appropriately. But not one more dime, and that's something that was important to me and others, that there not be an inappropriate cost-shift on to retail customers that should be borne otherwise. Through you.

THE CHAIR:

Thank you, sir. You have the floor, Senator Kane.

SENATOR KANE:

Thank you, Madam President.

I thank Senator Fonfara for all his answers. He certainly is well versed in the subject, and I appreciate it. I will continue to listen to the debate and to try to understand more. I do believe there will be more debate on the topic and look forward to it. Thank you, Madam President.

THE CHAIR:

Thank you, sir. Senator LeBeau, will you remark?

SENATOR LeBEAU:

Thank you, Madam President. Good to see you up there this evening. Good evening.

THE CHAIR:

And good to see you, sir, always.

SENATOR LeBEAU:

Thank you. Question for the proponent of the bill.

THE CHAIR:

Please phrase your question, sir.

SENATOR LeBEAU:

Senator Fonfara, you mentioned you few moments ago and in an aside conversation we were having, we were talking about CMEEC, I think I've been got that right. And I believe there are six or seven towns that belong to CMEEC in the State of Connecticut and they have significantly lower -- let me just ask that as a question. Do they have significantly lower electricity rates?

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. Significantly, I'm not sure where that falls out, but their rates are measurably lower than ours, yes.

THE CHAIR:

Thank you, sir. Senator LeBeau, you have the floor.

SENATOR LeBEAU:

I've heard 15-20 percent. 20 percent is the ballpark figure. 20 percent would be a significant, in my opinion, reduction in our rates. And how does this bill parallel. I want to make this clear. Does this bill or how does this bill parallel what CMEEC is currently doing, what those towns are currently doing to get a 20 percent reduction in rates.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. To the extent that their rates are lower than CLMP or United Illuminating's rates, that it's related to the manner in which power is purchased and it's not entirely because of that. There are other factors. But with respect to this component, yes. Their entire portfolio, to my knowledge, is bought in this

May 4, 2010

strategic or opportunistic approach, where they study the market, they have people every day observing when there is an opportunity to buy power on a day-ahead market, a week-ahead, a month, two months, three months, in different strips and different approaches. It's an interesting approach, much like Senator Frantz may have been referring to earlier about, it's very much like Wall Street in the manner that financial institutions. As a matter of fact many of the financial institutions are in this business because they understand risk and they're well trained in that regard.

Our system does not take advantage of that opportunity, currently. Through you.

THE CHAIR:

You have the floor, Senator LeBeau.

SENATOR LeBEAU:

Madam President. Thank you. Thank Senator Fonfara for that explanation. So essentially, there is a model out there right within Connecticut of 169 cities and towns, six of seven already doing this and through at least a portion of -- through this different purchasing mechanism, a mechanism you call a strategic purchasing mechanism, they are getting

May 4, 2010

significantly lower rates, but the rest of the Connecticut is not doing that. But now we have -- now we have a bill that will allow all of Connecticut to enjoy the fruits of that trade. That we will have an opportunity to receive those lower rates because of the bill that we are about to vote on, if this bill is passed?

THE CHAIR:

Thank you, Senator LeBeau. You have the floor, Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President. Yes

THE CHAIR:

You have the floor Senator LeBeau.

SENATOR LeBEAU:

Well I -- let me just continue with that, Madam President. Let me pursue that because, you know, I walk outside this door and I see people in the galleries and nothing -- a lot of good friends up in the galleries, but you hear opposition to this bill and I hear this is going to raise our costs. But we have this example right in front of our very noses of a method that can reduce our costs and yet we're being told our costs are going up. I find -- I find that



very mysterious and frankly this was, I think, really enlightening to me to learn about the differences in costs between the current rates that we pay and the other cities and towns in Connecticut in CMEEC. And Senator Fonfara, can I -- I'm going to ask you why is it that such opposition to this bill when we have a means and we're being told that costs are going -- not going to go down, but they're going to go up. Can you -- it's speculation on your part, Senator and may not be appropriate. But if you want to take a shot at it, I would be glad to hear your answer.

THE CHAIR:

Senator Fonfara, do you care to respond, sir?

SENATOR FONFARA:

Through you, Madam President.

With respect to this particular issue, I think there are those who may understand that the current approach to how standard service customer electricity is being purchased does not provide for an adroit -- a, you like that word, I love that.

SENATOR KANE:

(Speaking French.)

THE CHAIR:

You have the floor, Senator Fonfara.

SENATOR FONFARA:

Thank you, Madam President.

An ability to take advantage of information and knowledge for the benefit of our ratepayers and you put it best when you saw that there is a system already -- and many people in this state, many people in this circle have over the years cited CMEEC as an example of how to manage electricity and to it in a cost-effective way. And again, I just want to say for the benefit of everyone, that it's not entirely a fair comparison because there are added costs that we require the investor-owned utilities to provide that we do not require of the CMEEC.

But putting that aside, this approach is certainly one of the reasons why they may be enjoying lower rates than the investor-owned utilities, CLMP and United Illuminating. Through you.

THE CHAIR:

Thank you, sir.

You have the floor, Senator LeBeau.

SENATOR LeBEAU:

Thank you, Madam President.

Senator Fonfara, let me continue with this then.  
So if we were able -- if we were able to actually

reduce our rates, say 10, 12, 15 percent, not own the 20 percent, but the 10, 12, 15 -- say 10 percent. What effect would that have on the utility companies that are now vying for our business? We talked earlier, Senator Kane was talking about the competitive nature of the state and that we are seeing reduced rates. We are seeing competitors come into the market. I get my mailings and I take a look at the mail and I see lower rates offered, 10, 11, 12 percent.

What effect, if we could lower the cost on the standard offer, in a sense, what effect would it have on those companies? What effect would it have on their rates? What do you think would happen?

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Thank you, Madam President.

Through you, well it remains to be seen. My hope is as a strong supporter of the retail market, is that we would not see the market dissolve. That the retail companies that have moved into Connecticut and have enjoyed recent success here in providing lower cost for electricity on the generation side of the bill,

May 4, 2010

that they would find other means to compete. That they would lower their rates further, if possible, to continue to keep the customers they have and to attract new customers. That they would partner with energy service companies to find ways to provide additional savings for the customer, whether they be commercial or industrial or residential.

That component on the residential side has not -- and I would also like to say, on the commercial and industrial side, has not evolved yet to where it could. There are additional savings to be found in that partnering. But because this market is still fairly young, most companies are making -- are staking their claim on solely providing the commodity, meaning selling electricity only. Some are beginning to partner. Some are beginning to move into creating energy efficiency opportunities so that there is even additional savings. But your point is well taken, that if the standard service price were to drop, in order to retail customers to maintain their market share or grow their market share, they're going to have to think faster, smarter, be more aggressive, bring additional opportunities for ratepayers. And who does that benefit? It benefits all of us. It

benefits all of us. And the standard service should serve as, if you will, a (inaudible) as encouraging the market to move more manipulatively rather than to simply be a high water mark, if you will. Through you, Madam President.

THE CHAIR:

Thank you, Senator Fonfara. You have the floor, Senator LeBeau.

SENATOR LeBEAU:

Thank you, Madam President.

Let me just conclude. So as I understand it, this is not necessarily a question Senator Fonfara, but as I understand it, we have an opportunity with this bill to at least for a portion -- through the purchasing costs, to have a significant reduction in the cost of electricity under the standard offer. And then there may be a second effect, kind of a ripple effect that go through the markets to potentially reduce our electric costs even more. This sounds like a classic win-win. We win and then we win again. Obviously it is a market.

There are other costs out there. There are costs of fuel oil; there are costs of natural gas. They will go up and down and that will be reflected in the

cost of electricity. But this approach that you're proposing tonight seems to be very sensible, and one that I hope that we will adopt. Thank you, Madam President.

THE CHAIR:

Thank you, Senator LeBeau.

Will you remark?

Senator Duff.

SENATOR DUFF:

Thank you, Madam President. Good afternoon.

THE CHAIR:

Good evening to you. You have the floor.

SENATOR DUFF:

Thank you, madam.

Madam President, as we debate this bill tonight, I know it's not lost on any of us that we all want lower energy prices. There's not a legislator in this building who sees his or her constituents and understands the struggles and problems we all face with high energy bills.

We could probably debate until (inaudible), tomorrow or longer about what gives us the prices that we have. Back in 1998 when deregulation took place, long before I was here, I'm sure there was the same

debate about high electric price. But we can discuss the fact that we are a net importer of energy. That we use gas and oil. We do not use coal. We have very strict air quality standards. We are a part of the RGGI system. There's a number of different reasons why we have high electric prices. And I know that the good Chairman of the Energy Committee and all of us have always worked, along with the ranking members and others, in a very, very bipartisan way to try and do what we can to help lower electric prices and give people relief.

Unfortunately, a lot of it -- our energy prices are reflected because of the market that's out there. Whether or not gas prices are high, what's happening in the world economy, if there is problems in the Mideast, if there's problems where we're importing our natural gas from. So some of it is out of our control. Most of it is out of our control. However, we have tried very, very hard to do what we can to give the consumers the relief possible.

I've served on the Energy and Technology Committee now for eight years. Two of those years in the house, I was the Vice-chair and I've been Vice-chair since I've been in the Senate. This is

probably, I am chair of the Banks Committee as many of you know, though that has -- as a committee has complicated legislation, I must say that being on energy and technology economy, I don't know that there is a committee in this Legislature that has probably -- has more complicated legislation than the Energy and Technology Committee.

It's actually, I had joked to myself that reading this bill -- I've read it over a number of times already and that I've finally gotten to the point where I can understand most of what is in the legislation. It takes a few years because the legislation is complicated and it is sometimes difficult to understand. But we all do our best and we all have the best of intentions to help -- try to help our constituents.

This legislation -- this amendment that we have here today is filled with lots of good things that I think would be good to bring back to our constituents. Unlike the ranking member on the committee, I do believe that the TV and efficiency standards are something that we should push forward. We've pushed in our committee for greater standards over the years, whether it's for appliances or TVs or any kind of



electronics to try and help bring people the relief that they need.

The investments in renewable energy. Very laudable. We should be doing that. We have a clean energy fund and a conversation fund that are lauded throughout the nation. The pace program. I commend Senator Fonfara for putting this in the bill because I know that this may not have always been something that he was always enthusiastic about, but I know that he's listened to a lot of people and has been a great leader on this and that is -- this is part of the bill.

Senior rate relief. Who would be against helping our seniors and folks who are of lower income and who need help in a little relief.

The code of conduct for retailers when they're going door to door and trying to gather new business. The boiler replacement program. These are all laudable goals, great things that I think are pieces of a bill that would certainly make a fine bill together.

My concern is in some of the other parts of the amendment that will eventually become the bill. I have some concerns about the Connecticut energy and

technology authority, and the fact of -- even it is a study or putting this working group together and how we're actually bringing people together in hiring them and how that will actually be rolled out.

I'm concerned about the bureau the power procurement and how that is going to work and if that is going to be a back door for a power authority, which is something that I know the Chairman and I have been on the same page about over the last few years. What we have right now, Madam President, is -- we have had deregulation since 1998. We haven't been very successful in the deregulated market until I would say probably the last couple years. I think we're finally at the cusp of having real competition in the marketplace. Finally getting to the point where the market is taking hold, consumers are rallying, they're understanding the process and we're getting to the point where people know that they have a choice in the retail supplier markets.

Just at that time. Just at that time where people are finally understanding the options that they have, we are, I believe using subtle ways of taking people's choices away. And I believe that ends up hurting consumer choice. It ends up hurting the

retail market and ultimately it ends up potentially raising prices as well.

I'm glad that we have the retail supply. I'm glad that we have the changes that have come about over the last couple of years. But what I don't like in this amendment are some of the -- some of the subtle changes. Such as the IRP that is in lines 730 and 741, integrated resource plan, that is paid for by the systems benefit charge. We put that together in a bipartisan bill back in 2007. And through this, with the solar aspect of it, we're going to have to do another integrated resource plan which could potentially cost ratepayers. I appreciate what the amendment says about the 15 percent change, lowering of rates in general and 10 percent for folks who are of lower means, have less means.

But those numbers are again laudable goals, but there's nothing in the amendment that says how we're actually going to get there. So I know we're all trying to work very hard towards the same goal. I know everybody's interests are very sincere. I know that the Chairman of this committee, somebody who I respect very highly and very much and I enjoy working with him, has worked very hard on this and that -- it

is -- I stand here reluctantly to oppose the amendment.

