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Malloy: Lay Off 5,466 State Workers, Cut 1,000 More Jobs Now Vacant, Close Minimum Security Prison

Governor Also Taking \$54 Million Away From Municipalities In Each Of Two Years

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Gov. Dannel P. Malloy proposed nearly 5,500 layoffs and the elimination of another 1,000 unfilled positions Tuesday at a time when the state's unemployment rate is 9.1 percent.

The budget-cutting proposal also includes the closure of the minimum-security Bergin Correctional Institution in Mansfield that houses inmates near the end of their sentences and those convicted of multiple counts of drunken driving. The prison currently has 218 staff members, and layoff notices would start going out later this week, officials said.

The prisoners would be sent to other facilities by Aug. 5, and the entire complex could be closed by Aug. 15.

"It's possible to close that prison quickly," said Michael Lawlor, a former state legislator who is now the top official on law enforcement issues in Malloy's budget office. "That prison will close, and another prison will close later on during the year. ... If you went in there [in Bergin], you wouldn't think you were in a prison. If you stripped out everything inside, it looks like a high school."

The cuts are part of an overall plan to close a projected deficit of about \$700 million in the new fiscal year that was created when the state employee unions last week rejected a concessions and savings plan that union leaders had reached with Malloy.

The state legislature is scheduled to meet Thursday in special session to vote on Malloy's plans before the new fiscal year starts on Friday.

The layoffs represented a stunning turnaround from only one month ago when Malloy, legislators and top union officials assumed that the rank-and-file state employees would approve a four-year, no-layoff deal that included a two-year wage freeze and changes to their health and pension benefits. Some legislators said it was a sweetheart deal that would have been approved immediately by workers in the private sector who have faced layoffs and pay cuts in recent years.

Besides layoffs and program cuts, Malloy's plan now includes reducing aid to the state's 169 cities and towns by a combined \$54 million per year for two years. That translates into a cut averaging 2.4 percent in the state's grants to cities and towns.

While conceding that the cuts could have been deeper, the Connecticut Conference of Municipalities announced Tuesday night that it will ask the Democratic-controlled legislature to reject Malloy's cuts.

The largest hit, in raw numbers, went to the Department of Correction, with a reduction of more than 1,000 positions. The prison guards voted sharply against Malloy's concessions plans, but both Malloy and his advisers said flatly that the layoffs would not be targeted at the unions that rejected the deal.

Administration officials were asked multiple times whether the unions that shot down the deal, which turned out to be four, would receive the most layoffs. Each time, they said "no."

While the prisons have the most reductions in raw numbers, that is because corrections is the largest agency with nearly 6,500 employees. As a percentage, multiple agencies have higher reductions than prisons, which are at 15.7 percent.

The reductions include 1,019 jobs at corrections, 817 at the transportation department, 486 at the mental health department, 450 in the judicial branch, 359 at the Department of Children and Families, 333 at the University of Connecticut, and 165 at the UConn Health Center in Farmington.

More than 25 agencies across state government have a higher percentage of job reductions than corrections, including the secretary of the state, state treasurer, governor's budget office, lieutenant governor's office, and agriculture, consumer protection and transportation departments.

A House Democratic insider said that the House needs to see more details than the one-page summary that was handed out Tuesday by the Malloy administration. The 99-member caucus will hold a closed-door meeting on the changes on Thursday before the special session begins.

Some legislators are angry about the rejection of the concessions, saying they have supported the unions through the years. At the same time, the unions in the State Employee Bargaining Agent Coalition, known as SEBAC, are scrambling to find a way to avoid the layoffs.

"We remain committed to seeing to it that the 45,000 members of the unions in SEBAC can play a positive role in helping to close the budget gap," said Matt O'Connor, a union spokesman. "Laying off thousands of workers and slashing public services is not what Connecticut needs to get the economy moving. Cutting thousands of middle-class jobs will only add to our stagnant unemployment rate."

The impact of the staff reductions could be softened by the unfilled jobs in state government.

Many positions in the prisons are already vacant, so "the actual impact will be minimal," said Moises Padilla, vice president of union Local 387, representing workers at the Cheshire correctional complex. He estimated that 150 to 200 current workers could be laid off, but added that retirements between now and Sept. 1, when layoffs for senior employees would take effect, could bring down the number much further, or even down to zero.

The presidents of the three union locals representing prison guards and other correction workers will meet Wednesday with the state correction commissioner to be briefed on details of the layoffs.

Correction union members voted strongly to reject the concession deal that union negotiations had reached with Malloy. Padilla agreed with Malloy that the unions with the highest number of "no" votes had not been specifically targeted for more layoffs.

"I really don't see any backlash in relation to the vote," Padilla said.

He said positions have gone unfilled in recent years when correction workers have left the department or retired. The inmate population has dropped and prison facilities have closed or will be closed.

The governor's office Tuesday night said it did not have a list of unfilled positions for each state department.

While the cumulative cut in the state's 10 grants to cities and towns will be 2.4 percent, the size of the cuts will differ by each grant, CCM says. The grants include the educational cost-sharing grant, which is the largest by far among the grants. Overall, cities and towns receive about \$2.8 billion per year from the state, including about \$2.4 billion for education.

"While the proposed municipal aid cuts could have been much worse, the \$54.4 million cut next year is going to hurt. Many towns relied on this funding in their already adopted budgets," said Jim Finley, CCM's CEO.

The administration told reporters in a statement that "some commissioners might choose to lay off more people to get to that number, some might choose to lay off a lower number — and find additional savings elsewhere."

Overall, 6,466 positions would be eliminated, including 5,466 layoffs. The 5,466 layoffs are lower than Malloy's projected total of 7,500 layoffs, but higher than his original number of 4,700. The total projected savings are \$704 million in the first year and \$905 million in the second year of the two-year budget.

As the state budget crisis has continued, Senate Republican leader John McKinney of Fairfield noted that Moody's Investor Service revised its outlook on the state's general obligation bond rating to negative from stable.

"Governor Malloy and state legislators had the opportunity during this past legislative session to make true fiscal reforms that would have shown the credit rating agencies that we intend to address our fiscal crisis and long-term liabilities in a responsible manner. We missed that opportunity," McKinney said in a statement. "Hopefully this news will serve as a wake-up call for Thursday's special session and our actions moving forward."

State Department of Education spokesman Tom Murphy said the proposed layoff numbers were "daunting" and likely would affect the staff at the state's 17 technical high schools, which serve 10,000 students.

Malloy's plan would cut 201 staff positions to help reach a \$27.8 million cut in the education department's budget for next year and \$31.2 million the year after.

"We have yet to determine how that will impact those programs and services, but we're of course hopeful that there will be some alternative to those proposed layoffs because they appear to be devastating," said Murphy, who will be retiring from his long-running position as the chief education spokesman.

Earlier this week, Malloy had ruled out the closing of the technical high schools, taking it off the table. Closing those schools could have led to 1,600 layoffs.

Courant staff writer Grace E. Merritt contributed to this report.

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