STATE OF CONNECTICUT
SENATE
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

SENATE REPUBLICAN OFFICES

January 24, 2017

Governor Dannel P. Malloy
Office of the Governor
210 Capitol Avenue
Hartford, CT 06106

Dear Governor Malloy:

We are writing to you regarding the Resolution Proposing Approval of an Agreement Between the State of Connecticut and the State Employees Bargaining Agent Coalition. As you are aware, we voted in favor of this resolution in the Appropriations Committee Meeting on January 24, 2017. Although the resolution lacks the required changes to state employee benefits which would give us true fiscal stability now and in the future, we supported this agreement based upon your representation to us in a meeting in your office that state employee unions refused to open the SEBAC agreement to make changes to pension benefits.

We want to be clear that it is also our understanding that you are in the process of finishing, if you have not already concluded, multiple contract negotiations with state unions in the atmosphere of fiscal austerity. We assume that those contracts were negotiated without requiring the opening of the SEBAC agreement. Obviously, if there was any possibility of opening the SEBAC agreement, you would have waited before announcing your proposed pension refinancing agreement to explore that possibility to its fullest.

The most prudent fiscal course for the state of Connecticut would have been to negotiate the pension liability payments, the union contracts, and open the SEBAC agreement all at the same time. Had you not extended the SEBAC agreement in 2011, we would have had the opportunity to negotiate all these elements together now. But if you were given a new chance today to negotiate all these agreements simultaneously, we are sure that as leader of Connecticut you would have done so to benefit the state. Such a comprehensive approach would allow you the maximum potential to pursue true pension reform like we have seen in a variety of states such as Rhode Island. But as you have stated, since the unions were not open to benefit changes, you were unable to alter employee benefits or employee contributions in any way in your pension refinancing proposal.

If any of our assumptions are inaccurate, such as there being conversations to open the SEBAC agreement which we are unaware of, please let us know immediately. We ask that you confirm by Monday January 30, 2017 that there remains no interest by the unions to open the SEBAC agreement in any capacity. If we do not hear from you, we will need to assume that the SEBAC agreement is part of the contract negotiations, and that may alter our votes knowing the state is negotiating in a piecemeal fashion.

Sincerely,

Len Fasano
Senate President Pro Tempore

Paul Formica
Assistant Senate Republican Majority Leader

cc: Ben Barnes, Secretary Office of Policy and Management