I would hope that at some point whether -- I'm not sure what's going to happen with the legislation, but I hope that at some point, we can -- if this passes and it becomes the law, then so be it. If it does not, then we can all come back and put together some legislation that will bring together the parts that we all can agree on and that we all can bring back to our constituents to say that we have helped in this great debate for energy relief.

Again, I want to commend Senator Fonfara for all of his hard work and his dedication to this issue. Sometimes we can agree to disagree and sometimes, we're all pretty pragmatic on the Energy and Technology Committee, so there are times when we have to part ways. But, and this may be one of those times, but I do again, appreciate his work and I thank you for your time. I hope that we can get a bill that we can all agree on. Thank you.

(The President in the Chair.)

THE CHAIR:

Thank you, Senator Duff.

Senator Frantz, you have the floor, sir.

SENATOR FRANTZ:

Thanks, Madam President, I appreciate that. I think there's no doubt in anybody's mind here tonight that in terms of the end result, the end game here, there is nearly 100 percent overlap of the two circles of thinking and maybe perhaps multi-- different approaches to the enigma, the riddle of how to lower relatively speaking our energy costs here in the State of Connecticut. From an economic development point of view, this has been a huge impediment and it's something that I am really happy to see is constantly being addressed here. Whether it's the right way or the wrong way, at least it's on the radar screen in a big way. It's a big spot on the radar screen and I know that Senator Fonfara has worked very, very hard on this, with his committee and in conjunction with other committees as well and once again, there's no question that the ultimate goal here is something that we all share.

However, when we start to go -- you knew there was going to be a however, -- it's not that bad a "however" because it's really more of a question mark

that I have. But whenever there is an approach that creates a new division, a new agency, a new branch of government, my radar always goes up and says -- and asks myself, where is this all going. Where is it going to be? Not so much when you and I are in public office, but 25 and 50 years down the road. I think it was 1862 or '64 that Abraham Lincoln started the United States Department of Agriculture to address many of the issues that are somewhat similar to what we're facing here in the energy markets and today the budget is about is hundred 35 or \$140 billion per year and even the inspector general in Washington has a very difficult time telling you plus or minus 25 percent how many people work at that particular agency. We have no idea how many people work there and apparently, it's growing.

We know that agriculture as an industry in our country is not growing. In fact, it's basically stopped and it's certainly been a much lower employer than it was in ages past, decades ago. Yet that department continues to grow and that's what I'm particularly concerned about here. And hopefully Senator Fonfara, the proponent of this bill, this amendment could address the built-in protections or

provisions there are to prevent this agency under the new name of Connecticut Energy and Technology Authority with the Division of Public Utility Control and the division of research and energy technology. How that would, in fact, not grow beyond what you feel is a reasonable level and, in fact, doesn't add to the cost itself, to what we're trying to get, which is lower electricity costs in Connecticut.

So Madam President, through you, that is a question.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Thank you, Madam President.

Through you, Senator Frantz, I think the answer to your question, a legitimate one. One that I share, firstly goes back to what I said earlier to Senator Witkos' questions, and I believe Senator Kane's. And that is currently, we have all of these entities with the exception of research somewhere in Connecticut, somewhere in the greater Hartford area paying rent, operating -- occupying space, doing the work in many respects, but in different places and not coordinated. Not under one roof. The primary objective is to do

that. To bring it under one roof. Not to create an energy department.

I for one have a lot of confidence in the DPUC. I have great confidence in its chairman. I think he is an excellent Chairman and does a great job and we are lucky to have him. And I believe we need to strengthen that organization to be the effective energy department that our governor had called for and others in this building have called for through proposed legislation and through many conversations and many outside of here who said why don't we have an energy department. Why don't we have one place where we focus on what has become a very important area of our economy. Remember, it wasn't too long ago that energy was a necessity, but it wasn't a huge cost center for business, and for residential consumers of energy as well.

There was a term used not too many years ago called "Too cheap to meter" when they talked about electricity. It was a necessary, but not a meaningful expense. That world has changed and most likely will never return, unfortunately. And not to mention its impact on this that some believe we go to wars over energy. We lose our sons and daughters and brothers



and fathers and mothers because some believe, and maybe rightfully so, because of our addiction to the oil drug. And so we need a place that we can think about these things and we can make better decisions, smarter decisions, and have those people be under the auspices of a -- as bipartisan a regime as you can get.

As you know, the five commissioners of each party -- members of each party. So it's as bipartisan as you can get. They're not going to be faced with a democratic energy department commissioner or a republican energy department commissioner, but a mix of folks who more often than not put those issues. You don't hear about that at the DPUC very often. At least I don't. They work collaboratively for the best interests of the people of this state. I think that's the right place to do this.

But I'll answer the second part of the question this way: Nothing will be done there that you and anybody in this circle who is fortunate enough to be back next January, will have a say in. Those decisions will be made by this body and the body downstairs and by the governor. Through you, Madam President.

THE CHAIR:

Thank you, Senator Fonfara.

You have the floor, Senator Frantz.

SENATOR FRANTZ:

Thank you, Madam President.

Through you, I appreciate the answer. That was an excellent answer. I always like to think, Madam President, of the analogy of -- because we're so -- we're big believers in the free markets and competitive markets. It is what has allowed us to become the greatest country in the world and it's allowed for a great deal of accountability and competition in the marketplace for whatever you want to call it, fill in the blank -- automobiles, other forms of energy, any kind of product that you can think of, any kind of service that you can think of. I like to think of the airline industry as a terrific analogy for one of the most competitive, very important and strategic industries in the United States of America, but one that is a great example of how you can, if properly regulated or let's say deregulated and properly set up in terms of a competitive environment, you can wring out all of the excess costs.

And this is in a highly complex industry too that's capital intensive, with highly complicated and high tech products that are used, many of them built here in Connecticut, which is a wonderful thing. Another great star industry from our past. But the example is a great one because what it does is it shows you that, in fact, if there are proper policies in place, you can wring out all excess profits. You can bring down costs to the bare minimum, yet you can still have a system that is as close to 100 percent reliable and safe, which kind of defies all odds, but it works. It really works. In fact, it works so well that -- and I find this hard to believe.

You will too, I'm sure, since the Wright brothers flew over 100 years ago, the airline industry has lost more money than it has cumulatively earned since the day they took off from Kitty Hawk. It's remarkable. We as consumers have benefited dramatically. Can you imagine 20, 25 years ago, before People's Express came along and Southwest Airlines came along, that you could fly from Bradley International Airport to Tampa Bay for \$69? It's a little more than that nowadays, but when they first introduced those flights, for a couple years, that's what it cost. For under \$100 you

could still fly to places in aircraft that cost \$125 million with professional crews. So I'm a big believer in the free markets, again if properly set up and property ruled by the federal government, in this case.

And I think that if we have the same thing in the energy markets, in particular the electrical markets, we've got ourselves a great thing going for the consumer in Connecticut. I'm a big believer in as many different players in the marketplace -- in the retail marketplace, in particular. So that there is that competitive element that keeps everybody honest. And so if we go back to the issue of ISO New England for a minute, through you, Madam President, Senator Fonfara, the story you were telling us before, which I think is exactly right on the money. Two years ago natural gas prices were higher. We looked in for a two and a half or three-year contract, I believe it was and we're paying the higher prices right now. I believe that they don't look so good those contracts don't look so good today. But it could have gone the other way.

And, again, going back to the airline industry, if you look at the one airline that has made money

consistently for the last six or seven years, with the exception of one quarter, southwest airlines was able to do so because they engaged in fuel hedges for on average two and a half years. They averaged into some favorable pricing, when no one else in the marketplace was doing it, because they couldn't afford it or because they didn't have the foresight or because the organization was so big, there wasn't the creative thinking nor the flexibility to go out on a limb and take positions in Jet A going forward. It worked magnificently for them. They made money when everybody else lost billions of dollars in the industry. United airlines decided they were going to catch up strategically to southwest airlines about 18 months later and sure enough, they took the wrong side of that trade.

They ended up losing 6 to \$700 million in one year on incorrect fuel hedges, that particular year or year and a half. So it can come back and bite you. So we all have to remember that when you're taking these hedges, things can work against you and so, I would be really interested in seeing the data going back even further to see what in fact, has worked for us and what hasn't worked for us. And I'm not sure

that we here in the circled to can come to the conclusion that going shorter term is necessarily going to be a better thing for Connecticut.

If southwest airlines had gone forward three months instead of two and a half years and that's an average number, they would not have made out nearly as well. Their dollar cost average would have been much, much -- about 70 percent higher than what, in fact, it was because they made that commitment for a two and a half year period on average. If we put ourselves in that kind of position here in Connecticut and we make the right bet, we're saving consumers tons of money. So through you, Madam President, to Senator Fonfara, what I'd like to do is get a feel for how you think this body -- if this is enacted into law -- how this body would be making those kinds of decisions.

You've indicated that they would be going more short-term, roughly six months, I think you were saying versus longer term, two to three to four-year contracts, which may be the right call. Maybe not. But how would you as one of the most power people in Connecticut determining policy for energy, electricity going forward, how would you instruct them to deal with this whole issue of taking positions and duration

of those positions?

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Madam President.

The bill calls for in the first year that the utilities in their service area that they would be responsible for that purchasing. They handle that in conjunction with the DPUC and others currently in this more stable, less strategic approach. It's called the full requirements, where they put out an RFP and those entities that will put together the full package of power for a six-month period and then they bid on that for the right to provide that power. That's the utility oversees that currently and then ultimately is approved through the DPUC. The utility in our proposal would do that more aggressive, strategic buying in conjunction with the procurement officer in the first year.

And the department would evaluate that to determine how successful it was. I suspect the department will allow relatively small amount, maybe 15 percent, maybe less, maybe a little more, somewhere in that neighborhood of the remaining portfolio, and

I'll just, for those that don't know -- the utilities have purchased everything for 2010 already and I believe almost everything for 2011 and have begun to purchase for 2012. So what the utility with the procurement officer, if this were to pass, would be procuring for 2012 in that more aggressive way.

And again, only 15 percent of that very small portion, I say 15. I am anticipated it being like that. But it could be more. It could be less. The department will make that determination based on the information they have. It's a very prudent organization. I don't anticipate them jumping out there and doing something wild and crazy. I think they'll take very methodical steps to see how this work and if the approach is proven to be advantageous in lowering rates, I suspect they'll continue to look at it, to advance it, and to make it more of a part of the portfolio purchasing power. Through you.

THE CHAIR:

Thank you, Senator Fonfara.

You have the floor, Senator Frantz.

SENATOR FRANTZ:

Thank you, Madam President.

Another question for Senator Fonfara. Through



you, Madam President, the companies that I've work with, the larger companies that I've worked with in commodity purchasing and commodity selling. It seems that there's an inverse relationship between the size of the company and the willingness to take some risk and go out on a limb, which if properly hedged can deliver a far superior results to the bottom line of that particular company, than by engaging in what typically happens at larger companies, which is committee meeting after committee meeting. Group think starts to enter into the thinking process and you end up with flawed decisions.

Again, like united airlines did with -- a few years ago, with their incorrect side of the trade hedges with respect to Jet A going forward about 18 months or so. They ended up just in about three days losing a whole lot of money during that 18-month period because prices turned against them.

How can we avoid that? It's Connecticut state government any way we look at it. It's an agency and I understand the intent is a great one, and it's one that could absolutely work, but how do we guard against what I think we're all so concerned about within state government which is there tends to be a

little bit less of a propensity to take risks in decision-making, which often times does lead to the very best result? Through you, Mr. President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Mr. President.

Good to see you again this evening.

THE CHAIR:

Good to see you too, sir.

SENATOR FONFARA:

Through you, sir. Excellent question Senator Frantz. And one I happen to agree -- share your concern about. Because we would be embarking on this, we've asked the entity to -- that is currently doing this, with respect to CLMP, they purchase this way in New Hampshire currently and they have experience with it. United Illuminating does not have a subsidiary or a sister organization where they do this and they don't do it. In Connecticut, there's a more strategic buying, they would have to assemble a team to do that, working in conjunction with the procurement officer.

