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sSB-1
AN ACT CONCERNING AFFORDABILITY.
AMENDMENT
LCO No.: 5762
File Copy No.: 692
Senate Calendar No.: 423

OFA Fiscal Note

State Impact: See below

Municipal Impact: See below

Explanation

The budget across all appropriated funds is estimated to result in a balance after factoring in the revenue cap of $240.3 million in FY 27. The table below provides the details by fund.

Balance Including Cap

Fund	FY 27			
	Revenue	**Approp.**	**Balance**	**Balance After Revenue Cap**
General	25,234.2	24,874.5	359.7	44.2
Transportation	2,624.6	2,410.0	214.6	181.8
Other Appropriated	872.2	858.0	14.2	14.2
TOTAL	**28,731.0**	**28,142.5**	**588.5**	**240.3**

Sections 1 – 9 includes changes to appropriations in nine funds, resulting in total revised appropriations across the twelve appropriated funds of $28.1 billion in FY 27 as summarized in the table below.

Fund Summary

Fund Summary	FY 27 Original $	FY 27 Revised $	FY 27 Difference $
Gross Appropriations by Fund			
General Fund	25,455,622,254	24,968,235,361	(487,386,893)
Special Transportation Fund	2,417,174,959	2,421,981,298	4,806,339
Municipal Revenue Sharing Fund	559,409,674	551,799,145	(7,610,529)
Banking Fund	36,595,890	33,470,890	(3,125,000)
Insurance Fund	120,109,550	116,462,754	(3,646,796)
Consumer Counsel and Public Utility Control Fund	37,519,262	38,365,138	845,876
Workers' Compensation Fund	27,437,125	27,174,687	(262,438)
Mashantucket Pequot and Mohegan Fund	52,541,796	54,291,796	1,750,000
Criminal Injuries Compensation Fund	2,934,088	2,934,088	-
Tourism Fund	18,709,502	20,723,422	2,013,920
Cannabis Prevention and Recovery Services Fund	3,365,268	3,365,268	-
Cannabis Regulatory Fund	9,374,453	9,374,453	-
Subtotal	**28,740,793,821**	**28,248,178,300**	**(492,615,521)**
General Fund Lapses			
Unallocated Lapse	(73,710,570)	(73,710,570)	-
Unallocated Lapse - Judicial	(5,000,000)	(5,000,000)	-
Targeted Savings	(15,000,000)	(15,000,000)	-
Subtotal	**(93,710,570)**	**(93,710,570)**	**-**
Special Transportation Fund Lapses			
Unallocated Lapse	(12,000,000)	(12,000,000)	-
Subtotal	**(12,000,000)**	**(12,000,000)**	**-**
Net Appropriations			
General Fund	25,361,911,684	24,874,524,791	(487,386,893)
Special Transportation Fund	2,405,174,959	2,409,981,298	4,806,339
Municipal Revenue Sharing Fund	559,409,674	551,799,145	(7,610,529)
Banking Fund	36,595,890	33,470,890	(3,125,000)
Insurance Fund	120,109,550	116,462,754	(3,646,796)
Consumer Counsel and Public Utility Control Fund	37,519,262	38,365,138	845,876
Workers' Compensation Fund	27,437,125	27,174,687	(262,438)
Mashantucket Pequot and Mohegan Fund	52,541,796	54,291,796	1,750,000
Criminal Injuries Compensation Fund	2,934,088	2,934,088	-
Tourism Fund	18,709,502	20,723,422	2,013,920
Cannabis Prevention and Recovery Services Fund	3,365,268	3,365,268	-
Cannabis Regulatory Fund	9,374,453	9,374,453	-
TOTAL NET APPROPRIATIONS	**28,635,083,251**	**28,142,467,730**	**(492,615,521)**

SPENDING CAP

The amendment results in the budget being under the spending cap by $0.2 million in FY 26 and $0.6 million in FY 27. This calculation incorporates the Governor's Declarations of the Existence of

Extraordinary Circumstances dated November 12, 2025, and May 2, 2026, exempting $500 million and $413 million, respectively, in appropriations from the spending cap. Per the May 2, 2026, Declaration, $80 million of appropriations in excess of the cap in FY 26 are carried forwarded into the subsequent year's spending cap calculation base (FY 27).

GROWTH RATES

The FY 27 growth rate for all appropriated funds is X over FY 26 appropriations. See table below for further details.

