

Malloy Defends Labor Agreement Estimates; Warns Of Layoffs

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Christine Stuart photo

Gov. Dannel P. Malloy

Gov. Dannel P. Malloy said Tuesday morning that it doesn't really matter what the Office of Fiscal Analysis says about the \$1.6 billion union concession package, the reality remains his administration must reach those targeted savings.

"The proof of the pudding, however, that's what the budget is built on," Malloy told a group of reporters outside the ribbon cutting at the Connecticut Center for Advance Technology Inc. in East Hartford. "As I said quite clearly, we are not going to go back for more tax dollars."

The House passed a budget implementer Monday that clarifies the two-year, \$2.6 billion tax package Malloy signed on May 4. That budget relies on \$1.6 billion in concessions from the state employee unions, who have yet to ratify the tentative agreement. The two year, \$40.11 budget assumes about \$700 million in union savings in the first year and \$900 million in the second year of the budget.

Just yesterday the nonpartisan [Office of Fiscal Analysis](#) came out with a [fiscal note](#) in response to requests from Republican lawmakers seeking to clarify the savings figures that are part of that agreement. The Office of Fiscal Analysis found it difficult to verify close to 40 percent of the agreement because they didn't have enough information

"You know we've been supplying information for weeks," Malloy said. "We're confident we can reach those dollar amounts."

"You have to understand that a lot of this is concepts and agreements that will be put in place as a result of our new bargaining agreement—should it be approved," Malloy said.

He said he has to squeeze out those savings out of the agreement no matter what.

“We have to create those kinds of savings period,” Malloy said.

In the absence of ratification Malloy said his administration will move very rapidly to layoff thousands of state employees, which over a period of two years “will end up looking more like 7,500 than 4,700.”

He said what a lot of people ignored when they released their ‘Plan B’ budget last month was that the 4,700 layoffs were just the beginning. “We’re talking about wholesale programmatic reductions,” Malloy said.

Aside from the union concession package which has yet to be ratified, Malloy is cutting his budget fairly close to the constitutional spending cap.

The more than-\$20 billion budget falls just \$1 million under the spending cap, Rep. Arthur O’Neill [said Monday](#) , noting the budget for the previous biennium exceeded its original spending estimates by close to \$330 million.

“What you’re talking about is a budget that almost certainly goes over the spending cap,” he said.

But Malloy said he’s not worried.

“That’s quite different than what other governor’s have done and that is to ignore the spending cap,” Malloy said.