This is not ever envisioned and I would not support this being done in-house by a state agency. I

think you need people who maybe your term, skin in the game, if you will, who understand risk. Who understand some these corporations or companies have, and I'm sure you're familiar with them more than I, have meteorologists, have MIT graduates in mathematics. This is a very complex business and you want very good people doing this. And I think because we're starting off in this minimalist way, and because in the case of CLMP, they have a track record in New Hampshire, that we're willing to go down this road. And it's for a very small portion of the load, 2012 and going beyond, that we think we're pretty well insulated from any really bad decisions and can learn from it in probably the least risky way possible, but enable the process to be examined and to determine who is best to buy.

And in fact, in the bill -- in the amendment it says, if it's determined that the utility is not doing a good job at it, that we would examine through an RFP process who else might be better suited to do this. Through you.

THE CHAIR:

Senator Frantz.

SENATOR FRANTZ:

Thank you. That's a great answer. I think Senator Fonfara has demonstrated that he understands good decision-making process and commodity markets and that is a wonderful sense of comfort and relief for me. I can tell you, we're in the coffee business and if you do not have a strong background and a strong constitution, you will never be able to make the right decision in terms of being able to go long, short and hedge in a variety of different ways to make sure that you're at least making some money. That's why so many people in that business, because the companies have grown to be too big don't do very well at all. The smaller, more strategic you are, the more niche of a market you're in, the better you're going to do.

Back through you, Mr. President, to the amendment itself, there's one aspect of it that I do need to ask you a few questions about and would like to address. And that is the somewhat ironic part about the amendment, the bill, which will be the bill, which is we're trying to collectively lower costs for consumers. And I think there is definitely some Merit to many of the points of this bill, of this amendment. But when you get to the section on renewable energy, the commitment to that sector and I don't know and I'm

not sure anybody knows, how much it's really going to cost to purchase 25 mega watts of wind generation, 15 mega watts of low-lead hydroelectricity, 5 mega watts of other class 1 renewable energy sources. I don't know if anybody has the data on that in terms of today's prices. However, we know for a fact that it's going to add to the cost of energy. So we have one component of this bill which seems to drive energy electric prices down and then we have another component of it which we know is going to drive it up by an unknown factor.

And Senator Witkos before mentioned a number of up to \$2 billion over 20 years. That's \$100 million, if my math is correct, every year to support it. Is it noble? Absolutely. Does it make the world greener and cleaner? Absolutely, no question about that. But the big question mark is what's the cost of that commitment to making our air and streams and water -- bodies of water cleaner. So through you Mr. President, can we just get an idea of what the proponent, what Senator Fonfara's rough estimate would be to that commitment in this amendment to renewable energy?

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Mr. President. First and foremost because much of what we're doing here particularly in the solar area will be driven by the anticipated growth in this market whereby costs of solar, which are coming down dramatically now, have done so in the last couple of years, as this market grows that it continues to see costs of solar declining and that will further mitigate any additional costs to ratepayers. But as you know, I believe is a rate -- is a cap on the exposure to ratepayers as this program ramps up. Meaning there has been a governor, if you will, put on the cost of these programs, if we were not to see the kinds of economies of scale, the growth -- and by the way, just to let people know about the solar program, which is the most significant investment in renewables that we're making.

This bill is the result -- this portion of the bill is the result of work done by a group of stakeholders, including chair -- a working group that was chaired by the current Chairman of the DPUC, Kevin DelGobbo, that set out to find out how could we grow a solar industry in Connecticut. Sustainable, job

creating, economic opportunities. And they commissioned the (inaudible) report that -- that reported on how to grow in industry in a manner to make it self-sustaining where it could compete with electricity that they call brown electricity, electricity off the grid, that is fueled by other sources than renewable. And that report essentially has been codified here.

And it is designed to support the development of this industry, to grow in industry that currently is on a very weak leg because the current mechanism of funding it is not working. It is a -- it is an up-down, start-stop kind of industry and you being the businessperson that you are, knows that no business can be sustained in that manner. And the (inaudible) report set out to determine how can we change this? How can we build a sustainable industry for residential solar, for commercial and industrial solar and for large scale projects that would be grid connected? This bill, this portion of the bill is that product.

But to -- so it was designed to operate in a way that would make it self-sustaining so in some seven, eight, ten years, this industry would be able to stand

on its own two feet without further subsidies. That's what this is, but there is a further governor, which is the rate -- which is the cap that says at no time, at no time shall rates increase by more than, at the maximum, 1 percent of utility revenues. And we project that at the outset to be approximately \$1 to 1.50 additional a month on the average ratepayers bill.

Now I have to tell you that this program will not begin to ramp up until 2000 -- late 2012, 2013 and at that point the impact on ratepayers will be about 25 cents on the average ratepayer. So that rate cap, that impact cap will send the message to the market, if you want the ability to deploy this level of solar, you've got to get your costs down. You've got to be able to compete so that you get the subsidy. You will not be able to impact ratepayers. So it is -- I think it's a well crafted, thoughtful approach, which by the way parenthetically went through the house last year unanimously, without a single opposition vote. This is the same language here this year as it was last year. Through you, Mr. President.

THE CHAIR:

Senator Frantz.



SENATOR FRANTZ:

Thank you. Through you, Mr. President. Thank you very much for those very articulate answers. I appreciate that very much and I agree with you that ideally one day with a great deal of luck, brains, intelligence, we'll be in a world where these renewable sources of energy are, in fact, going to be much cheaper to produce than they are today and certainly much cheaper than it is to buy a BTU of natural gas or a gallon of diesel or any other source of fuel that creates our electricity for us these days.

The final part of the bill that I'd like to talk about for a minute and ask a question or two about is the suggestion that we adopt the California standards for electronic devices. Some of the data that I've seen regarding automobiles and this is a different piece of equipment -- kind of equipment. However, it's analogous in the sense that it adds a cost to -- an automobile in California as we know has had the highest EPA standards and mileage standards in the country. These days the disparity between what California requires and a state that does require the same sort of efficiency and emission standards as

California, is on average about \$1,000 a car. If you take the average cost of a car today, let's call it \$20,000, that's 5 percent of the cost of the car and if you're buying an HD TV, haven't done that lately, but let's take a guess. Maybe they cost \$1,000.

So you're adding \$50 to the price of that television, if there is an analogy there and I have to believe there is, we're increasing the cost to the consumer. And I don't know what your household is like on any given day, but in our household, we've got iPods, i-this, i-that, iMacs and all kinds of computers and TVs going on at the same time. We have just hundred -- dozens of electronic devices. And there's no question that we spend a lot of money as Americans and Connecticut residents on electronic devices through the year. And I'm just concerned that we're adding to the cost of that by adopting the California standards.

And so I'm going to ask you a tough question, while you're being whispered to in your ear -- how, through you Mr. President, Senator Fonfara can we assure that we're not adding too much cost for the consumer ultimately on these electronic devices as we basically will as a nation to every car bought in the

country after a certain date in 2011, I believe it is, to the tune of roughly 5 percent of the original cost of that particular item?

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Thank you, Mr. President.

Through you, I feel fairly confident that these standards will not have the affect -- the feared affect that you have articulated. I'm give you some examples as to why.

This month, the month of May 2010, the new energy star 4.0 standard for televisions, maybe for other things as well, but for televisions in particular, is being adopted. It is the same standard as the 2013 California standard. So you're going to see that become the norm that people will be looking for and many do already look for energy star as the model or the standard. That's being adopted this month.

In May of 2012 a new energy star 5.0 standard will be adopted. That's even more stringent than the 2013 California standard that we're adopting and won't take effect until 2013.

Fully 25 percent of televisions that are on the

market today, 25 percent meet the 2013 California standard. And we expect that 75 percent of the new TV models will meet the new energy 4.0 California standard by the end of this year. 75 percent. So I don't think, based on that information and when I heard this, I became convinced that this was an appropriate thing to do. Not to impose upon manufactures and retailers today. And by the way, this bill is written in a way that says that if you have in stock televisions whose efficiency levels do not meet the 2013 standard -- January 2013 standard in December, then all that stock is available and eligible to be sold. You don't have to take it off your shelves. I don't have to remove it. It's eligible to be sold and you will not be violating these provisions. After that -- but again, today in 2010, fully 25 percent of televisions meet this standard and we're some three years away. Through you.

THE CHAIR:

Senator Frantz.

SENATOR FRANTZ:

Thank you, Mr. President. I will leave it at this. There's been some excellent answers and I will

say this, that for this particular public office holder, any piece of legislation that brings the free market closer to the consumer, unimpeded, without regulation or unnecessary regulation. Rules are important, but allowing the free market to work is just as important. Again, it's what's made our country the best country in the world. It's what in the past has made our state the greatest state in the country. Our electricity costs are working against us these days. We need to improve it and I am for anything that brings the competitive market, free market closer to the consumers.

Thank you, Mr. President.

THE CHAIR:

Thank you, sir. Will you remark further?

Senator Boucher.

SENATOR BOUCHER:

Good evening, Mr. President.

THE CHAIR:

Good evening.

SENATOR BOUCHER:

Mr. President, I rise -- thank you. I rise to comment on this particular proposal, not necessarily because that would be my first impulse, but primarily

May 4, 2010

003471

because I have received so many phone calls, emails on this particular subject. In fact, it really replicated a great deal of last year's controversial bill 1098, if we recall, when there was an outpouring of public comment. And it's interesting, the particular constituents that have contacted me. A number of them were some senior, single women, living alone on a fixed income that were very concerned and fearful that somehow their electric bill was going to go up because they had ventured into the new deregulated marketplace in the last couple of years and have found such an advantage to them, that many reported having a 30 percent decrease in their electric bill.

I know that's something that would please my colleague on the side of the aisle, Senator Fonfara, because I know that he has been a real strong advocate and has worked extremely hard to see that deregulation actually started to work in Connecticut. We were here during those early days when there was so much concern and doubt as to whether we could actually do this. And in fact, in the last two years, apparently, great success has occurred. Over 300,000 new customers have been brought to a multitude of different suppliers.

But unfortunately, it seems like this session, time and again, we are seeing a bill that has a couple of components to it and as was mentioned before, the first component having to do with solar power, solar energy is something that we all strongly support and welcome a great deal, and in fact, has produced some responses within my district to companies that are very much involved in the solar industry who are writing me to say that without this particular section, they feel that the solar industry that's been built in Connecticut over the last several years will effectively cease to exist and with it hundreds of jobs that have been created. So they feel very strongly, almost as strongly as the other emails and letters and phone calls that I receive, even until quite late at night, that talk about the fact that section 2 and other sections, Connecticut residents are finally comfortable with having a choice for their electric generation provider. Please don't take that choice away from us. We're saving money during very difficult economic times. A single female and partners of a small company -- expenses are high. Switching electric providers is helping me and please, please vote no against this bill.

So it's very difficult for some of us. Because on one hand, it's doing a wonderful thing. On the other hand, it's doing the reverse. It's really threatening them. And I am also concerned, I believe that we've had many discussions about budget proposals that would in fact, continue levying those stranded costs on our electric bills in order to close a budget gap. And if in fact, this bill should go into effect, would it compound that problem?

I received a number, and it's amazing how many of these small, very small companies happen to reside in the towns that we represent. Many of them who represent that over 330,000 residents and businesses of such as Public Power, LEVCO Energy, Positive Energy, North American Power, Discount Power, Starion Energy, Reese, Conn Energy, Energy Plus, VERDE Energy and on and on. This by the way is very good news, and I think Senator Fonfara would be heartened to hear all of these names who are incredibly concerned about this -- various sections of this proposal, primarily section 10, 11, 13 and 16. So they are also concerned because they represent about 2600 employees that are concerned about some of the sections of this bill going through, that it would threaten their



livelihood. It could potentially make it not sustainable for them to continue to provide this service.

The bottom line for them, I think and their biggest concern they've outlined in their communication with some of us, is that they will -- various sections of this proposal, increase the cost of doing business for the electric supplier to the point where we'll be unable to offer the citizens of Connecticut savings over the utility rates which rank among the highest in the nation, which would cost these consumers in the state the savings that the Legislature gave them when they approved deregulation.

So you can see our dilemma here for some of us that are trying to understand this bill and trying to find ways to support it, because as we've just noted, that a good section of it. The solar energy and alternative section is something we would really want to approve. But then, you know, I reread some of the information that we received from our OPM Chief Bob Genuario. And having known Bob Genuario for a very long time when he was once a Senator, State Senator for the Town of Darien and the City of Norwalk, and knowing him well in this role that he's taken on, a

difficult role during some of our most difficult times, I know for a fact that he has only the best interests of the state and its residents at heart.