FY 27 Budget Growth Rates (by fund – in millions)

Fund	FY 26 Approp.	FY 27 Original Approp.	FY 27 Change to Original		FY 27 Approp.	FY 27 Change from FY 26	
	$	$	$	%	$	$	%
General	24,036.6	25,361.9	(487.4)	-1.9%	24,874.5	838.0	3.5%
Transportation	2,279.2	2,405.2	4.8	0.2%	2,410.0	130.8	5.7%
Other Appropriated	864.7	868.0	(10.0)	-1.2%	858.0	(6.8)	-0.8%
TOTAL	**27,180.5**	**28,635.1**	**(492.6)**	**-1.7%**	**28,142.5**	**962.0**	**3.5%**

IMPACTS BY SECTION

Section 10 suspends the statutory sweep of the Probate Court Administration Fund, precluding revenue gain of about $13 million to the General Fund in FY 26.

Section 11 changes the accounts within the Connecticut State Library through which funding is provided for various organizations in FY 27.

Section 12 changes the accounts within the State Department of Education (SDE) through which funding is provided for various organizations in FY 27 and in some cases, the amount of funding provided. The section also provides funding for additional organizations in FY 27 through SDE.

Sections 13 – 51 and 481 – 483 include carryforward funding for various purposes from funds authorized in section 1 of public act 25-168. The following table provides a brief description of purpose and amount of the funds being carried forward.

Summary of Carryforwards for FY 27

Section	Agency	Title	Carryforwards $
13	SDE	Provide a grant to CFAL for Digital Inclusion for literacy training.	Up to 100,000
14	SDE	Provide a grant to RESC Alliance	Up to 250,000
15	SDE	Provide a grant to Free Agent Now	200,000
16	JUD	Specifies that funds authorized for the Young Service account will be allocated as follows in FY 26: $75,000 to the Dominican American Coalition of Connecticut, Inc, $30,000 to Intempo Organization, Inc., $200,000 to My Architecture Workshop, $50,000 to Second Chance Re-entry Initiative Program (SCRIP), and $55,000 to Tri-Town Youth Service.	410,000
17	DSS	Makes change to how the funds will be used to support children's mental health programming for students in Newington, Wethersfield, Cromwell, Rocky Hill, and Middletown	1,500,000
18	DECD	Provide a grant-in-aid to the town of Glastonbury for parks and recreation.	Up to 500,000
19	DECD	Provide a grant-in-aid to PARC, Inc. in the town of Plainville.	Up to 50,000
20	DECD	Grant in aid to the Town of Newington for: (1) up to $15,000 for town project planning, (2) up to $30,000 for fire department planning, (3) up to $20,000 for animal shelter planning, and (4) up to $20,000 for Lucy Robbins Well Library renovation planning.	Up to 85,000
21	DECD	Provide a grant-in-aid to Tri-town Youth Service Bureau.	Up to 10,000
22	DECD	Provide a grant-in-aid to the Stratford Veterans Museum.	Up to 50,000
23	DEEP	To provide a grant-in-aid to Sustainable CT	Up to 250,000
24	OPM	Provide a grant-in-aid to the city of Hartford for outdoor recreation.	Up to 1,000,000

Section	Agency	Title	Carryforwards $
25	CSL	To provide a grant-in-aid to the town of Middletown for Russell Library	Up to 50,000
26	DEEP	To reimburse the city of Hartford for work performed at Batterson Park.	Up to 4,730,000
27	JUD	Funding for the Right to Counsel program for FY 27. Funding for the Right to Counsel program in FY 28.	FY 27 1,750,000 FY 28 2,50,000
28	OEC	Funds for Care4Kids TANF/CCDF shall not lapse and are available for the family child care provider agreement.	Unexpended balance
29	DECD	Provide a grant-in-aid to the Southland Senior Center.	Up to 200,000
30	DECD	Provide a grant-in-aid to the Parkville Senior Center.	Up to 200,000
31	DECD	Provide a grant-in-aid to the Wethersfield Senior Center.	Up to 200,000
32	DECD	Provide a grant-in-aid to Hartford Communities That Care for musical instruments and instruction.	Up to 90,000
33	DECD	Provide a grant-in-aid to the SAND Elementary School in the city of Hartford.	Up to 90,000
34	DECD	Provide a grant-in-aid to the Kennelly School in the city of Hartford for musical instruments and instruction.	Up to 90,000
35	DECD	Provide a grant-in-aid to the Naylor School in the city of Hartford for musical instruments and instruction.	Up to 90,000
36	DECD	Provide a grant-in-aid to Weathersfield Early Childhood Collaborative for recruitment ambassadors.	Up to 250,000
37	DECD	Provide a grant-in-aid to Clay Arsenal CDC.	Up to 525,000
38	DECD	Provide a grant-in-aid Grant to the city of Bridgeport drone program.	Up to 500,000
39	DECD	Provide a grant-in-aid to the Naugatuck American Legion.	Up to 200,000
40	SDE	Provide a grant-in-aid to Effective School Solutions	Up to 450,000
41	DECD	Provide a grant-in-aid to the Working Cities Challenge/Middletown Works	Up to 1,150,000
42	DECD	Provide a grant-in-aid to Milford Founders Walk.	Up to 600,000
43	DECD	Provide a grant-in-aid to My Architecture Workshops.	Up to 100,000
44	JUD	Provide a grant-in-aid to Middletown Racial Justice.	Up to 20,000

