

November 30th, 2014 - Tim Phelan - President of the Connecticut Retail Merchants Association.

Subject Matter: On this Dialogue edition Tim Phelan, President of the Connecticut Retail Merchants Association, talked about the holiday shopping season. Of course it used to be thought that the Friday following Thanksgiving, known as Black Friday, was the unofficial start to the Christmas shopping season ... but now more and more stores are opening up on Thanksgiving itself to get the head start. Phelan says however the majority of the stores still wait until Friday but that the ones opening on Thanksgiving get a lot of media attention. He does say that one thing to keep in mind about retailers is that they are going to respond to what their consumers are asking for ... so if the demand is there to shop on Thanksgiving many stores will be open for consumers who want to shop. Phelan also pointed out that many brick and mortar retailers are under tremendous pressure from online retailers who are open every day around the clock Thanksgiving, Christmas ... you name it. So he says brick and mortar stores have to compete against that while at the same time balance what it is that their customers are looking for ... so in some cases they choose to be open on Thanksgiving night.

There is a proposal by some lawmakers who want to discourage retailers from opening on Thanksgiving. These lawmakers' say it's a family day and stores that do make workers come in on Thanksgiving should have to pay them a lot more in overtime pay. Tim Phelan says the Connecticut Retail Merchants Association is very disappointed that a few selected legislators would ask for this bill to be introduced. He told they feel it penalizes and stigmatizes retailers who are trying to compete in a highly competitive marketplace, and who do pay their employees holiday pay for coming in on the Thanksgiving holiday. Phelan says these retailers are part of the community and legislators should not penalize them for trying to serve their consumers better. Phelan says it strikes him as a move by organized labor who may be frustrated that they can't organize in those stores to then try to exploit it as an issue for their own political benefit. He says that is extremely disappointing to the Connecticut Retail Merchants Association.

Tim Phelan says another thing the Connecticut Retail Merchants Association is unhappy with is the uneven playing field where brick and mortar stores have to charge state sales tax whereas online stores are not required to. He says that is

November 30th, 2014 - (Phelan continued) - such an unfair advantage for online retailers as they are not playing by the same set of rules that brick and mortar stores have to play by. Phelan did applaud giant online retailer Amazon.com for doing the right thing as they are now applying the Connecticut sales tax to orders. Unfortunately he says, although state government officials are on their side with this issue, it would have to be legislated nationally and with Congress always so bogged down, who knows when they'll ever take any action on it.

As for this Christmas shopping season Tim Phelan says Connecticut merchants are ready with all of the merchandise and gift items that shoppers want this year. He says there's no reason to go anywhere else as Connecticut has all of the major retailers, as well as Main Street stores with friendly staff to help customers. Phelan also told that it's much better to buy things at a brick and mortar store as customers can see the actual product. He says they can feel it, try it on if it is clothing, or have it demonstrated such as electronics or computers...rather than just seeing a picture of it online. Phelan told that the hot items this holiday season are the Teenage Mutant Ninja Turtles, the Disney "Frozen" products, technology items, apparel, books, and gift cards. He says gift cards are always popular and Phelan told that Connecticut has the best gift card policy. He says in Connecticut they never expire and consumers are never charged a dormancy fee if they take a long time before they use it, unlike some states. Phelan says retailers are hoping for a 4.1% increase in holiday sales this season, so he added shop early and shop often!

December 7th, 2014 - Len Fasano - Republican State Senator from North Haven, and Incoming GOP Senate Leader.

Subject Matter: On this week's show State Senator and incoming GOP Senate leader Len Fasano discussed issues as well as the image of the Republican Party in Connecticut. Unfortunately he told they get stereotyped with the image of the National Republican Party. Senator Fasano told that image is that Republicans don't care about inner cities or social programs. He says that's not the Republicans here in Connecticut as those are priorities for them. Fasano though says they haven't done a good enough job getting the message out and he says they have to get that clear to the public and inner cities. He says there needs to be a new attitude about Republicans in Connecticut and they need to work hard to improve their image and not let other people frame them. Senator Fasano says state Republicans have programs that they feel will improve people's lives and they want to bring those programs to the cities and urban areas. He says they also have programs on safety nets to provide people with help. Fasano says they want to get those ideas out there which they plan to roll out this session.