He doesn't speak for one special interest or another, but for the state and its residents and I reread his communication to us where he feels very strongly that the ultimate budgetary implications of this proposed registration -- legislation, as well the potential likelihood of adversely affecting ratepayers presents a significant deterrent to achieving the voiced intent of the proposal. And he remarks as we might feel as well, the frustration with Connecticut that is being subject to ISO decisions making -- that may not necessarily always align with the goals that we have for our state.

He is very concerned about alternative route Connecticut would take to lead to greater costs or consequences for the ratepayer when suggesting going a different way than we currently go and is hoping that we leave that up to the federal regulators, rather than having Connecticut do this right now. Because he feels that leaving ISO New England could leave Connecticut with remaining financial obligations to the regional transmission owners for regional assets.

And which he believes, this is anticipated to cost billions of dollars. He's concerned that the operational and reserve requirement costs for Connecticut could be substantial and that other options, such as long-term COS contracts already available to Connecticut to the extent needed and overbuilding could increase ratepayer's obligations and subject us to reasonable market rule penalties.

Particularly, I think he underscores that if the language contained remains as it is and passes, this evening or tomorrow, it would not have the support of this administration and I think he doesn't use that term very lightly. So it makes me wonder in debating all of this, where we're going to be at the end of the day. And feeling that it may not be an equitable proposal because it actually impacts all energy types which would result in a significant increase in fees that could be borne only by electric ratepayers of Connecticut light and power and United Illuminating.

This does raise a lot of significant concerns. It puts some of us in a very difficult position, because on one hand we want to support this bill. It has a tremendous component, a positive component. On the other hand it raises tremendous concerns that we

are causing additional burdens during a very difficult time to those people and a lot of my constituents that can't afford a higher cost when just they felt that they had gotten relief at a critical time when their own pay may be reduced, that they may feel more in jeopardy with regards to their jobs and costs in Connecticut are so high and there's potential for additional tax increases around the corner.

So as I said, I am very concerned about this bill being passed this evening, simply because it raises so much serious questions and I certainly welcome any response to some of the issues just mentioned on the part of my constituents. And as I said, it's just going to be difficult to bring home just half a loaf in this particular proposal.

Thank you, Mr. President.

THE CHAIR:

Thank you, Senator Boucher. Senator McLachlan.

SENATOR McLACHLAN:

Thank you, Mr. President. Nice to see you here this evening.

THE CHAIR:

Good to be here, sir, with you.

SENATOR McLACHLAN:

I rise to express some reservation about the amendment before us, but in doing so, I really wanted to say thank you to the chair of energy and technology, Senator Fonfara for numerous hours I know that you've been spending on this. The rumor has it that you've been here until 4:00 in the morning some evenings trying to make sure this legislation came together. And I applaud your efforts, and as I read the bill, I agree with what I've also heard so far this evening, that this bill has some really good, good ideas. It has some terrific ideas that are forward thinking as it relates to alternative energy. It has some great ideas about how we can be more productive and efficient in energy use in Connecticut.

My perception of the energy business in Connecticut is really as a layperson. I heard some of my colleagues say that the energy and technology economy, in fact, I think it was Senator Duff saying that the Energy and Technology Committee clearly has some of the most difficult, complicated legislation that comes before the Connecticut general assembly and I would agree with that statement. I've tried to follow that committee because I'm a little bit interested in energy and it is very complicated.

But layperson's perception of energy in Connecticut is that deregulation generally speaking has been sort of a mixed bag as far as consumers go and since we've had choice in Connecticut, choice of energy suppliers, it seems that businesses have embraced the idea far greater, far faster than residential customers have. And now, after these 12 years, I guess since deregulation occurred, it is in fact, now that residential users are really catching up and taking advantage of some of the 30, I understand, alternative suppliers that are available in the Connecticut market. That's a good sign. I think it's a good sign that people are embracing the choices they have in the energy market and are now beginning to see some cost savings in their energy bills. That's good. That's good news.

This legislation I mention has some very good ideas. I'll try to focus on the ones that I think are the highlights. Developing a comprehensive plan is a good idea. Looking forward -- I always think planning ahead is a good idea, but frankly, I think it should be in partnership with the power companies and the goal of lowering the cost of electricity instead of a new agency of government. I think government has to

work with the open markets. Has to work with our energy companies and let us be a little bit more creative in our thought process of how to be more efficient and have less expensive energy options.

I'm very happy to see lots of focus on alternative energy incentives. Solar market. I come from Danbury and we are the proud home of Fuel Cell Energy, a very prominent and thriving alternative energy company. And I'm happy to see fuel cells mentioned in this legislation as a future focus for the economy of Connecticut. Fuel Cell Energy is in Danbury and Torrington and United Technologies is involved in that business. So it's good that we're focusing on industries that already exist here and helping them to grow and prosper.

The solar market, I've had lots of conversations with solar suppliers, installers and manufacturers over the last month or so. And have learned an awful lot about that business and I think that we should fertilize the ground of Connecticut for us to have fertile ground to build those businesses. Those are good jobs to have and we should be thinking about that. That's all good, economic development activity that we as a Legislature should spend a lot of our

time and energy on. And you're trying to do that and I see that. I think that our chair of the Department of Public Utility Control is a brilliant guy. I'm a big fan of Commissioner Kevin DelGobbo. I think the State of Connecticut is very fortunate to have someone with his talent, with his expertise in the business. He came up through the ranks and learned the business on the legislative side and we're fortunate to have Kevin in that role. And I believe that we should continue to look out to Kevin for assistance in future crafting of energy legislation. But I fear that this is not the right legislation for this time and I say that because I have a general sense that it's just reaching too far and too fast. Now, those of you who have been at this for a long time would say perhaps that you think it is running at a snail's pace and you, you know, you really want to get this over the finish line. And frankly, that reminds me of late last year when Washington, D.C. was trying to the big, big legislation over the finish line. And I would urge us not to rush something that is so dramatic and such a big change without a little bit more thought and a little bit more sensitivity to our financial crisis that we face right now.



It's my sense that the Connecticut Energy and Technology Authority that is proposed frankly is an unwelcomed expansion of state government at a time when we really should be talking about shrinking state government. Now I understand there are good arguments for this mold that has been proposed. The problem with the proposal is that somebody has to pay for it and that is the ratepayers. So the residents of Connecticut now have to have some increased costs in their monthly utility bill, electric bill, so fund the cost of expanding government. And I have a very difficult time entertaining that idea in this very difficult time where we're facing critical budget shortfalls all across state government. And I think because of all of that, this is not the right time to be entertaining the expansion of state government.

Why not just start with the working group that's talked about. Why not just start with a more detailed planning process. You know, again, some would say Senator McLachlan, that's what we've been doing for years. We've been talking and talking and now we've got to do it. And my suggestion is you've come up with some great ideas, but you've also come up with ideas that I'm hearing may cost residents of the State

May 4, 2010

of Connecticut and businesses of the State of Connecticut well over a billion dollars over many years coming forward. That's an increase. That's raising costs to live and do business in Connecticut and so I suggest that at this time, at this time, we must postpone this idea and continue planning until we can find new ideas that are less expensive.

The California standards frankly makes me very nervous. And I say it makes me nervous because I'm always suspect of why any state would want to adopt just what California is doing, just because they're the biggest state. Now we all know that California has a reputation of being the most environmentally responsible -- they claim to be the most environmentally responsible state in the United States. Well frankly, I'm not sure that is an accurate statement. One of the challenges with lots of the standards that exist in California is increased costs. Now if we can adopt energy efficiency and reduce our carbon footprint per se and we can do that without breaking the bank, then we should do that. But we shouldn't just reach out for what we're perceiving to be a good idea without having a clear, very clear picture about what is the financial impact

for the residents and businesses of Connecticut.

My friend Senator Witkos raised what I think are some very good points about the cost of appliances here in the State of Connecticut. And so if it's a 200 or \$300 increase cost in an appliance, a television set, those are very important considerations that we should be making. You know, if you're going to buy a \$4,000 television set, \$200 may not mean much to you, but let's face it. Look around your constituents. How many of your constituents are buying \$4,000 television sets. They're buying \$350 television sets and it's a stretch. They're buying a \$500 television set and it's a big Christmas holiday gift for their family. So when you're talking about dramatic increases in the cost of appliances, think twice. It may not mean much to your comfortable home budget, but to most people in Connecticut, it's a lot of money.

So I thank Senator Witkos for raising that point. I really hadn't given that much thought until I listened to his debate earlier this evening.

Multistate appliance standards collaborative and discussed in this legislation. But as I understand it, it says multistate, but we have 50 states and that

collaborative is only half a dozen states. That leaves me pause for why has it not been embraced much more widely at this point. If those standards are so good and so important, why are we just going to be state number six or state number seven to embrace this idea. It seems to me that we should pause and think longer and harder about that idea.

If we're talking about increasing electricity rates and that's what it is, you have to add money, you have to add charges to the monthly electric bills to pay for some of these good ideas in here. I don't think this is the time to do it. When I talk to small business owners, like one who I introduced to you in this circle at lunchtime today, they all talk to me about the high cost of doing business in Connecticut. And the simplest and most common complaint you will hear from anyone doing business in Connecticut is the cost of electricity. And so I don't think we should be talking about increasing costs of electricity at this time in this economy.

I think Connecticut residents want less government, not more government. And I do believe that this legislation is really expanding the bureaucracy of the State of Connecticut and I don't

think that's the right step to take at this time. Once again, Senator Fonfara, I want to thank you for your work and that of your committee. I know you've really put your heart and soul into this. I think you've got some genuine good ideas here. But I just encourage you to stay focus on what the free market can do. I think that's what's best for the residents of Connecticut.

Thank you, Mr. President.

THE CHAIR:

Will you remark on Senate amendment A? Senator Roraback.

SENATOR RORABACK:

Thank you, Mr. President.

I had the pleasure of being in the chamber for most, if not all of the debate on this bill this evening. And Senator Fonfara has done a not surprisingly commendable job in articulating the reasons for this bill and the benefits of this bill. But Mr. President, I'm conflicted because I for one see the merit of ramping up our investment in solar technology. I know there's a pent up demand in the world for greater assistance in converting people to solar electricity. And yet, Mr. President, there are

other components of this bill which give me great pause, not the least of which is the apparent desire to dictate the methodology by which power is produced.

And Mr. President, I just had a couple of questions through you, if I may, to Senator Fonfara, because this is an area not for the faint of heart. And I don't -- I've never had the pleasure of serving on the Energy and Technology Committee and Senator Fonfara is an individual whose expertise I respect greatly. So through you, Mr. President, a couple questions to Senator Fonfara.

THE CHAIR:

Senator Fonfara. Please proceed, sir.

SENATOR RORABACK:

Thank you, Mr. President. When the price of oil went up, the price of energy went up, electric bills skyrocketed and we all heard from our constituents. Then when the price of oil went down -- we heard the same thing about gas prices, right? When it goes up, you can watch them put the things up -- you know, on the placards that day. The price goes up and when the price of oil goes down on the world markets why is there such a lag in seeing the price of gas go down. Similarly when the price of energy went down, my

constituents called me up and said why isn't my electric bill going down? If the reason it went up is because energy prices went up, why doesn't it go down when energy prices go down? So I call the DPUC, and they say, well -- or I call the power company and they say the reason for that is they will go down but approximate won't be for 18 months or two years when these contracts kick in.