Section	Agency	Title	Carryforwards $
45	DECD	Provide a grant-in-aid to Manchester for parks and recreation.	Up to 1,000,000
46	DECD	Provide a grant-in-aid to Bolton for parks and recreation.	Up to 250,000
47	CSCU	Funding for the AI Academy.	500,000
48	DECD	Provide a grant-in-aid to Middletown Board of Education.	Up to 150,000
49	DSS	Provide a grant-in-aid to Effective School Solutions.	Up to 1,500,000
50	DECD	Provide a grant-in-aid to AI Alliance for an AI symposium grant.	Up to 90,000
51	SDE	Provide a grant-in-aid to Burns Latino Academy for musical instruments and instruction.	Up to 25,000
481	DESPP	Funding for Social Work Law Enforcement Training Partnership	850,000
482	DECD	Provide a grant to the American Legion Post 17 in Naugatuck	Up to 200,000
483	DCF	Provide a grant to Thames River Community Services.	Up to 250,000

Sections 52 and 53 require OPM to provide a grant of $250,000 to the Southeastern Connecticut Council of Governments and $800,000 to the Capitol region Council of Governments from the Regional Planning Incentive Account in FY 27 This results in a cost to OPM in FY 27.

Section 54 results in a cost to the Office of Policy and Management (OPM) of $4.3 million in FY 27 and a corresponding revenue gain of $3 million to Waterbury, $800,000 to Manchester, and $500,000 to Vernon for supplemental revenue sharing grants.

Section 55 delays the beginning date of a permanent absentee ballot application status from FY 27 to FY 28, which eliminates any FY 27 cost to the Secretary of the State and municipalities associated with this status. Costs for producing and distributing the form (if not done electronically) and any associated increase in absentee voting materials will now begin in FY 28.

Sections 56 and 57 have no state or municipal fiscal impact by allowing the Connecticut Municipal Redevelopment Authority (CMDA) to negotiate with municipal legislative bodies regarding agreements for private developers to make payments in lieu of taxes to CMDA.

Section 58 makes a conforming change to allow DOH to act as a housing authority.

Section 59 makes a clarifying change that specifies that parties acting on behalf of a landlord or the state are subject to same restrictions as landlords regarding certain fees.

Sections 60 and 61 repeal the 6% tax on nursing home and ICF revenue scheduled to take effect on July 1, 2026, and instead retains the current user fee on these facilities. This is a conforming change which has no fiscal impact.

Section 62 formally establishes the "Pizza State" license plate and results in a revenue gain to the newly established “Pizza State commemorative account” and a revenue loss to the STF.

This section results in a revenue gain to the Pizza State commemorative account from the following: (1) $50 from each Pizza State license plate fee, (2) any voluntary private donations, and (3) proceeds from allowing for the plate image to be used for various products and programs, as outlined in the bill.

This section also results in a revenue loss to the STF by directing a portion of the revenues from the Pizza State license plate fee, currently deposited into the STF, into the new Pizza State commemorative account.[1] These fiscal impacts will depend on the number of plates issued and volume of donations and other proceeds received.

Section 63 results in a cost of approximately $283,640 annually beginning in FY 27 for salary and fringe costs associated with

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[1] DMV established the Pizza State plate administratively in July 2025 and has issued 988 plates through the end of March 2026. Currently, all proceeds are directed to the STF, which is standard practice for plate revenue that does not have statutory language directing it to a specific account. Section 62 changes this by creating the Pizza State commemorative account and directing part of the fee to that account.

authorizing a third deputy commissioner within the Department of Emergency Services and Public Protection.

Section 64 changes the distribution of funds from quarterly to annually from the Hispanic American Veterans of Connecticut Account which has no fiscal impact.

Section 65 removes energy policy determination and evaluation from the list of responsibilities under the Office of Policy and Management which does not have a fiscal impact.

Section 66 requires the Department of Public Health (DPH) to report neglected cemetery account financial data to the Office of Policy and Management, resulting in no fiscal impact.