Senator Len Fasano told that as the new Senate Republican leader he wants to have the type of relationship where Republicans and Democrats can sit down with hard issues, come up with solutions that they can put on the table, and then address the problems. He feels they should be doing this on the budget deficit problem. Senator Fasano explained that the Office of Policy and Management has indicated about a hundred million dollar deficit. When there is a deficit like that Fasano told the governor can use his executive powers to cut different agencies up to 5% in each one. Meantime Senator Fasano says the Office of Fiscal Analysis suggests that the state might actually be 200-million dollars in the hole. The incoming GOP Senate leader says Governor Malloy is focusing on the 100-million dollar deficit shortfall and did make some cuts to state agencies to the tune of about 56-million dollars, leaving the state 44-million still in the hole. Fasano told that Malloy hopes the state will make that up with sales tax revenues increasing during the Christmas shopping season and the economy may get better. Senator Fasano says the governor may be right or he might be wrong, but there is no harm in getting Republicans and Democrats together in a room to figure out what cuts can be made to this current fiscal year that may help. He told that the legislature can look at everything whereas the governor can only look to cut agencies up to 5%.

December 7th, 2014 - (Fasano continued) - Fasano says maybe they can do it in a bipartisan manner, which he told is the type of relationship he wants to have ... because the state is looking at a 2.7 billion dollar budget problem over the next 2 years. So Fasano says cuts they do today can chip away at that 2.7. It makes no sense to wait says Fasano because it will cost more to wait when they finally address it. Fasano said quote "God forbid we ever in this (State Capitol) building be proactive for once. We're always reactive and (being) reactive ... who suffers? ... the taxpayers of Connecticut."

As for Governor Malloy being able to keep his "no new taxes" pledge, incoming GOP Senate leader Len Fasano says he'll hold the governor to his word and see. Though Fasano says some taxes that were set to expire probably won't. He does expect lawmakers to hear a lot of public outcry when electric rates rise 25 dollars a month for CL&P customers and 32 dollars a month for U.I. customers due to constraints on the natural gas pipeline system for the region. Fasano says he's not sure what the state can do as unfortunately it is governed by federal law, but knows people will be upset and hurt by these increases.

December 14th, 2014 - Martin Looney - Incoming State Senate President Pro Tem (D) from New Haven.

Subject Matter: On this week's show the new State Senate President Martin Looney discussed the issues facing the 2015 legislature. The top Democratic leader in the Senate for the new session told that it is going to be a challenging time. Right off the bat there is about a 100-million dollar budget shortfall in the current fiscal year. But Senator Looney feels for the current year Governor Dannel Malloy's rescission authority ... being able to trim state agencies up to 5% ... will be adequate enough to get through the initial identified shortfall. Then Senator Looney says the governor will present a proposed budget in February for the next two fiscal years 2015-2016 and 2016-2017. There are many that are worried there will be a big deficit problem to handle next year.

During his re-election campaign Governor Dannel Malloy gave a "no new taxes" promise for the next fiscal year. On the show incoming Senate leader Martin Looney says they will do everything possible to avoid new taxes by making

December 14th, 2014 - (Looney continued) - judicious cuts and reductions, but added that there are a number of essential services that do have to be preserved. So he told that at this point he couldn't venture a guess about the revenue side on what might be necessary 4 months from now. There are some Republicans that feel Democrats like Senator Looney might like to raise taxes despite what the Democratic Governor Malloy says ... such as raising the income tax on millionaires. On the show Looney told that's not something that he will be specifically proposing, but added that it's not something that he would categorically rule out. He says he feels Connecticut does have a generally progressive revenue structure but that there are always ways to improve it.