So through you, Mr. President, do I understand it correctly that one of the reasons we don't get the benefit of immediate price reductions when energy costs drop is because of the process we've developed for buying power which commits us to future contracts. Through you, Mr. President, I know that's a long question, but it's a complicated premise that I'm trying to draw out interest the good Senator. So through you, Mr. President, Senator Fonfara, is that one of the reasons we have to wait for energy prices -- for electric prices to come down is because we buy power through a complicated series of futures that we secure. We're buying now for two years down the road. Through you, Mr. President, Senator Fonfara.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Mr. President. Yes. The initial method of buying power for standard service customers. Those are the customers again who have decided not to venture out into the retail market where increasing numbers are. But those who have decided to stay with the utility buying their power, the standard service method for purchasing was designed with the focus on stability, not on trying to identify the best price possible for power. And so they designed this rolling average, three-year mechanism that is designed to insulate the customer from larger swings in the price of energy when something like energy or fuel costs rise, as they did dramatically last summer. Through you.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

Thank you, Mr. President. So in a time when fuel prices are rising, electric customers should say hallelujah, thank God, we have purchased these long-term contracts and we're not feeling the immediate rate shock of a dramatic rise in energy prices. But Mr. President, I'm guessing that



similarly when you have that stability, the price you pay for stability is that when prices go down, you don't get the benefit of a declining price. So Mr. President, through you to Senator Fonfara, would it be totally off the wall to compare what the state is doing to what each of us does as homeowners. We can buy heating oil. I can enter -- my heating oil dealer calls me up in July and says, I'll give you your heating oil for \$2.50 a gallon all winter if you'll commit to pay that price now. And I think do I want that stability of knowing what my oil price is going to be in July or do I want to roll the dice and come December, oil might be \$5 a gallon or it might be a \$1.50 a gallon. But in exchange for the stability of being able to plan for around \$2.50 a gallon, I take that price and the trade off is if the price goes down, I'm stuck with that higher price. The security is if the price goes way up, I'm protected from that. So through you, Mr. President, is that vaguely or generally what the state's system is designed to achieve? Through you, Mr. President, Senator Fonfara.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Mr. President. Precisely. The only difference being is that in your scenario the homeowner is not bound by law to enter into it -- this more stable means, which is the CASE for standard service currently. Through you.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

I thank you, Mr. President. And to that point, it seems that if we in our wisdom tell the power company this is how you have to buy your power, right? By law, you have to have use this three-year rolling average thing, it seems pretty rough of we as elected officials to then criticize them when fuel prices -- when energy prices decline and they can't take advantage of them because they've done what we've told them to do, which is to secure these long-term contracts. Through you, Mr. President. I don't -- again, I'm not on the Energy Committee, but I just get the sense of what happened was we placed a bet in order to have stability and we lost that bet because energy prices fell more than we anticipated. So now we're trying to unscramble the egg to put ourselves in a position where we wouldn't lose that bet. But who's

to say that energy prices don't rise again and then we're back criticizing the power company because they didn't those long-term contracts in place. Through you, Mr. President, Senator Fonfara, is that a risk?

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Mr. President. No question that you introduce more risk, but more opportunity through this approach and just about everyone who spends any time in this field, and I'm not talk being legislators. We're lay people compared to -- even members of the Energy Committee are lay people compared to the folks who do this every day and are trained in it and make their living at it, but most people, if not everyone who spends time in this, will say that over the long haul, the closer you can get to the market price, the better you are and that consumers of that are better off. Through you.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

Thank you, Mr. President. I guess particularly in a deregulated environment where consumers are being

invited to purchase their power from other sources, I'm not convinced the government playing a greater role in long-term power purchasing is the right way to go. And as I said, I like the solar provisions of this bill, if we were voting on them standing alone. They would have my vote, but because of the other sections of the bill, I can't support it. It hurts me to say that because I know how hard Senator Fonfara has worked and I thank him for his work and I thank him for his answers.

Thank you, Mr. President.

THE CHAIR:

Thank you, sir. Will you remark further on Senate A? Will you remark further on Senate A? If not -- Senator Fonfara.

SENATOR FONFARA:

I don't know if I had asked for a roll call vote

--

THE CHAIR:

I had asked for it. I think they said you did.

SENATOR FONFARA:

Thank you.

THE CHAIR:

If not, Mr. Clerk, please call for a roll call

vote. The machine will be open. Please keep the door clear. Please in the front, so people can come in and vote.

THE CLERK:

An immediate roll call vote has been ordered in the Senate. Will all Senators please return to the chamber. An immediate roll call vote has been ordered in the Senate. Will all Senators please return to the chamber.

THE CHAIR:

Have all Senators voted? Have all Senators voted? If all Senators have voted, please check your vote. The machine will be locked. The Clerk will call the tally.

THE CLERK:

Motion is on adoption of Senate Amendment  
Schedule "A."

Total number voting	33
Necessary for Adoption	17
Those voting Yea	20
Those voting Nay	13
Those absent and not voting	3

THE CHAIR:

Senate "A" passes.

Will you remark further on Senate Bill 493? Will you remark further on Senate Bill -- Senator Witkos.

SENATOR WITKOS:

Thank you, Mr. President.

While the debate focused on several, several different pieces of material, I wanted to go back before I call my amendment and just clarify three things that I heard that I believe needed clarification.

When the conversation between the two Senators regarding the CMEEC, the municipal authority, where the example was given, aren't their rates at least 15 percent lower than the ones that we're current experiencing, and that if we pass now the bill that we'll experience the same.

Mr. President that is not comparing apples-to-apples, I went and did a little research and come to find out, the reason why the CMEEC is enjoying those rates that they currently do is because they are operating under old contracts prior to the deregulation. So no wonder. They have contracts from 20 years ago that they're operating under. That's why it's cheaper. Let's not put out false information so people have unrealized expectations as to what will

come. That's number one.

The study of the ISO will cost ratepayers approximately \$3 million. That's the average cost of doing the study on the ISO by the DPUC, borne by ratepayers. And I was surprised upon reading a little bit closer in the bill and because of previous bills that we debated here in the chamber, that in the code of conduct piece there's a provision that says if someone was ever arrested and convicted on a theft charge, pick pocketing, shop lifting, they can never work under that industry, according to those guidelines. Hopefully we can come back and fix that because I would hate to see somebody that made a mistake in their teen years and in their adult life become an expert in this field and not be allowed to work because we passed a law that says if you were convicted the of shop lifting, you're excluded.

And the other provision I would like to say is while we're ramping up the bill to procure all this solar energy, we should slow it down. Because the price of making the solar energy is going to come down. Right now, when new products come on the market, as consumers we say, well let me wait. Because as soon as it comes on the market, it's going

May 4, 2010

to be really expensive. I'll wait until the price comes down. The more people start buying it, the prices will drop accordingly. And that's what I'm asking that we should do on the solar side. Buy some, but not buy it all right away. As the price drops down, we'll get more for our money.

And I will, Mr. President, state to you that I believe the underlying bill can be made better with a few adjustments and I'm going to be addressing those adjustments in an amendment that I'm about to call. But I want to say thank you to Senator Fonfara for working with me, being my mentor over the past two years on the Energy and Technology Committee. He's been a great teacher for such a very, very complex subject matter, and it takes patience, especially when you're dealing with me and taking me through the baby steps on learning this procedure and he's done a yeoman's job. We spoke after 10:00 every night, Friday, Saturday and Sunday, trying to hammer out an agreement that everybody we thought could agree to.

With that, Mr. President, the Clerk has in his possession LCO 5573. I ask that it be called and I be allowed to summarize.

THE CHAIR:



Mr. Clerk.

THE CLERK:

LCO 5573, which will be designated Senate  
Amendment Schedule "B." It's offered by Senator  
Witkos of the 8th District.

THE CHAIR:

Senator Witkos.

SENATOR WITKOS:

Thank you, Mr. President. I move adoption.

THE CHAIR:

Motion on adoption and summarization. Seeing no  
objection, please proceed, sir.

SENATOR WITKOS:

Thank you, Mr. President.

Ladies and gentlemen, there are some excellent,  
excellent components of the underlying bill. This is  
a strike-all amendment and this amendment retains  
those excellent portions in the underlying bill, but  
removes the very costly ones and the ones that don't  
make any sense.

The first part of the debate focused on breaking  
up the DPUC and forming two separate divisions and  
then creating a working group to back fill it. This  
amendment says we're going to create a working group.

The same people that are contained in the underlying bill, and then they're going to report back and say how do we structure the CETA authority. Because I'm a strong believer that if we can move everybody into one house, we may reduce the cost. But let's put the horse before the cart, the way it should be. The working group will come together. They will report by January 1 of this year.

We're not asking for a long time out. January 1 of this year. They're going to report back to the Legislature with any recommendations for either regulations or legislative changes that must be met. And in that analysis by the working group, they will determine the types of employees, the number of employees, where it should be located, the roles of the agencies. It's built in and I think we can study the New York, the NYSEDA that I spoke of earlier, at no cost to ourselves. We need to reach out to other agencies. Do the fact finding. That's what the section 1 of this bill does -- of the amendment.

Section 2 provides the low-income rate that the original bill does. For the folks that just cannot pay their bills, let's help them out. We may not have as many shut offs if there was a rate people could

afford. And this is no new dollars. No new ratepayer dollars. What the amendment does, it says it creates another program and allows the DPUC Commissioner to examine the programs and possibly terminate some programs that don't make any sense. But this is one program that if you don't meet the 60 percent of a median income, you can get a special rate for your electric bill.

I agree that we should allow the utilities to procure or manage 15 percent of their portfolio. Because they may be able to buy electricity at a better rate than going out on the wholesale market.

There's a section in the bill that allows for combined heating power and furnaces, for an incentive. To replace inefficient gas burners or oil furnaces and to make it affordable to folks so they can do it. Because these are major purchases and maybe that's the reason why people can't do this in their homes or in their businesses. Wouldn't it be great if you could replace the furnace in your home or business and keep paying the same amount of money that you do every month, but you're making it up because of the efficiency in that unit we all benefit from that. That's what's in this amendment.

This amendment allows for condominium associations to apply for their public buildings, for their club houses, their common areas, to purchase green energy, solar initiatives out of the clean energy fund. It makes them eligible.

This amendment provides an earmark of \$5 million out of the clean energy fund for fuel cells. We believe Connecticut is the fuel cell capital of the world. Designed and manufactured right here. What a way to promote a business in our state.

The amendment also provides for a time of use meters and a time of use option. It makes the utilities notify their customers of that. And people might say, what is a time of use meter? What is a time of use option? The utility company will designate a minimum of a four-hour period of which the price of electricity will be higher than normal. But for the other remaining 20 hours, it will be cheaper. So if you know you're going to be out of your house in the middle of the day, say if they set the hours of 1:00 p.m. to 4:00 p.m. -- 1:00 p.m. to 5:00 p.m., you don't turn your air conditioning on. You don't turn your TVs on. You keep your dryer, all the big, big energy users. You get in that habit and then you can

save overall your electric rates. That's what's in this amendment.

There's also the same language in the underlying bill of reducing energy costs by 15 percent. And I think that's a laudable goal, and it's a goal that we will meet. As I stated earlier, we already have that through the utilities purchasing the power over the next two years. 10 percent each year. We've already met the goal.

And lastly, in this amendment, it provides for a 3 percent designation out of the clean energy fund for distressed municipalities. It gives a little extra to the distressed municipalities and the underserved communities, so they can become partners with the efficiency that we're still trying to promote in the State of Connecticut.

And Mr. President, I would ask the chamber's adoption. What I've removed out of this, I've removed the biggest piece, which was the \$2.0 billion goal set forth in the renewable energy portion. But this amendment does provide \$30 million of new money for class one renewable solar. I think we have a growing industry here in Connecticut. As a matter of fact I met with a company and they showed me a picture of

their company picnic from three years ago. There were 12 people standing around in a small circle. Two years later, he showed me a picture of his company at their company picnic, and they had close to 45 members. I mean, how great is that. We're providing jobs in the State of Connecticut. But we need to do so at a responsible rate.

This amendment provides an additional \$30 million for the solar industry. And Mr. President, I hope that we can pass this amendment and send it downstairs, have it pass there and be signed into law by the governor. Thank you. I urge adoption.

THE CHAIR:

Thank you, sir.

Will you remark further?

Senator Meyer.

SENATOR MEYER:

Thank you, Mr. President.

Through you to Senator Fonfara, if I might.

Senator, through you, Mr. President, we've just been informed that the governor, governor RELL has proposed to meet our budget deficit. To meet it in part by hitting the energy conservation and efficiency fund. That fund has total annual income of about

\$82 million, and she has proposed to use 35 percent of that for debt service on certain economic recovery revenue bonds. That's a hit actually of about \$29 million. And my question through the president to you, is do you know if we do this, what effect it will have on the energy bill?

THE CHAIR:

Senator Meyer, we're talking to Senate Amendment "B." You're asking about the bill.

SENATOR MEYER:

Oh, I'm sorry.

THE CHAIR:

That's quite all right, sir.

SENATOR MEYER:

I apologize.

THE CHAIR:

Oh, that's quite all right.

SENATOR MEYER:

We've been in a caucus and I didn't know that.

THE CHAIR:

I understand. It happens.

SENATOR MEYER:

Okay. I'll come back to that, if I might, at the appropriate time.