Section 67 removes the Commission on Human Rights and Opportunities (CHRO) from the Department of Labor for administrative purposes only, which requires CHRO to establish a business office. The budget provides $282,680 in FY 27 and three positions to CHRO for this purpose.

Sections 68 – 161 change references to the Office of Health Strategy (OHS) in the General Statutes to reflect the elimination of the agency and transfer its functions to various successor agencies. These agencies include the Office of Policy and Management (OPM), the Department of Public Health (DPH), the Department of Social Services (DSS), and the Office of the Healthcare Advocate (OHA). These changes result in annual costs in the General and Insurance Fund beginning in FY 27 for these agencies as they take on the functions of OHS, and savings to OHS in the General and Insurance Fund as the agency is eliminated.

The amendment transfers $4.4 million and 41 positions in the General Fund and $10.9 million and one position[2] in the Insurance Fund from OHS to various agencies in FY 27 to account for costs related to the functions and positions that each agency is taking on due to the

[2] The amendment moves 11 positions and $1.2 million in Personal Services funding from the Insurance Fund to the General Fund.

elimination of OHS.

Sections 162 and 163 modify processes related to the voluntary surrender of firearms to police and do not have a fiscal impact.

Section 164 has no fiscal impact by requiring the Capital Region Development Authority (CRDA) to prepare a protocol and inspection process regarding soil and groundwater management at the Adrien's Landing site. It is anticipated that CRDA can accommodate this provision within existing resources.

Section 165 removes the permitting requirement from certain distributors of nonlegend drugs resulting in a potential revenue loss to the General Fund beginning in FY 26 to the extent fewer nonlegend drug permits are applied for.[3] In FY 25 there were over 2,000 application and renewal requests for a nonlegend drug permit.

Section 167 requires the Treasurer to make payments of $4.4 million to East Haven and $2.9 million to New Haven annually beginning when the Office of Policy and Management (OPM) certifies specified requirements of the Tweed Airport.

Section 173 establishes an airport development zone surrounding Tweed New Haven Airport in East Haven and New Haven if either municipality submits a request. This may result in a grand list reduction to East Haven or New Haven beginning in FY 28 associated with additional property tax exemptions for which this zone will become eligible.[4]

Any revenue loss to East Haven or New Haven resulting from these exemptions may be partially offset by the Distressed Municipalities grant program, which reimburses municipalities for 50% of the tax loss resulting from these exemptions, for a five-year period.

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[3] The application fee for a nonlegend drug permit is $140 and the renewal fee is $100.

[4] A grand list reduction results in a revenue loss, given a constant mill rate. It is expected that a municipality will adjust its mill rate to offset any revenue loss.

The section may also result in an increased cost to OPM to the extent additional funds are paid out of the Distressed Municipalities grant. This amount will be dependent on the revenue loss claims by East Haven or New Haven.[5]

Section 174 allows municipalities and water pollution control authorities to abate all or a portion of interest on certain delinquent property taxes owed by a common interest community that meets certain requirements. This results in a revenue loss to municipalities beginning in FY 27 that choose to abate any delinquent property taxes.

The section also allows municipalities and water pollution control authorities to refund all or a portion of interest that has already been paid if the common interest community meets certain requirements. This results in a cost to municipalities beginning in FY 27 to the extent interest payments are refunded.

Section 175 prohibits enforcement of the municipal spending cap in FY 26 and FY 27. This may reduce any potential revenue loss to municipalities in FY 27 and FY 28 that would have otherwise occurred to the extent they violated the municipal spending cap and received a penalty.[6] Enforcement of the municipal spending cap is through a reduction in the Municipal Revenue Sharing Grant – MRSF which is comprised of funds paid out at the end of each fiscal year.[7]

Any impact is dependent on the extent a municipality violated the spending cap and what funds are available for the grand used to enforce the spending cap.[8] If there are no funds remaining in the Municipal Revenue Sharing Fund for this grant at the end of the year, no grant will

[5] While the grant may be proportionately reduced when the appropriation or bond authorization is insufficient for full funding, the grant is currently fully funded.
[6] As of May 1, 2026, no municipal spending cap violations have been enforced.
[7] This grant is comprised of the remaining funds in the Municipal Revenue Sharing Fund (MRSF) at the close of the fiscal year. The MRSF is funded via a sales tax revenue diversion and a transfer from the General Fund.
[8] The municipal spending cap violation penalty results in a 5—cent reduction for every dollar spent over the cap.

be paid out.[9] Current projections show that no funds will be available at the close of FY 26 to be paid out for this grant in FY 27.

