

The Connecticut General Assembly

House Democrats



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SPEAKER DONOVAN, REP. FONTANA, & FIRST SELECTMAN FREDA DISCUSS HOW RECENT LEGISLATION WILL SAVE NORTH HAVEN & AREA TOWNS MONEY

State House Speaker Christopher G. Donovan (D-Meriden) and State Representative Steve Fontana (D-North Haven), chair of the legislature's Insurance & Real Estate Committee, met with North Haven First Selectman Mike Freda and to discuss two insurance bills and other legislation recently signed into law that could provide North Haven and municipalities throughout Connecticut with significant savings.

Donovan and Fontana successfully championed insurance reform legislation this year that is anticipated to help with municipal budgets throughout the state. An Act Concerning Transparency in Health Insurance Claims Data is a commonsense measure that creates more transparency in the health insurance marketplace by requiring insurance companies to disclose information to municipal employers related to services used, claims and premiums paid. An Act Concerning Municipalities and Prescription Drug Plans allows municipalities to buy prescription drugs through the state employee plan at costs significantly less than comparable policies available to many Connecticut municipalities.

"Our cities and towns have a right to know where their premium dollars are going," House Speaker Christopher G. Donovan (D-Meriden) said. "This is a common sense approach that will help key health care purchasers to negotiate the best rates on employee health insurance. Further, efforts to remove certain mandates from towns like North Haven will mean relief for taxpayers in those communities."

"As both North Haven's State Representative and its Third Selectman, I'm keenly aware of the town's desire this year to balance its budget without eliminating critical services, like curbside leaf pickup," Rep Fontana said. "I'm pleased to have been able to work with the Speaker this year to champion these initiatives, which collectively seek to address skyrocketing health care premiums and other municipal costs. If North Haven takes advantage of these new laws to cut its costs, the town should save hundreds of thousands of dollars, allowing it to preserve key services that residents want and expect."

The state lawmakers also praised the work of the Speaker's Blue Ribbon Commission on Municipal Opportunities and Regional Efficiencies (MORE) and the bi-partisan budget agreement. The House passed a legislative package based on MORE's recommendations that takes a comprehensive approach to shared efficiencies between cities and towns.

One new law, An Act Concerning Municipal Mandate Relief, will have state marshals, rather than a town's chief executive officer, responsible for removing and storing an evicted tenant's possessions and personal property, relieving local taxpayers of the financial responsibility of storing evicted tenant's possessions.

An another bill passed by the House that is now law, An Act Concerning Agreements Between Municipalities and Boards of Education for the Joint Purchase of Employee Health Insurance and the Disclosure of Certain Information Regarding Compensation for Services Provided by Insurance Producers, allows towns to join together to buy health insurance for municipal employees.

Donovan and Fontana also noted that the bipartisan agreement with Gov. M. Jodi Rell balances the state budget through fiscal year 2011 with no tax increases, no cuts in municipal aid and a decrease for most residents' electric bills by an average of \$60 a year. The budget includes \$170 million in spending cuts across a host of state agencies and a reduction of \$300 million from a previous borrowing plan. There is also hundreds of millions of dollars in savings from a shorter term and lower interest rate on the issuance of \$956 million in Economic Recovery Bonds (ERBs).

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