Looking ahead to the 2015 general assembly session incoming Senate President Martin Looney says he knows Governor Malloy will be proposing a significant transportation initiative. Senator Looney himself says he'd like to see a revision in the way the PILOT (Payment in Lieu of Taxes) programs are funded. He explained that PILOT is a program where the state reimburses municipalities in part for certain categories of tax exempt property, like properties owned by colleges and universities, hospitals, and properties owned directly by the State of Connecticut. Senator Looney told that right now the reimbursement level is the same for all over the state. He says his view is that they should factor into their consideration the overall level of tax exempt property in a given community and set a tiered structure ... perhaps two or three ... where those in the highest tier that has the most tax exempt property and a strained grand list (because so much property is tax exempt) should get a higher PILOT reimbursement than others.

On the show incoming Senate President Martin Looney also touched on other topics. He talked about a couple of high profile Senators. One is newly elected State Senator Ted Kennedy Jr., the son of late Massachusetts U.S. Senator Edward Kennedy ... so the spotlight, even nationally, might be on him. Senator Looney told that they're ready for the spotlight on him serving the Branford-Guilford area. Looney told that he's already chosen Senator Ted Kennedy Jr. to chair the Environment Committee. Another Senator, Andrew Maynard from Stonington, suffered a serious fall earlier this year and has been convalescing for the past few months. Voters in Southeastern Connecticut re-elected him sight unseen during the campaign period and many wonder if Maynard will be able to serve. Senator Looney says Maynard is making great progress. He's not sure

December 14th, 2014 - (more Looney continued) - whether Senator Maynard will be able to be sworn in when the General Assembly opens on January 7th ... possibly ... but he does expect Maynard back to serve in the legislature again. Senator Looney also was asked about a spike in electricity bills come the New Year ... expected to go up 25 to 35 dollars due to constraints on the natural gas supply to the region. He says it will be a difficult situation for people to handle that increase ... and although it is more of a national and regional problem they will explore ways to try and help in the Connecticut legislature.

December 21st, 2014 - Themis Klarides - State Representative from Derby and Incoming Republican Leader in the State House.

Subject Matter: This week on Dialogue the guest was State Representative Themis Klarides, who is the incoming Republican leader in the State House. She is the first woman to hold the office of House Republican leader which she told she is very excited about. Although Representative Klarides noted that she can't believe there hasn't been another woman leader for the GOP in the State House ... but having said that she says she is thrilled to be the first one. Klarides says it sends a loud message that the Republican Party in Connecticut is a big tent party.

Incoming Republican House leader Themis Klarides says unfortunately the State Republican Party gets painted with a broad brush that likens them to national Republicans. She says there are things they agree with and there are things they don't agree with. Representative Klarides says Republicans in the Northeast are different from Republicans in the South or the Midwest. She says on fiscal issues Republicans can all call themselves conservative and say that with pride ... but on social issues Northeastern Republicans are very different than the rest of the country in that they are not so-called "right wing" or "far right."

Representative Themis Klarides says the GOP House caucus which she'll be leading in the new session has 64 members ... the largest number Republicans have had in 20 years. She says it is a very diverse caucus with different ethnic groups and with both men and women. Klarides says that's what makes it very exciting for her in that the caucus is so diverse. She told that it has been very offensive to her for many years hearing that Republicans don't like whether it is

December 21st, 2014 - (Klarides continued) - the color of your skin, sexual orientation, or your gender. Klarides says that's just not true in this state and makes her feel all the better as a female leader of the House Republicans.