Sections 176 and 177, which increase the compensation rates and limits for State Properties Review Board (SPRB) members, results in a cost of $120,000 per year beginning in FY 27. The sections increase the (1) per diem rate for all members from $200 to $300 and (2) annual maximum a member may collect by $15,000.

Section 178 allows municipalities and local and regional boards of education to amend their FY 27 budget and adjust the tax levy and amounting of any remaining installments of such taxes provided the amendment does not exceed the increase in state aid to the municipality or regional board of education. Any impact is dependent on how a municipality or regional board of education amends their budget.

The section also allows a municipality to mail, or hand deliver a supplemental rate bill for any additional tax levy resulting from this change. This results in a potential minimal cost for postage to municipalities to the extent notices are mailed.

Section 179 extends the date for a public benefits report and has no fiscal impact.

Section 180 allows the town of Newtown to construct an at-grade pedestrian crossing on the Housatonic Railroad and results in a potential cost to Newtown to the extent they construct the crossing.

Section 181, which adds additional job classifications to those exempt from classified services, results in no fiscal impact to the state.

Section 182, which makes various technical changes regarding criminal background checks for employees with access to tax records, results in no fiscal impact to the state.

Section 183 makes it a class D felony to establish, conduct, manage,

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[9] There were no funds available at the close of FY 25 to be paid out in FY 26.

or operate a health care facility without the required Department of Public Health (DPH) license or certificate for certain violations, and imposes a maximum $5,000 daily fine. This results in a potential cost to the Department of Correction and the Judicial Department for incarceration or probation and potential revenue gain to the General Fund beginning in FY 27. The exact cost will depend on the number of violations and value of fines imposed. On average, the marginal cost to the state for incarcerating an offender for the year is $3,300, while the average marginal cost for supervision in the community is less than $600 each year for adults.

Sections 184 and 185 allow DPH (or its licensing boards and commissions) to impose a maximum civil penalty of $25,000 per day against: (1) an individual who establishes, conducts, manages, or operates a health care facility without a required DPH license (or certificate for nursing facility management services); and (2) an individual who provides professional services without a required DPH license or certificate. This results in a potential revenue gain to the General Fund beginning in FY 27, dependent on the number of violations and DPH's discretion regarding civil penalties.

Section 186 makes a procedural change allowing DPH to appoint an embalmer to dispose of an abandoned dead body or abandoned cremated remains, resulting in no fiscal impact.

Section 187 makes a procedural change requiring DPH, upon request, to issue death records electronically (with the social security number generally redacted), resulting in no fiscal impact.

Section 188 makes a technical change to terminology that results in no fiscal impact.

Sections 189 – 191 make minor and clarifying changes to laws related to the food code, resulting in no fiscal impact.

Section 192 makes procedural changes to the Medical Orders for Life-Sustaining Treatment program, resulting in no fiscal impact to the state or municipalities.

Section 193 allows the Department of Public Health's (DPH's) contracted program for HIV pre- and post-exposure prophylaxis (PrEP and PEP) drug assistance to also provide funding for associated lab testing and related costs, resulting in a cost to DPH beginning in FY 26. The expansion of eligible program expenditures will increase spending in the AIDS Services account. The account has lapsed an average of approximately $1.2 million annually over the past three fiscal years, and additional expenditures as allowed by the section will decrease the amount of funding that returns to the General Fund.

Section 194 makes procedural changes to the Department of Public Health's compliance dispute resolution proceedings, resulting in no fiscal impact to the state or municipalities.

Section 195 exempts benefits paid through the voluntary shared work program[10] from being charged to an employer's experience account for claims filed during weeks in which the state is in an extended benefit or high unemployment period, which results in potential savings to the Unemployment Insurance Trust Fund.

To the extent the change encourages greater employer participation in the shared work program, costs may be avoided if shared work arrangements reduce layoffs and related payments of full benefits. Furthermore, since paid benefits would not be charged to

certain individual employers' experience accounts under the section, they would be "pooled" or shared among all taxable employers.

Section 196 expands the Labor Commissioner's authority to abate reimbursements deemed to be uncollectible. This results in a potential

[10] The voluntary shared work unemployment compensation program helps employers avoid layoffs during downturns by allowing reduced employee hours and wages, while employees receive partial unemployment benefits for lost hours.

revenue gain[11] to the Unemployment Insurance Trust Fund starting in FY 27 to the extent partial abatement enables recovery of a portion of the otherwise uncollectible amounts[12].

Sections 197 – 199 make technical and clarifying changes, which result in no fiscal impact.

Section 200 allows the Legislative Commissioner's Office to make technical and grammatical changes as necessary, which has no fiscal impact.