THE CHAIR:

Okay. Yes, sir. Will you remark further on Senate "B?"

Senator Fonfara, I think you were going to stand. Thank you.

SENATOR FONFARA:

Thank you, Mr. President.

Mr. President, I very, very reluctantly rise to oppose the amendment. My friend Senator Witkos and I have worked as he said very closely together on this legislation and he and I share many, many, many similar thoughts and beliefs about what needs to be done regarding energy in this state. And they're reflected both in the underlying amendment that has now been adopted and in the amendment currently before us.

And I know that his intentions are sincere in offering this amendment. He could have approached me over the last couple of days with an amendment with far less, but he did not and I am grateful to him for that. And for his well intended considerations. Not only in our conversations, but in terms of what is reflected in this amendment before us right now.

I'll simply say that I would ask for the chamber



to not accept the amendment because it does not contain three areas I believe are important that we move forward with. One, that it does not have a residential solar component. And by the way, that would not require any additional funds on the part of rate payers because it does earmark funds currently within the clean energy fund.

Secondly, it does not have the appliance standards that we spoke about earlier and lastly, it does not have the direction regarding the reorganization of the DPUC. And so for those purposes, I would ask that the amendment be defeated.

Thank you, Mr. President.

THE CHAIR:

Thank you, sir.

Will you remark further on Senate "B?" Will you remark further on Senate about?

Senator DeBicella.

SENATOR DEBICELLA:

I thank you, Mr. President. Mr. President, first my hat's off to Senator Fonfara and Senator Witkos for sustaining themselves through this very, very long but important debate.

Mr. President, I rise in favor of this amendment

and I rise in favor of it because it takes a bill that would otherwise increase government bureaucracy and increase energy costs and replace it by keeping some of the good parts of the bill and adding others to one that will set us in the right direction to lower energy costs.

Mr. President, if you look at the good parts of the underlying bill that this amendment keeps, Senator Witkos talked about them. They are things that help the poor with their energy costs. Things that help move us in the direction of environmentally friendly alternative energy, whether there are things like fuel cells or \$30 million to help incent the adoption of solar power. Meters to actually help folks reduce unnecessary demand. Something that everyone would agree would actually help us lower the cost of energy.

But to Senator Fonfara's point, this does remove some things from the underlying bill. And in my opinion, Senator Fonfara had three that he did not like were removed. I actually have three that I do like that were removed.

One is -- the last one Senator Fonfara mentioned, which was the splitting up of the DPUC and the creation, essentially of two new government

May 4, 2010

bureaucracies. And Mr. President, I've never seen a situation where two bureaucracies somehow work better than one bureaucracy. We have seen time and time again in state government when we create complexity, it drives up cost and slows down decision-making and I think that's exactly what this underlying bill would do. And it would naturally increase our budget deficit because if you create two new bureaucracies, they're all going to all of a sudden need their own finance people, they're own HR people, all the things that drive up costs.

Secondly, what this bill eliminates is volatility in energy prices in favor of stability. Earlier -- excuse me, earlier in the debate, Senator Fonfara said, yes, there is risk in this underlying bill. There is risk and going away from the three-year purchasing agreements and toward the spot market. And Mr. President, anytime you're going to the spot market, you might do better, you might do worse. We're increasing volatility and what we've seen in the market in the last couple of years with dramatic swings in oil prices and energy prices, is that businesses and residential consumers are going to see a lot more variability in their costs under this bill.

Finally, Mr. President, I actually think that the underlying bill hurts competition and consumer choice in a way that this amendment doesn't, by removing some of the hindrances to it. Things like bilateral agreement that actually cut out the small guys, that actually don't allow the consumer to have as much choice in the market. This impacts actually businesses much more than residential. Residential customers are mostly on UI and CLMP. But our business community uses alternative energy providers all the time. I've heard statistics upwards of 80 or 90 percent of businesses are actually using alternative energy providers. Don't know if it's that high, but it's definitely much higher than residential.

And Mr. President, all in all, we have to look at the fundamental issue that's facing us with energy. The fundamental issue is one of supply and demand. What this amendment does is it attempts to decrease unnecessary demand while trying to increase supply. And there's a lot more that needs to be done that we can't do in this chamber and that we can't do in this amendment. We need to do things on the federal level to actually increase our supply of energy, whether it

is through alternative energy or more traditional sources of energy to actually help our environment and get off of foreign oil. Greater supply will equal lower prices.

So Mr. President, I believe the amendment before us today is not a panacea, and I don't think Senator Witkos would say it's a panacea. But it is a step in the right direction, whereas the underlying bill will take us in the direction of reregulation and in the direction of more bureaucracy and higher rates.

I encourage adoption of the amendment. Thank you, Mr. President.

THE CHAIR:

Thank you, sir. Will you remark? Senator Fonfara.

SENATOR FONFARA:

Mr. President, when the vote is made, I would ask that it be done by roll call, please.

THE CHAIR:

A roll call will be ordered. Senator McKinney.

SENATOR MCKINNEY:

Thank you, Mr. President. For a second there, we had them outnumbered.

THE CHAIR:

May 4, 2010

Circle the wagons. There you go.

SENATOR MCKINNEY:

Well, while they're having food in your caucus room Senator Fonfara, you've saved the day. Mr. President, I rise in support of the amendment and I don't think I can say what the amendment does better than what Senator Witkos has said. I first wanted to start my comments with complimenting Senator Witkos. He made mention that this was his first term on the Energy Committee and I think it's evident that he and Senator Fonfara have a have good working relationship.

These are some of the more complex issue, not only that we deal with as legislators, but that we deal with as a society. I dare say, we don't only hear from our constituents, but I hear from my own family members as to why are electric bills are so high. Why when prices are coming down, their bills are still going up. How do you explain this, as Senator Roraback so eloquently said, you know, you can see the gas stations literally raising the prices by the hour, but when the price of oil comes down, they're not so quick to get out and lower the prices.

So people are frustrated. They're angry. Small businesses across the State of Connecticut struggle

with the extraordinary costs of energy and I think Senator Witkos in his first term as ranking member of this important committee has done an extraordinary job and his speech earlier today was one of the best that I've heard in this Senate in some time.

Mr. President, I think the message and the key to this amendment is two-fold. One, let's not go too fast. When we're talking about investing in solar, that's a good program, but let's not go too far. The other message is that we can't change everything all at once, and when you think about the potential unknown consequences of one huge power authority, and what may occur should the underlying bill pass, I think the better course of action, the wiser course of action is to pass this amendment. Obviously, many of the underlying pieces are identical or very similar to important underlying pieces in the bill as amended by Senator Fonfara. But this is one of taking and making progress one step at a time. Not jumping into a whole new unchartered world that could and in my opinion, would end up in higher electric rates for the people of the State of Connecticut.

So I would urge adoption of this amendment.

Thank you.

THE CHAIR:

Thank you, sir.

Will you remark further on Senate "B?" Will you  
remark further on Senate "B?"

If not, Mr. Clerk, please call for a voice vote  
-- no, I'm kidding -- roll call vote. The machine  
will be opened.

THE CLERK:

Immediate roll call has been ordered in the  
Senate. Will all Senators please return to the  
chamber. Need roll call has been ordered in the  
Senate. Will all Senators please return to the  
chamber.

THE CHAIR:

Have all Senators voted? Have all Senators  
voted? If all Senators have voted, please check your  
vote. The machine will be locked. The Clerk will  
call the tally.

THE CLERK:

Motion is on adoption of Senate Amendment  
Schedule "B."

Total number voting	33
Necessary for Adoption	17
Those voting Yea	11



Those voting Nay 22

Those absent and not voting 3

THE CHAIR:

Amendment "B" fails.

Will you remark further on Senate Bill 493?

Senator Meyer.

SENATOR MEYER:

Thank you, Mr. President. I think this is a little more timely.

THE CHAIR:

Actually, I can play the tape back if you would like.

SENATOR MEYER:

Thank you.

THE CHAIR:

Go ahead, sir.

SENATOR MEYER:

Through you, Mr. President, to Senator Fonfara. Senator, there's a budget proposal that would take in round figures \$29 million from the energy conservation and efficiency fund and use it for the payment of the principal and interest on revenue bonds. The same proposal also would seek to generate income from a new loan fund called the green Connecticut loan fund,

which has current income of -- annual income of \$18 million. And I know I'm throwing you a curve ball in asking you this question, but we're going to -- we're being asked to vote on this budget tomorrow. And do you have an opinion as to, through you Mr. President. Does the good Senator have an opinion as to whether or not the taking of these funds would affect the energy bill that's before us tonight?

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Mr. President. I do not have an opinion. Through you.

THE CHAIR:

Senator Meyer. That's it, okay.

SENATOR MEYER:

Senator, you didn't have an opinion? I didn't hear the words.

THE CHAIR:

I believe, sir, he said he did not.

SENATOR MEYER:

Okay, thank you, Mr. President.

THE CHAIR:

You're welcome.

Will you remark further on Senate Bill 493?

Senator McLachlan.

SENATOR McLACHLAN:

Thank you, Mr. President. I rise this evening for the purpose of an amendment.

THE CHAIR:

Please proceed, sir.

SENATOR McLACHLAN:

Thank you, Mr. President.

The Clerk should have LCO Number 5165. I ask that he call the amendment and grant me leave to summarize.

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO 5165, which will be designated as Senate Amendment Schedule "C" and it's offered by Senator McLachlan of the 24th District.

THE CHAIR:

Senator McLachlan.

SENATOR McLACHLAN:

Thank you, Mr. President. This amendment --

THE CHAIR:

Excuse me, Senator McLachlan. Do you move

adoption on that, sir?

SENATOR McLACHLAN:

Sorry. Thank you. I move this amendment.

THE CHAIR:

There is a motion on the floor for adoption and summarization. Seeing no objection, please proceed, sir.

SENATOR McLACHLAN:

Thank you, Mr. President.

This amendment shifts our conversation this evening a bit about the utility business and the interaction of state government with Connecticut residents. I'd like to summarize briefly what the amendment does as it relates to approval of cell towers in the State of Connecticut.

Currently, cell towers are approved solely by the Siting Council of Connecticut. And a simple majority allows for the placement of a cell tower following an application process.

What I'm asking for with this amendment is when there is local opposition to particular cell tower application, when I say in opposition, I'm saying specifically land use board review and opposition. That it then would require the Siting Council to have

a supermajority of seven of their nine members voting yes to approve the cell tower application. So in fact, we just raised the bar. One little step. In asking for a closer view of an application. Not unlike what currently occurs in the land use process in the State of Connecticut. For instance in the City of Danbury where we have a planning commission and a zoning commission. And if the planning commission should in some way offer a negative report on a proposal, then it requires a supermajority of the zoning commission to change a zone on a particular property.

So that's what we're asking you to consider this evening with this amendment. But I just want to briefly, because of the late hour, paint a picture of what happened in Danbury.

A bankrupt church who was essentially looking for someone to purchase their property was approached by a cell tower developer and signed an agreement for a cell tower site and tower on the property and the church. This church, who had struggled for years apparently, was challenged trying to stay alive, so to speak, and was offered a pretty nice income, rental as part of this agreement with the cell tower developer.

The problem is that the church is in the middle of a pretty nice residential neighborhood. In fact, the site where the cell tower ultimately was approved is somewhere around 140 feet to a neighbor's swim be pool. So the point is that we looked at this as a negative intrusion on a neighborhood and felt that we should, we meaning the City of Danbury, should assist the cell tower developer in their application and try to find alternate sites. Encourage them to look at alternate sites before they proceed with this application. In fact, in my former role as chief of staff total mayor in the City of Danbury, I personally scouted, located and presented to cell tower developer three possible locations where they may find alternative installation of a cell tower in reasonably close proximity to the area in which they were looking for coverage.

Now all of those three sites were not as easy to put together a deal with the property owner, but they were all identified by an engineer that was hired by the City of Danbury. Basically, we were working as a cell tower developer ourselves trying to assist the cell tower developer in finding alternate sites. Because they already had a deal, there was no

incentive for them really to aggressively look for alternate sites. So we took it upon ourselves as the administration of the City of Danbury to aggressively try to find alternate sites.

Ultimately, all of those sites were rejected for various reasons by the applicant. Not by the Siting Council, but by the applicant. Because it's not required of the Siting Council to push them as hard as we were pushing them to look at alternate sites. The point being here is that because there's no incentive to aggressively look for alternate sites when there is neighborhood opposition, it seems to me that we should hold the applicant to a higher level of approval.