On the issues incoming House Republican leader Themis Klarides says there is a huge problem ahead. She says the 100-million dollar budget deficit for this current fiscal year is one thing ... but everyone agrees that the State of Connecticut is looking at close to a 3-Billion dollar deficit in the next 2-years. Representative Klarides says it's a big problem in how it's going to be solved. She says they are going to have to cut spending and cut programs. Klarides told that nobody wants their taxes raised and Governor Malloy pledged no tax increases ... so where does that money come from. She says that is going to be a herculean task. Klarides says 4-years ago there was supposed to be "shared sacrifice" on everyone's part under Governor Malloy's plan with cuts and tax increases ... but yet here we are again facing a big deficit. She told that during the re-election campaign all everybody heard from Governor Malloy was that the state was in good shape, moving ahead, with no deficit. But then Klarides says one week miraculously after the election what did we find ... that the state was running a deficit. She says that didn't happen overnight. However incoming GOP House leader Klarides says they are going to hold the governor to his word on no new taxes, but says closing the budget deficit is no doubt going to be painful with cuts to programs. Even though she is a new leader Representative Klarides says she has been a lawmaker for 16 years at the State Capitol and the good thing about the leadership team ... Republicans and Democrats ... is that they have all worked together before and respect each other. Representative Klarides says they all have very good working relationships, so although they don't agree on everything – they have the respect to work together, be truthful with each other, and get what needs to be done.

December 28th, 2014 - Joseph Brennan - The new CEO of the Connecticut Business and Industry Association.

Subject Matter: On this Dialogue edition Joseph Brennan, the new CEO of the Connecticut Business and Industry Association – the largest lobbyist organization for business in Connecticut – discussed the business climate in the State of Connecticut. He told that it was an honor to be taking over as CEO of the Connecticut Business and Industry Association. Brennan said that he's been at CBIA for 26 years and worked with hundreds of their member companies while working alongside the previous CEO John Rathgaber. He explained that CBIA's mission of trying to create and maintain a business climate that's competitive, that encourages companies to invest and grow in Connecticut, and create jobs is a really important mission.

As for the business climate in Connecticut, CBIA's new CEO Joseph Brennan says it is better ... but there's definitely work to be done. He says there is a lot of good news about job creation over the last several months, but Brennan says Connecticut still lags behind the rest of the country in recovering jobs that were lost during the recession. The new CBIA CEO also says Connecticut's national rankings as a good place to do business are not good. Brennan does feel they are starting to see some progress like the policies that have been put in place around energy and streamlining some aspects of state government are good. He mentioned however that the hospital sector got hit with a big blow when Tenant pulled out because of too much regulation and stipulations that the state wanted met. Tenant was going to take over several financially strapped hospitals in the state before walking away because of the regulations they felt were too stringent ... now leaving those hospitals in the lurch. Brennan says that is emblematic of Connecticut still being a difficult state in which to do business. He says that is something CBIA is going to attack head-on under his leadership.

New CEO of CBIA Joseph Brennan says Connecticut faces many challenges in the business world. He says across the board Connecticut is a high cost state with energy costs contributing to that. But he told that as one once said "economic competitiveness is not about being the cheapest state to do business, it's about being the best state." So Brennan says the state has to get its fiscal house in order. He says there are large unfunded liabilities that the state has particularly for post-

December 28th, 2014 - (Brennan continued) - retirement benefits for state employees. Brennan says that's going to have a drag on the state's fiscal situation. He also says the state has had a lot of recurring deficits over the last several years.

Another problem Joseph Brennan says Connecticut has had is talent. He says every meeting he is in with their business members they end up talking about the difficulty many industries have in finding people with the skill sets they need in order to grow their businesses. Brennan says there's a crying need for that talent especially in high tech manufacturing and in IT jobs. He did say that the state is trying to remedy this by getting community colleges involved to develop people skilled in these areas. Brennan says the state's transportation infrastructure is another huge challenge which he thinks is going to get a lot of discussion in 2015. So he says the state needs to turn around the reputation that Connecticut has had that it is anti-business.

CBIA CEO Joseph Brennan actually told that Connecticut does have a good ecosystem around manufacturing ... especially with defense industry jobs for Pratt and Whitney, Sikorsky, and Electric Boat. He says they want to foster and nurture that. Brennan says they have worked well with Catherine Smith, the State Economic and Community Development Commissioner. He says she has been relentless in trying to improve Connecticut's image. Brennan says she has also made a huge effort to match-up talent between companies and people with skills. He says a lot of their members took advantage of the Small Business Express Program as well as the Step-Up Program for hiring people. CBIA CEO Brennan says more innovative solutions like these are going to be needed for Connecticut businesses to be able to be competitive.