Section 201 modifies the definition of "hours worked" to include the time an employee spends in security screenings required by an employer. This does not result in any fiscal impact as the DOL already recognizes and enforces time spent in security screenings as hours worked.

Section 202 establishes a task force to study heat safety standards for workplaces. This does not result in any fiscal impact to the state as members have the necessary expertise to carry out the requirements of this section.

Section 203 increases the per diem rate paid to members of the State Board of Labor Relations from $150 to $300 for each day during which they are engaged in board duties. This results in a General Fund cost to the Department of Labor (DOL) of $46,000 in FY 27 (partial year cost) and $61,000 annually thereafter. This is based on data from the DOL indicating there were 148 days, on average between FY 23 and FY 25, in which members were engaged in duties of the board and $61,000 on average was provided annually as per diem payments during the same time period.

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[11] As of the end of January 2026, uncollectable amounts from reimbursing employers totaled $3.2 million, and the Department of Labor (DOL) estimates that between 40% to 60% could be recovered if partial amounts owed by reimbursing employers are abated as part of negotiations.

[12] Under current law, DOL is required to pursue the full balance due from reimbursing employers.

Section 204 increases the compensation paid to members of the State Board of Mediation and Arbitration for (1) attended proceedings, (2) preparation of written decisions, (3) proceedings extending beyond the first day, and (4) executive panel sessions. This results in a General Fund cost to the DOL of $167,000 in FY 27 (partial year cost) and $222,000 annually thereafter. This is based on data from the DOL indicating there were 310 proceeding days[13], 73 written decisions, and 76 executive panel sessions on average between FY 23 to FY 25.

Section 205 delays the date for the Comptroller to file a report on the compensation of transportation network company drivers and third-party delivery company drivers in the state which delays the one-time cost of $100,000 in FY 26 to hire a consultant to conduct the study to FY 27.

Section 206 makes a procedural change to double utility poles and does not have a fiscal impact to the state.

Section 207 makes minor modifications to the greyfield revitalization bonding program. There is no fiscal impact as the bill does not alter the underlying authorization to the program. The current unallocated bond balance for the greyfield revitalization program is $15 million.

Section 208 requires the Office of Workforce Strategy to establish the Clay Arsenal Workforce Readiness Program. Section 37 carries forward $525,000 from FY 26 to FY 27 to support a grant-in-aid to the Clay Arsenal Community Development Corporation.

Sections 209 and 210 alter the process by which telephone providers must remit to the state the new $0.05 monthly fee on certain phone lines and does not result in a fiscal impact.

Section 211 requires DSS to divert and transfer General Fund revenue resulting from disproportionate share hospital claiming at John Dempsey Hospital to The University of Connecticut Health Center (UCHC) to support operational costs associated with The University of

[13] Includes proceeding days that extended beyond the first day.

Connecticut Health Center Joint Venture Initiative. This reduces General Fund revenues by up to $15 million per hospital owned and operated by The University of Connecticut Health Center Joint Venture Initiative. A related reduction is included in the General Fund revenue schedule under the Federal Grants category.

Section 212 allows DSS to establish receivables for the collection of revenue.

Section 213 reduces UCHC Operating Expenses by $1.5 million in FY 27, and **section 214** appropriates $1.5 million to DSS to fund the Medicaid state share to allow for the expansion of the physician supplemental payment issued to UCHC under the Medicaid program.

Section 215 – 216 makes a procedural change that has no fiscal impact. It establishes notice requirements for hospital-based, outpatient infusion centers.

Section 217 requires the Insurance Department to conduct various studies, resulting in a one-time cost to the Insurance Fund of $600,000 in FY 27 associated with hiring a contractor to complete the studies and submit a report.

Section 218 clarifies "anti-steering" clauses by adding utilization management to the definition, resulting in no fiscal impact.

Section 219 allows Bridgeport to set its real and personal property mill rate at a lower rate than the motor vehicle mill rate provided the motor vehicle mill rate does not exceed the motor vehicle mill rate cap. This reduces any revenue loss to a municipality associated with lowering both the real and personal property mill rate and motor vehicle mill rate below the motor vehicle mill rate cap beginning in FY 27. In doing this, the only potential revenue loss to Bridgeport will be associated with lowering the real and personal property mill rate.[14]

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[14] Changing the real and personal property mill rate may impact a municipality's Tiered PILOT and Motor Vehicle Tax Grant.

Section 200 allows the Legislative Commissioner's Office to make technical and grammatical changes as necessary, which has no fiscal impact.