Now I understand that there are federal laws related to the siting of cell towers that require the creation of the Siting Council. And most people would say the Siting Council is working very well. In fact, the executive director Derrick Phelps is doing a fine job and the Chairman of the Siting Council has a job I would never want because when it comes to NIMBY in politics we all know, it's a very tough road to hoe. They're doing a good job. They're doing the best job they can do with what they have. But I think that this is an extra tool in the process that just holds

the approval process to a supermajority and asks the Siting Council to have seven of nine yeas votes before they approve a contested location.

So this location, and I'll wrap up quickly now, this location in Danbury, was ultimately contested by the City of Danbury, using city taxpayer funds, including engineers, lawyers, not counting the in-kind time of city employees studying the site, participating in court action. The City of Danbury spent \$100,000 to fight a cell tower application.

Those two folders on my desk are just part of the docket application related to this case. And this cell tower application was approved. Now I'm not a scientist. I'm not an engineer. I'm a politician and I'll grant that. But in this case, I don't think this was the right decision and what I do think is if the Siting Council feels that this is the right decision, then let us make them have a supermajority. Cell towers Siting Council decisions are tough. I understand that clear as a bell. I just think that this Legislature should take one small step to honor local control, local decision-makers, local residents a little bit more in this process. Because right now, I have a whole neighborhood of thousands of residents



of the City of Danbury who feel like they were abandoned by the State of Connecticut in this decision. And because of that, I ask this body to seriously consider and vote in favor of this amendment.

Thank you, Mr. President.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Thank you, Mr. President. And Mr. President, if I could ask when the vote is taken if it could be taken by roll.

THE CHAIR:

A roll call will be ordered, sir.

SENATOR FONFARA:

Thank you, Mr. President.

Mr. President, I again reluctantly rise to oppose the amendment and I do so because I have been and continue to be a strong advocate for the autonomy of the Siting Council, an agency that stands with no peer in this country in terms of taking a universal look at how we site facilities that on average most people don't want in their neighborhood, in their backyard, if their town, but we know that if we're going to be

-- to have the required ability to turn on our lights when we want them and with do, and to be able to call someone and have someone answer on the other end of the line, and we do. And almost every other not just creature comfort, but requirement under -- to keep our economy going, that we need to be able to make these decisions in hopefully the most objective way possible. I think most of us agree that that's difficult to do when we as elected officials are asked to do that for a proposal that is effecting our constituents. That's the beauty of the Siting Council that we have in this state. And most of us really don't credit it for what it is. And they have to make tough decisions and they have to make decisions that when it's in our backyard, we don't like and I certainly understand the reason why this proposal is before us this evening.

I would ask the chamber to vote it down because we need to continue to have this organization have the autonomy that it has, but make sure, and I think there is legislation that is pending before us this year that will require that the Siting Council take consideration of some of the very issues the Senator McLachlan has raised. And I intend to take seriously

his concerns that he has raised this session and here tonight so that there is the balance that is necessary. The balance that is necessary when the Siting Council considers issues that understanding what a neighborhood, what a community and what a municipality may be dealing with when something is suggested to be located in one neighborhood or one area versus another. I take that certain very, very seriously.

But unfortunately, I would ask that we defeat the amendment. Thank you, Mr. President.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

Thank you, Mr. President.

I rise in support of the amendment and I thank Senator McLachlan for bringing it out. Mr. President, Senator Fonfara is correct. We ask a lot of the Siting Council. They have a hard job to do and Senator McLachlan's amendment doesn't go nearly as far as many people would like for it to go. So in terms of striking a reasonable balance in restoring a respectful relationship between our municipalities and the state agency charged with siting

telecommunications facilities, it's not asking too much that the Siting Council be convinced, be firmly convinced that a location is an appropriate location in a case where a municipality firmly believes that it's the wrong location..

Mr. President, I think this amendment is a first step in restoring an appropriate balance and I support it enthusiastically and urge others to do so as well. Thank you, Mr. President.

THE CHAIR:

Senator Frantz.

SENATOR FRANTZ:

Thank you, Mr. President.

I stand in favor of Senator McLachlan's proposed amendment. And I will say this. That some decisions are just so difficult that the suggested change in the number of votes requires for the Siting Council to make a final decision on the location of, for example, a cell tower, is something that could be a great value. And there is a lot of give and take in the analysis of these different proposals, particularly when it comes to something like a cell phone tower because of the unknown health effects. We are all familiar with the telecommunications act of 1996 which

clearly prescribes that you cannot use that as a criteria or set of criteria in making decisions. However, there are lots of studies out there that would indicate that maybe we should, in fact, take that into account. So you can envision situations like Senator McLachlan's situation in his district, but you can also think of some of the other ones, such as the ones we've had in our district where there are locations that are so ridiculously close, these are proposed locations, so ridiculously close to a school that, in fact, the height of the tower deems that if it were to fall a certain direction, it would in fact, fall on that property.

So you have the physical potential danger there. Never mind whatever else might be lurking up there. Who knows what it is. The fact that the number required would seven. In other words a supermajority to make a final decision on the location of a cell phone tower near a sensitive area. The fact that it rises to that level could in certain circumstances make a huge difference.

There's no question that the Siting Council provides a great deal of value in making these decisions when it comes to other facilities. When it

May 4, 2010

comes to cell phone towers, there's that mixed feeling in the community. Yes, we want our service and we want it to be ubiquitous, but we don't necessarily want that cell phone tower anywhere near us. We've had people suggest in our district that 5,280 feet, one whole mile is the minimum amount that should be required between a dwelling and where a cell phone tower is located. That's obviously taking it to an extreme. So net-net, this amendment to me makes sense because it's not going to change most decisions that the Siting Council makes in its normal course of business. However, in those very unusual cases, we may have one or two of those in our town, in our district right now where it could make all the difference. It may only move a cell phone tower 150 feet or 150 yards one direction or the other, but that could make a great deal of difference in terms of people's peace of mind when it comes to health issues or other issues that he might have.

So I stand in support of the amendment and urge the circle to vote in favor. Thank you, Mr. President.

THE CHAIR:

Thank you, sir. Will you remark further on

Senate Amendment "C?" Will you remark further on  
Senate amendment "C?"

If not, Mr. Clerk, please call for a roll call  
vote. The machine will be opened.

THE CLERK:

Immediate roll call has been ordered in the  
Senate. Will all Senators please return to the  
chamber. Immediate roll call has been ordered in the  
Senate. Will all Senators please return to the  
chamber.

THE CHAIR:

Have all Senators voted? If all Senators have  
voted, please check your vote and the Clerk will call  
the tally.

THE CLERK:

Motion is on adoption of Senate Amendment  
Schedule "C."

Total number voting	34
Necessary for Adoption	18
Those voting Yea	9
Those voting Nay	25
Those absent and not voting	2

THE CHAIR:

The amendment fails.

Senator Kane.

SENATOR KANE:

Thank you, Mr. President.

Through you, a couple of questions for the  
proponent of the bill.

THE CHAIR:

Senator Fonfara. Please proceed, sir.

SENATOR KANE:

Thank you, Mr. President.

Earlier when I asked a series of questions and I  
think we had a very good dialogue in regard to the  
bill, I never talked about the solar piece of this  
piece of legislation. And I would like to go through  
that, if I could.

In regards to the solar piece that I think a lot  
of it is very good. I'd be curious to know who will  
likely take advantage of those solar subsidies.  
Through you.

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Mr. President.

It is our hope that it will grow the solar  
industry in Connecticut from one that is fledgling



right now, on the brink of leaving the state and will encourage those companies that are here to stay here and encourage more companies to develop here and come to Connecticut and build this industry. It is anticipated that we can realize somewhere in the neighborhood of between 5,000 and 6,000 direct and indirect jobs in the solar industry from the development of this program. Through you.

THE CHAIR:

Senator Kane.

SENATOR KANE:

Thank you, Mr. President.

And will the elderly and the people with low-incomes be able to take advantage of this program? Through you, Mr. President,

THE CHAIR:

Senator Fonfara.

SENATOR FONFARA:

Through you, Mr. President.

Absolutely. Part of the bill directs 3 percent of the funds from the renewable fund to be directed towards underserved areas in the state. And nothing in this program will prohibit those entrepreneurs, those solar businesses from pursuing avenues in which

seniors senior complexes and low-income housing complexes can participate in this program. Through you.

THE CHAIR:

Senator Kane.

SENATOR KANE:

Thank you, Mr. President. I thank Senator Fonfara for his answers.

THE CHAIR:

Thank you, sir.

Will you remark further on Senate Bill 493, as amended by Senate "A?" Will you remark further?

If not, Mr. Clerk, please call for a roll call vote. The machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate. Will all Senators please return to the chamber. Immediate roll call has been ordered in the Senate. Will all Senators please return to the chamber.

THE CHAIR:

Have all Senators voted? Have all Senators voted? If all Senators have voted, please check your vote. The machine will be locked. The Clerk will

call the tally.

THE CLERK:

The motion is on passage of Emergency Certified  
Bill 493 as amended by Senate Amendment Schedule "A."

Total number voting	34
Necessary for Adoption	18
Those voting Yea	20
Those voting Nay	14
Those absent and not voting	2

THE CHAIR:

The bill as amended passes.

Senator Handley.

SENATOR HANDLEY:

Thank you, Mr. President. For a point of  
personal privilege.

THE CHAIR:

Please proceed, ma'am.

SENATOR HANDLEY:

Actually, it's perhaps more an announcement. The  
four members of the circle who are retiring this year  
have provided some food for the members of the circle  
and for staff and aides who are here. So please go to  
the old judiciary room and have a bite to eat.

THE CHAIR:

Thank you, ma'am. Senator Looney.

SENATOR LOONEY:

Mr. President, I believe we are in possession of several Senate amendments that the Clerk -- or agendas. If the Clerk would note which amendments. I believe we have agendas 2 and 3.

THE CHAIR:

We still have work to do. Please take your chats outside. Senator Looney. Mr. Clerk. I'm sorry.

THE CLERK:

Clerk in the position of Senate Agendas number 2 and 3, dated Tuesday, May 4, 2010. Copies have been distributed.

THE CHAIR:

Senator Looney.

SENATOR LOONEY:

Yes, thank you, Mr. President.

Mr. President, I move all items on Senate Agendas numbers 2 and 3, dated Tuesday, May 4, 2010, to be acted upon as indicated. That the agendas be incorporated by reference into the Senate journal and the Senate transcript.

THE CHAIR:

There is a motion on the floor to move all items

on Senate Agenda Number 2 and 3. Seeing no objections, sir, so ordered.

SENATOR LOONEY:

Yes, thank you, Mr. President. Mr. President, I would also move that the items on Senate Agendas 2 and 3 be placed on our calendar.

THE CHAIR:

Motion to place items on Senate Agenda Number 2 and 3 on our calendar. Seeing no objections, sir, so ordered.

SENATOR LOONEY:

Yes, Mr. President. Thank you. If we might stand at ease for a few moments, then I will have some items to announce for a consent calendar, I believe.

THE CHAIR:

Thank you, sir. The Senate will stand at ease, please.

Senator Looney.

SENATOR LOONEY:

Thank you, Mr. President. Mr. President, one additional item to take up before calling the consent calendar, and that is on calendar page 2, Calendar 157, Senate Bill 121. If the Clerk would call that item.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Calendar page 2, Calendar Number 157, File Number 230, Senate Bill 121, AN ACT CONCERNING THE EXTENSION OF GENERAL PERMITS ISSUED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION, favorable report from the Committee on Environment. The Clerk is in possession of amendments.

THE CHAIR:

Senator Meyer.

SENATOR MEYER:

Mr. President, I move acceptance of the joint committee's favorable report and passage of this bill.

THE CHAIR:

Acting on approval and acceptance of this bill, Sir, will you remark further?

SENATOR MEYER:

Yes, I will, Mr. President. Would the Clerk kindly call LCO 5358, which is a strike-all amendment.

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO 5358, which is designated as Senate Amendment

Schedule "A" is offered by Senator Meyer of the 12th District, et al.

THE CHAIR:

Senator Meyer.

SENATOR MEYER:

Mr. President, I move it and ask permission to summarize briefly.

THE CHAIR:

There is a motion on the floor for summarization and approval. Seeing no objections, sir, please proceed.

