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ResearchReport

2017 VETO PACKAGE

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Summary

This report lists each veto from the 2017 legislative session. It also provides for each vetoed act a brief public act summary, including its final vote tally and excerpts from the governor's veto message. The report also includes a numerical summary of previous vetoes.

A vetoed act will not become law unless it is reconsidered and passed again by a two-thirds vote of each house of the General Assembly. The legislature will meet for a veto session to consider bills on July 24.

Gubernatorial Vetoes

Sections 15 and 16 of Article Fourth of the Connecticut Constitution authorize the governor to veto bills. The governor may veto an entire bill or use a line-item veto on any provisions of a bill making appropriations.

2017 Regular Legislative Session Vetoes

The governor vetoed the following four public acts:

PA 17-153	*An Act Concerning Roofing, Window And Siding Consumer Warranties And Post-Sale Warranty Work Reimbursement For Power Equipment Dealers*
PA 17-159	*An Act Establishing A Tax Credit For Donated Agricultural Food Commodities Produced Or Grown By The Taxpayer*
PA 17-170	*An Act Concerning The Affordable Housing Land Use Appeals Procedure*

PA 17-227 *An Act Concerning The Use Of Combined Heat And Power And District Heating Systems And Requiring A Study Of The Viability Of New District Heating Networks In The State As Part Of The Comprehensive Energy Strategy*

2017 Regular Legislative Session Veto Summaries

PA 17-153 — sSB 821 *An Act Concerning Roofing, Window And Siding Consumer Warranties And Post-Sale Warranty Work Reimbursement For Power Equipment Dealers*

This act (1) sets certain payment conditions and time frames for warranties on residential roofing, windows, and siding and (2) specifies that the warranty claims for farm, forestry, yard, and garden equipment include parts and hourly labor rates and prohibits suppliers from denying a warranty claim based on certain minor errors.

Senate Vote: 36 to 0 (May 18)
House Vote: 80 to 70 (June 7)

Excerpt from governor's veto message:
Under current law, manufacturers of residential roofing, window, and siding materials are permitted to establish their own timelines for their warranty processes, including claims processing. This bill changes that by imposing a strict 30-day time period for manufacturers to make a determination on a warranty claim. The inherent difficulty created by putting this requirement upon manufacturers is that often a product will fail not because of a manufacturer's defect, but because of improper installation. As such, manufacturers regularly conduct field inspections to gather more information to determine whether the product failure falls within the ambit of the warranty. They also review a wide variety of records, and may perform audits of manufacturing and installation records. To require manufacturers to conduct all inspections, review all attendant documents and to make fully informed claims decisions within 30 days is simply unworkable.

The detrimental impact of this bill would be very real to Connecticut consumers; businesses could decide to not offer their products in our state, or to tailor their warranties in Connecticut by adding in extra fees or adjustments in order to comply with the 30 day requirement.

PA 17-159 — HB 5886 *An Act Establishing A Tax Credit For Donated Agricultural Food Commodities Produced Or Grown By The Taxpayer*

This act authorizes tax credits based on the value of fruit, vegetables, poultry, and other agricultural commodities businesses grew or produced and donated to Department of Revenue Services (DRS) recognized food banks or emergency feeding organizations in Connecticut. The credit equals 15% of the market value of the donated commodities in the income year the taxpayer claims the credit, up to $5,000. It can be applied against the personal income or corporation business tax (excluding any required employer withholding). Taxpayers who cannot claim the full credit in an income year may apply the unused portion to future taxes (i.e., carry forward) for the five immediately succeeding income years until they fully claim the credit.

House Vote: 147 to 0 (May 24)
Senate Vote: 36 to 0 (June 7)

Excerpt from governor's veto message:
The underlying purpose of this bill is certainly laudable. Nevertheless, by allowing for additional credits to be applied against personal income tax, there will be revenue loss to the General Fund and additional costs to the Department of Revenue Services. Additionally, this bill creates an entirely new category of credits against personal income tax, thus opening the door for other similar proposals and increasing the likelihood that the credits will result in a revenue loss to the state.

PA 17-170 — sHB 6880 *An Act Concerning the Affordable Housing Land Use Appeals Procedure*

This act makes several changes to the affordable housing land use appeals procedure ("procedure"). The act makes it easier for municipalities to qualify for a temporary suspension of the procedure (i.e., moratorium) by:

1. expanding the unit types that count toward the moratorium;
2. establishing "bonus" housing unit-equivalent (HUE) points for certain unit types;
3. lowering the minimum number of HUE points smaller municipalities need for a moratorium; and
4. lowering the minimum number of HUE points municipalities with at least 20,000 dwelling units need for a moratorium, if the municipality previously qualified for a moratorium and adopts an affordable housing plan.

The act also:

1. requires municipalities to adopt an affordable housing plan every five years;
2. makes an additional type of mobile manufactured home count toward the affordable housing stock threshold at which municipalities are exempt from the procedure (i.e., 10%);
3. extends, from four years to five, the length of second and subsequent moratoria for municipalities with at least 20,000 dwelling units;
4. changes the definition of "median income" applicable to the incentive housing zone statutes, conforming it to the affordable housing land use appeals procedure statutes; and
5. makes technical and conforming changes.