Section 221 allows the Treasurer to invest directly or indirectly in virtual currency if certain conditions are met. This results in an unknown fiscal impact to the state, which is dependent upon future investment decisions.

Section 222 extends employment disability benefits to health care providers employed at a state-operated health care facility or institution that provides direct patient care. This results in a cost to the extent additional benefits are provided to injured employees.

Section 223 extends by two years the current redemption rate of film and digital media production tax credits against the sales and use tax. This provision is not anticipated to result in a fiscal impact.

Section 224 and 225 allow municipalities to exempt $50,000 of assessed value on primary residences that meet certain requirements. This results in a grand list reduction to municipalities beginning in FY 28 that is dependent on the number of qualifying residences. This will have no fiscal impact to municipalities that choose not to implement the optional exemption.[15,16]

The bill also prohibits a municipality from offering both this exemption and an existing optional property tax exemption that allows municipalities to exempt between 5% and 35% of a primary residence that meets certain requirements in the same assessment year. This limits any potential grand list reduction to municipalities associated with the

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[15] If all owner-occupied housing units were to receive this exemption, the cumulative statewide impact would be approximately $52,723,567,500 of taxable property. It is expected the actual impact would be lower.

[16] A grand list reduction results in a revenue loss given a constant mill rate. It is expected a municipality would increase its mill rate to offset any potential revenue loss. For reference a $50,000 exemption results in a revenue loss of $1,500 given a mill rate of 30.

two optional property tax exemptions.[17]

Sections 226 – 246 transfer the Certificate of Need (CON) program operations from the Office of Health Strategy to a new CON unit in the Department of Public Health (DPH). The budget transfers the following in FY 27 for this purpose: (1) General Fund funding of $2,029,146 and 19 supported positions; and (2) Insurance Fund funding of $784,018 and four supported positions. Additionally, the budget provides $200,000 to DPH to support Other Expenses associated with the CON process. This unit will support a new CON panel, placed within DPH for administrative purposes only, that will make final decisions on CON-related determinations.

Section 230 results in a potential savings to the UConn Health Center, beginning in FY 27, by capping consultant costs incurred during certain kinds of CON review. Savings will vary to the extent that these consultant costs currently exceed the cap.

Section 234 results in a potential cost of up to $250,000 to the UConn Health Center to the extent that it must conduct a cost and market impact review under the Certificate of Need (CON) process. The bill lowers the net patient revenue threshold, from above $1.5 billion in FY 13 to above $1.0 billion in FY 25, that requires hospitals to conduct such reviews during the CON process, for certain transactions. UConn Health's net patient revenue in FY 26 is estimated to be $1.2 billion.

Sections 234 and 235 also allow the Office of the Attorney General (OAG) to conduct investigations or take action on a transfer of ownership of a hospital, resulting in no fiscal impact to the state because the OAG has the expertise to meet the requirements of the bill. These sections also make various conforming changes regarding the OAG which result in no fiscal impact.

Section 247 makes technical and clarifying changes to section 9 of HB

[17] New Milford is the only municipality that has implemented the existing optional exemption at 10% which resulted in a grand list reduction of approximately $183,070,000.

5003, as amended, regarding extended protections for service contract workers at covered locations. This result in no fiscal impact.

Section 248, which requires DSS to report on the hospital supplemental payment account, has no fiscal impact.

Section 249 establishes a payroll tax working group to study and provide recommendations for the establishment of a payroll tax program, which does not result in any fiscal impact.

Sections 250 and 251 create the innocence project revolving loan account, and transfers $400,000 in FY 26 and $500,000 in FY 27 from the Legal Aid account in the Judicial Department to the new account.

Section 252 makes technical and procedural changes to community notification system requirements, resulting in no fiscal impact.

Section 253 changes the effective date of Section 64 of HB 5003, as amended by House "A," to July 1, 2027.

Sections 254 – 255 establish a establishes a tax credit for the PeoplesBank Arena's facility management company under certain circumstances which results in a General Fund revenue loss of up to $2 million annually from FY 28 through FY 32.

