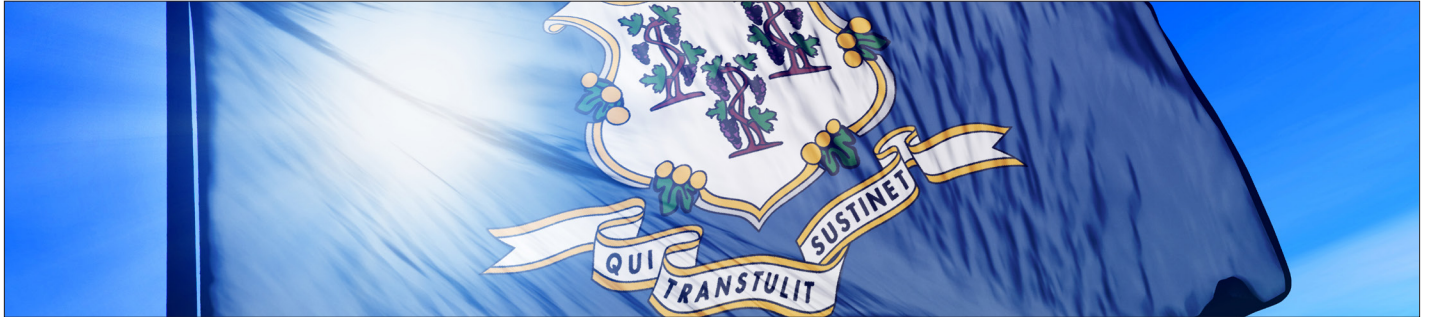


NEWS ALERT**GOVERNMENT AFFAIRS INSIGHTS****Ten Things You Should Know About the 2019 Session of the Connecticut General Assembly**

By David J. McQuade | December 20, 2018

1. Politically, a very big blue wave crashed in Connecticut this past November. The State House and Senate are firmly in the hands of Democrats. On January 9, 2019, there will be 91 Democrats in the House facing 59 Republicans. One House seat is still being contested. On the third floor of the Capitol, Democrats will control the Senate with 23 seats versus 13 Republicans. Driving policy for the administration will be Governor-elect Ned Lamont whose 40,000 plus election margin keeps that office in Democrat hands following eight years of Governor Dannel Malloy (D).
2. Retirements by veteran legislators and a score of victories by first time challengers produced a record number of freshman legislators to be sworn in January. Nine new Democratic Senators will be seated together with two new Republicans. In the House, twenty-two new Dems will be seated along with eight freshman Republicans. One Democratic seat will be filled by Geoffrey Luxenberg who is returning to that chamber after a four-year hiatus. Legislative leaders will be spending a great deal of time and resources to solidify and direct policy positions with so many new members champing to be heard and recognized on various legislative matters.
3. After years of debate, progressive members of the Democratic party believe they are politically positioned to deliver a legislative agenda which includes a \$15 an hour minimum wage law, paid family and medical leave and the legalization of recreational marijuana. Conservatives and a large part of the business community believe such legislation will hinder economic growth in Connecticut and open our state to uncharted social changes. Look for a two-year legislative battle on these provisions.
4. The debate over tolling Connecticut's highways will continue in 2019. A state Department of Transportation study proposes to install 82 toll gantries statewide to generate \$1 billion annually for future transportation infrastructure improvements. Governor-elect Lamont is supporting tolls but currently is leaning toward the Rhode Island program of collecting tolls only on tractor-trailer trucks. Last July, the American Trucking Association filed suit in federal court claiming truck-only tolling is unconstitutional. The case is pending.

5. Following a ruling by a Superior Court judge that automobile company Tesla cannot sell their vehicles in Connecticut without first obtaining a new car dealers license, look for Tesla to make a renewed push in the legislature to legalize its direct-sales approach to selling their electric vehicles in this state. The Connecticut Automotive Dealers Association and the major vehicle manufacturers have successfully beaten back such legislation in the past three sessions of the legislature.

6. In the wake of the Sandy Hook Elementary School rampage in Newtown, CT, the 2013 legislature passed some of the strongest gun restriction laws in the nation. Fueled by mass shootings in Las Vegas, Orlando and Pittsburgh, look for gun control advocates to press for new gun storage requirements and the banning of “ghost gun” kits.

7. The elephant in the room each year is the development and complexity of the state budget. Governor-elect Lamont is facing a shortfall of \$1.7 billion in FY20 and \$2.37 in FY21. Staff members at the state’s Office of Policy and Management currently are working with Lamont’s transition team to fashion a budget document traditionally delivered to the legislature the first two weeks in February.

8. Look for a battle between the state and municipalities on the revision and allocation of state grants for payments in lieu of taxes (PILOT) for state owned properties and for colleges and hospitals. The Commission on Fiscal Stability and Economic Growth has recommended reduced PILOT payments to towns and cities substituting service fees in lieu of taxes on nonprofits.

9. Sports betting and off-reservations casinos will be front and center for issues when the legislature convenes in January. With eight states (Delaware, Mississippi, Nevada, New Jersey, New Mexico, Pennsylvania, Rhode Island and West Virginia) legally operating sports betting, Connecticut is sure to follow. Preliminary estimates suggest that sports betting in our state could generate \$30 million to \$50 million in annual revenues. And the battle for over off-reservation casinos continues. With the proposed Mashantucket-Mohegan casino in East Windsor stalled in the federal bureaucracy, a new push to permit competition for a commercial casino in another part of the state will likely occur.

10. With more than 35,000 homes potentially affected by crumbling foundations, legislators will again review the state resources committed to assisting impacted homeowners along with adding condominium dwellers to the eligible assistance list. Governor Malloy’s and Attorney General George Jepsen’s agreement with Travelers Companies to limit insurance exposure also will be reviewed by legislators. The Connecticut State Supreme Court is scheduled to hear oral arguments in December on a key case defining insurance policy coverage for crumbling foundations.

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