House Vote: 116 to 33 (May 30)
Senate Vote: 30 to 6 (June 7)

Excerpt from governor's veto message:
This bill would change several portions of the Affordable Land Use Appeals Act, Section 8-30g of the General Statutes, enabling municipalities to more easily deny proposed affordable housing projects and shield themselves from an appeals process designed to overcome local resistance to fair and affordable housing.

Every resident of Connecticut should have access to housing they can afford in the town where they work. So, too, should everyone be able to live affordably in the town that they choose, with access to good schools, safe neighborhoods, and basic services, regardless of their race, ethnicity, or income. However, for many lower-income residents who must work in areas of the state where the cost of housing is high, a long history of decisions and discriminatory policies has made securing that housing persistently difficult. Those decisions include the historical practice of red lining – denying mortgages to entire neighborhoods because of the residents' race or ethnicity – and passing restrictive zoning rules that make it nearly impossible to build multifamily housing, or that require home lots to be so large that only the wealthy can buy them. These kinds of rules effectively price people of limited means who work in such towns out of the market.

It is our responsibility as a state, and the responsibility of every city and town in Connecticut, to correct this injustice. It is also imperative for our state's economic vitality that we provide more housing for our workforce within a reasonable commuting distance of their jobs. We are far from attaining this goal.

This legislation takes affordable housing policy in the wrong direction. Its passage would perpetuate the harmful effects of bad economic policy and institutional segregation, damaging our state's economy and its moral foundation. The state stands ready to help any community willing to work with us to address an affordable housing shortage that hurts our economy and stands in contrast to principals of fairness and justice. This bill does not advance that goal.

PA 17-227 — HB 6304 *An Act Concerning The Use Of Combined Heat And Power And District Heating Systems And Requiring A Study Of The Viability Of New District Heating Networks In The State As Part Of The Comprehensive Energy Strategy*

This act creates a process through which the electric distribution company that serves Bridgeport (i.e., United Illuminating) can own and operate a combined heat and power (CHP) system that supplies thermal heat to Bridgeport's district heating company (a district heating system operated by the thermal energy transportation company authorized to provide thermal energy in Bridgeport).

The act also (1) allows a municipality, by vote of its legislative body, to abate all or a portion of the property tax for a property on which the CHP unit is constructed and (2) requires a study on the viability of new district heating networks in the state.

Lastly, the act requires future Comprehensive Energy Strategies (CES) to include a study on the viability of new district heating networks in the state, including recommendations for financing them. The law requires the commissioner to prepare a CES every three years, with the most recent one due by October 1, 2016. (The 2016 CES has not yet been completed.)

House Vote: 100 to 51 (June 6)
Senate Vote: 36 to 0 (June 7)

Excerpt from governor's veto message:
This bill would authorize the creation of a thermal heating loop in the City of Bridgeport that would be fully subsidized by all ratepayers of the local utility without proper consumer protections or appropriate regulatory oversight.

First, House Bill No. 6304 grants one developer in one municipality access to ratepayer funds to create a district thermal system without a competitive process to ensure that the best project is selected, with fair terms and at a reasonable price.

Second, it places all the financial risk on ratepayers and none on the private developer. The legislation requires ratepayers to cover all the costs of the fuel cell plant while forfeiting all revenues from the project's capacity and Renewable Energy Credits (RECs) to the developer. I have never signed a bill that does not credit back to ratepayers the value of the electricity, capacity, or RECs produced by the clean energy facility.

Third, the bill deprives PURA of any ability to refine the technical or the financial details of the system proposed under this bill. Not only can PURA not specify the standards for the utility's selection process, it cannot recommend changes to any other details.

I respect the proponents of this bill and their sincerity in proposing it. I am willing to work with them to make sure that Bridgeport can develop a clean, efficient district energy system that includes sufficient protections for the public and ratepayers, and I look forward to discussing how to do so. This bill, however, is not the right approach.

Historical Context

Table 1 lists the number of vetoes for the current governor by legislative session.

Table 1: Vetoes by Legislative Session since 2011

Governor	*Legislative Session*	*Vetoes (Line Item Vetoes)*	*Vetoes Overruled*	*OLR Veto Package Report*
Malloy	2011	6 (0)	0	2011-R-0270
Malloy	2011 June Special Session	0 (0)	0	-
Malloy	2011 October Special Session	0 (0)	0	-
Malloy	2012	8 (0)	0	2012-R-0278
Malloy	2012 June Special Session	0 (0)	0	-
Malloy	2012 June Special Session	0 (0)	0	-
Malloy	2012 December Special Session	0 (0)	0	-
Malloy	2013	8 (0)	0	2013-R-0284
Malloy	2014	8 (0)	0	2014-R-0179
Malloy	2015	9 (0)	0	2015-R-0144
Malloy	2015 June Special Session	0 (0)	0	-
Malloy	2015 December Special Session	0 (0)	0	-
Malloy	2016	8 (0)	3	2016-R-0087
Malloy	2016 May Special Session	0 (1)	0	2016-R-0087
Malloy	2017	4 (0)	*	2017-R-0115

*The veto report is published prior to each veto-session.

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