SENATOR MEYER:

This is a very brief bill, colleagues, that deals with a situation where a bottling company like Coca-Cola or other bottling companies make contributions to charities of water bottles, Coke, Pepsi or whatever. And they don't -- there's no money involved in the contribution and they would otherwise have to pay a 5-cent deposit on this. What this bill does, it eliminates the 5 percent deposit because they're making a gift to charity.

It's a good bill. The cosponsors are legislators in both houses and both parties.

THE CHAIR:

Thank you, sir.

Will you remark further on Senate "A?" Will you  
remark further on Senate "A?"

If not, I will try your minds. All those in  
favor signify by saying, aye.

SENATORS:

Aye.

THE CHAIR:

Opposed, nay.

The ayes have it. Senate Amendment "A" is  
adopted.

Will you remark further on Senate Bill 121?

Senator Meyer.

SENATOR MEYER:

Mr. President, I see no objection. May this  
kindly be put on the consent calendar.

THE CHAIR:

Is there any discussion on Senate Bill 121 as  
amended by Senate "A?" There's a motion on the floor  
to place this item on the consent.

Seeing no objection, so ordered.

Senator Looney.

SENATOR LOONEY:

Thank you, Mr. President.



jp/mb/gbr  
SENATE

352  
May 4, 2010

Mr. President, some additional items to place on the consent calendar at this time.

THE CHAIR:

Please proceed, sir.

SENATOR LOONEY:

Thank you, Mr. President.

Mr. President, beginning on calendar page 8, Calendar 398, Substitute for Senate Bill Number 231.

Mr. President, would move to place this item on the consent calendar.

THE CHAIR:

. Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Continuing on calendar page 8. Mr. President, Calendar 427, Senate Bill Number 110. Mr. President, move to place that item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Calendar page 9, Calendar 442, Substitute for House Bill Number 5141. Mr. President, I move to place that item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Mr. President, moving to calendar page 10,  
Calendar 449, House Bill Number 5495. Mr. President,  
I move to place that item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Mr. President, moving  
to calendar page 11, Calendar 451, Substitute for  
House Bill Number 5535. Mr. President, move to place  
this item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Mr. President, moving to calendar page 12,  
Calendar 473, Substitute for House Bill Number 5059.  
Mr. President, move to place this item on the consent  
calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Continuing on calendar page 12, Mr. President. Calendar 476, Substitute for House Bill Number 5117. Mr. President, I move to place that item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Mr. President, moving to calendar page 13, Calendar 481, Substitute for House Bill Number 5119. Mr. President, move to place this item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Yes, thank you, Mr. President. Continuing on calendar page 13, Calendar 482, Substitute for House Bill Number 5120. Mr. President, move to place this item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Mr. President, moving to calendar page 15,

jp/mb/gbr  
SENATE

355  
May 4, 2010

Calendar 492, Substitute for House Bill Number 5446.

Mr. President, move to place this item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Continuing on calendar page 15, Calendar 494, House Bill Number 5315. Mr. President, move to place this item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Mr. President, moving to calendar page 21 -- top of calendar page 21, Mr. President, Calendar 534, Substitute for House Bill Number 5543. Mr. President, I move to place this item on the content calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Bottom of calendar page 21, Mr. President, the last item, Calendar 539, Substitute for House Bill Number 5350. Mr. President,

I move to place that item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Mr. President, moving now to calendar page 36,  
Calendar 374, Substitute for House Bill Number 5225.

Mr. President, I move to place this item on the  
consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Yes, thank you, Mr. President. Moving to  
calendar page 37, Calendar 415, House Bill Number  
5131. Mr. President, I move to place this item on the  
consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President, and Mr. President, on  
calendar page 38, Calendar 454, House Bill Number  
5526. Mr. President, move to place that item on the  
consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Mr. President, in addition there is an item on Senate Agenda Number 2 and that is on Senate Agenda Number 2 under disagreeing actions, substitute Senate Bill Number 330. Mr. President, I would move to place this item on the consent calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Mr. President, we might stand at ease for just a moment.

THE CHAIR:

The Senate will stand at ease.

(Chamber at ease.)

THE CHAIR:

The Senate will come back to order. Senator Looney.

SENATOR LOONEY:

Thank you, Mr. President.

Some additional markings for the consent

calendar.

THE CHAIR:

Please proceed.

SENATOR LOONEY:

Yes, Mr. President, calendar page 2, and that is  
Calendar 144, Substitute for Senate Bill Number 253.

I move to place this item on the consent calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Mr. President, moving now to calendar page 20.

Mr. President, calendar page 20, Calendar 532,

Substitute for House Bill Number 5033. Mr. President,

I would move to place this item on the consent  
calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Mr. President, moving to calendar page 25, the  
item at the bottom of calendar page 25, Calendar 561,  
Substitute for House Bill Number 5419. Mr. President,  
move to place that item on the consent calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. And Mr. President, several additional items to mark. Going back to calendar page 7. Mr. President, calendar page 7, Calendar 377, House Bill 5291. Mr. President, move to place that item on the consent calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Mr. President, on calendar page 11, Calendar 465, House Bill 5448. Mr. President, move to place that item on the consent calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Yes, thank you, Mr. President. Mr. President, moving to calendar page 12. Mr. President, calendar page 12, Calendar 466, House Bill 5289. Move to place that item on the consent calendar.

THE CHAIR:

Without objection, so ordered

SENATOR LOONEY:



Thank you, Mr. President.

Mr. President, moving to calendar page 13,  
Calendar 478, House Bill 5290. Mr. President, move to  
place that item on the consent calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Mr. President, moving  
to calendar page 15, Calendar 504, House Bill 5306.  
Mr. President, move to place that item on the consent  
calendar.

THE CHAIR:

Without objection, so ordered.

THE CHAIR:

Thank you, Mr. President. Mr. President, if we  
might stand at ease for just a moment.

THE CHAIR:

The Senate will stand at ease.

SENATOR LOONEY:

Thank you.

Mr. President.

THE CHAIR:

The Senate will come back to order. Yes, Senator  
Looney.

SENATOR LOONEY:

Yes, Mr. President.

Mr. President, one of the items that we marked for consent, appearing on calendar page 25 was single starred and would move first toward suspension to take that item up for purposes of placing it on the consent calendar and that is calendar page 25, Calendar 561, Substitute for House Bill 5419.

THE CHAIR:

There's a motion on Calendar 561; House Bill 5419. Seeing no objection, sir.

SENATOR LOONEY:

Good. Mr. President, since suspension has been approved, I would now move to place it on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Yes, Mr. President, one item to remove from the consent calendar, which was Calendar Number 427, Senate Bill 110. That was on page 8, Mr. President.

THE CHAIR:

Without objection.

SENATOR LOONEY:

Thank you, Mr. President..

That item might be marked past temporarily.

Thank you, Mr. President.

THE CHAIR:

Excuse me, Senator Looney. Are we at ease, sir,  
or are we --

SENATOR LOONEY:

Yes, Mr. President, if we might stand at ease for  
just a moment. We're trying to -- we have one more  
item to add to the consent calendar, Mr. President.

THE CHAIR:

Okay, thank you.

SENATOR LOONEY:

Yes, Mr. President, thank you. That item, Mr.  
President, is on calendar page 2, top of calendar page  
2, Calendar 114, Substitute for Senate Bill Number  
214. Mr. President, I would move to place that item  
on the consent calendar.

THE CHAIR:

I think I might object to that one. But we'll  
put that on consent.

SENATOR LOONEY:

Yes, thank you, Mr. President, and Mr. President,

would ask the Clerk to call the consent calendar at this time. Thank you, Mr. President.

THE CHAIR:

Very good. Mr. Clerk.

THE CLERK:

Immediate roll call has been ordered in the Senate on the consent calendar. Will all Senators please return to the chamber. Immediate roll call has been ordered in the Senate on the consent calendar. Will all Senators please return to the chamber.

Mr. President, the items placed on Consent Calendar Number 2 from Senate Agenda Number 2, Substitute for Senate Bill 330. Calling from the calendar. Calendar page 2, Calendar 114 --

THE CHAIR:

Some of the members of the chamber are trying to listen to the consent calendar. If you have conversation to be had, please take it outside. I know we're all excited. Thank you.

Mr. Clerk, please proceed.

THE CLERK:

Returning to calendar page 2, Calendar 114, Substitute for Senate Bill 214; Calendar 144, Substitute for Senate Bill 253; Calendar 157, Senate

Bill 121; calendar page 7, Calendar 377, Substitute for House Bill 5291; Calendar page 8, Calendar 398, Substitute for Senate Bill 231; calendar page 9, Calendar 442, Substitute for House Bill 5141; calendar page 10, Calendar 449, House Bill 5495; calendar page 11, Calendar 451, Substitute for House Bill 5535; Calendar 465, Substitute for House Bill 44 -- 5448; calendar page 12, Calendar 466, Substitute for House Bill 5289; Calendar 473, Substitute for House Bill 5059; Calendar 476, Substitute for House Bill 5117; calendar page 13. Calendar 478, House Bill 5290; Calendar 481, Substitute for House Bill 5119; Calendar 482, Substitute for House Bill 5120; calendar page 15, Calendar 492, Substitute for House Bill 5446; Calendar 494, House Bill 5315; Calendar 504, Substitute for House Bill 5306; calendar page 20, Calendar 532, Substitute for House Bill 5033; calendar page 21, Calendar 534, Substitute for House Bill 5543; Calendar 539, Substitute for House Bill 5350; calendar page 25, Calendar 561, Substitute for House Bill 5419; calendar page 36, Calendar 374, Substitute for House Bill 5225; calendar page 37, Calendar 415, House Bill 5131; calendar page 38, Calendar 454, Substitute for House Bill 5526.

Mr. President, that completes the items placed on Consent Calendar Number 2.

THE CHAIR:

Please call for a roll call vote. The machine will be open.

THE CLERK:

The Senate is now voting by roll on the consent calendar. Will all Senators please return to the chamber. Senate is voting by roll on the consent calendar. Will all Senators please return to the chamber.

THE CHAIR:

Have all Senators voted? If all Senators have voted, please check your vote. The machine will be locked. The Clerk will call the tally.

THE CLERK:

Motion is adoption of Consent Calendar Number 2.

Total number voting

35

Necessary for Adoption 18

Those voting Yea 35

Those voting Nay 0

Those absent and not voting 1

THE CHAIR:

Consent calendar Number 2 passes.

Senator Looney.

SENATOR LOONEY:

Yes, thank you, Mr. President.

Mr. President, I would move that any items on the consent calendar requires additional action by the House of Representatives be immediately transmitted to that chamber.

THE CHAIR:

Without objection, so ordered, sir.

SENATOR LOONEY:

And also any other items acted upon today, not on the consent calendar requiring action by the House of Representatives. Also would move that those items be immediately transmitted.

THE CHAIR:

Seeing no objection, sir, so ordered.

SENATOR LOONEY:

Thank you, Mr. President.

Mr. President, I would yield to any members seeking recognition for announcements or points of personal privilege.

THE CHAIR:

At this time, I will entertain any points of

personal privileges or announcements. Seeing none,  
sir.

SENATOR LOONEY:

Thank you, Mr. President. For a journal  
notation, Mr. President.

THE CHAIR:

Please proceed.

SENATOR LOONEY:

Mr. President, Senator Slossberg was absent today  
and missed votes due to a period of mourning in her  
family.

THE CHAIR:

It will be noted, sir.

SENATOR LOONEY:

Thank you, Mr. President, and, Mr. President,  
that will conclude our business for this evening.  
Would announce that we will be in session tomorrow  
beginning at 10:30 a.m. And Mr. President, would move  
that the Senate stand adjourned, subject to the call  
of the chair, and all the members have a restful  
evening for a busy day tomorrow.

Thank you, Mr. President.

THE CHAIR:

Thank you, sir. The Senate will stand adjourned,



subject to the call of the chair.

Senator Daily. Could I have your attention for a second, please?

Senator Daily. Try it now, Senator Daily.

SENATOR DAILY:

Thank you, Mr. President. I rise to announce a Finance Committee meeting one-half hour before the house session tomorrow on Wednesday, May 5. The purpose is to adopt revenue estimates. Thank you, Mr. President.

On motion of Senator Looney of the 11th, the Senate at 11:19 p.m., adjourned subject to the call of the Chair.