
OLR Bill Analysis

sHB 7267

AN ACT CONCERNING THE FISCAL ACCOUNTABILITY REPORT.

SUMMARY

This bill changes specified components of the annual legislative reports the Office of Policy and Management and Office of Fiscal Analysis must submit on revenue and spending estimates for the current biennium and the three following fiscal years (fiscal accountability reports). Specifically, the bill requires the reports to include an:

1. estimate of material and likely changes to nonfixed costs, in addition to spending changes due to fixed cost drivers, as current law requires, and
2. analysis of the state's preparedness for plausible recession scenarios, including (a) estimating the size of multiyear budget deficits from revenue declines and other contingencies and (b) assessing whether the Budget Reserve Fund and other state resources are enough to address these deficits.

The bill also eliminates the requirements that the reports include (1) the total spending change required to accommodate fixed cost drivers without exceeding current revenue estimates and (2) an analysis of possible uses of surplus funds, including paying into the Budget Reserve Fund, retiring debt, and funding pension liabilities.

As under existing law, the reports must include:

1. estimated level of spending change from current year spending allowed by consensus revenue estimates in each fund;
2. any changes to current year spending needed due to fixed cost drivers, such as debt service, pension contributions, retiree health

care, entitlement programs, and federal mandate costs; and

3. specified other analyses, including the projected Budget Reserve Fund balance for the applicable fiscal years.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 52 Nay 0 (04/24/2025)