REVENUE

Policy	Fund – Acct	FY 26	FY 27	FY 28	Section
Transfer Revenue	General Fund – Transfers	(24.0)	-	-	10
	Probate Court Administrator Fund – Transfers	24.0	-	-	10
UConn Health Center to retain federal revenue for Waterbury Hospital to pay the hospital provider tax	General Fund – Federal Grants	-	(15.0)	(15.0)	211
Conform beginning in Income Year 2026 with a new federal law (P.L. 119-21) allowing ***immediate***	General Fund – Corporation Tax	-	66.8	(33.4)	223-224

Policy	Fund – Acct	FY 26	FY 27	FY 28	Section
expensing for domestic research and experimentation expenditures rather than over five years					
Decouple entirely from a provision in a new federal law (P.L. 119-21) allowing ***immediate expensing*** of certain depreciable qualified production property expenditures rather than over thirty-nine years	General Fund – Corporation Tax	-	0.0	103.6	223-224
Provide a tax credit to qualified operators – aggregate program cap of $10m and $2m annually	General Fund – Corporation Tax	-	-	(2.0)	254-255
Adjust the Volatility Cap threshold in FY 26	General Fund – Volatility Adjustment	813.7	-	-	256
Transfer Revenue	General Fund - Transfers	130.0	(130.0)	-	257
	General Fund – Transfers	(233.7)	233.7	-	258
	General Fund – Transfers	(50.0)	-	-	259
	Federal Cuts Response Fund	50.0	-	-	259
Update the General Fund subsidy of the Municipal Revenue Sharing Fund	General Fund – Transfers	13.1	15.0	0.0	260
	Municipal Revenue Sharing Fund	(13.1)	(15.0)	0.0	260
Suspend the Transfer to the Housing Trust Fund	General Fund – Transfers	33.6	30.3	-	261
	Housing Trust Fund – Transfers	(33.6)	(30.3)	-	261
Increase the per-item cost and expand items exempted during the sales "tax free week"	General Fund – Sales Tax	-	(2.5)	(2.6)	262
	Special Transportation Fund – Sales Tax	-	(0.2)	(0.2)	262
	Municipal Revenue Sharing Fund – Sales Tax	-	(0.2)	(0.2)	262
Provide a tax credit of up to $1k per covered employee to small businesses as a match for	General Fund – Refunds of Taxes	-	(5.0)	(5.0)	263

Policy	Fund – Acct	FY 26	FY 27	FY 28	Section
contributions by the businesses to fund individual coverage health reimbursement arrangements (ICHRA) through Access Health CT's BusinessPlus platform – overall program cap of $5m annually					
Replace the Cannabis total THC potency tax with an excise tax of 10.75	General fund – Miscellaneous Tax	-	(1.4)	(1.5)	264
	Prevention and Recovery Services Fund	-	(0.5)	(0.5)	264
Allow certain pass-through entities to earn (partially refundable) research and development tax credits – overall program cap of $25m annually	General Fund – Estimates and Finals	-	(20.0)	(20.0)	267
	General Fund – Volatility Cap Adjustment	-	20.0	20.0	267
	General Fund – R&D Credit Exchange	-	(5.0)	(5.0)	267
Shift the funding source for municipal aid grants to Ledyard and Montville	General Fund - Transfers	-	(1.6)	(1.6)	269-270
	Mashantucket Pequot and Mohegan Fund	-	1.6	1.6	269-270
Establish a refundable personal income tax credit for caregiver costs – overall program cap of $1.8m annually	General Fund – Refunds of Tax	-	-	(1.8)	271
Exempt school supplies from the sales tax	General Fund – Sales Tax	-	(5.9)	(6.0)	272
	Special Transportation Fund – Sales Tax	-	(0.6)	(0.6)	272
	Municipal Revenue Sharing Fund – Sales Tax	-	(0.6)	(0.6)	272
Provide a supplemental film tax credit	General Fund – Corporation Tax	-	-	(1.5)	275
Transfer Revenue	Special Transportation Fund – Transfers	(100.0)	100.0	-	276

Policy	Fund – Acct	FY 26	FY 27	FY 28	Section
Expand the military retirement pay exemption under the personal income tax to include the commissioned corps of the Public Health Service	General Fund – Personal Income Tax	-	(0.1)	(0.1)	277
Reflect revenue estimates adopted by the Finance, Revenue and Bonding Committee per CGS Section 2-35					278-288
Reduce the hospital provider tax	General Fund – Health Provider Tax	-	(221.0)	(222.2)	358
Support the NEW Hospital Supplemental Payment Account with the remaining hospital provider tax revenue	General Fund – Health Provider Tax	-	(974.0)	(997.8)	359
	Hospital Supplemental Payment Account	-	974.0	997.8	359
Return anticipated surplus in the Hospital Supplemental Payment Account to the General Fund	General Fund – Transfers	-	10.7	-	360
	Hospital Supplemental Payment Account	-	(10.7)	-	360

Section 270 increases the Mashantucket Pequot and Mohegan Fund grant to Montville and Ledyard by $800,000 in FY 27. This funding was included in PA 25-168 the FY 26 and FY 27 Budget.

Section 274 results in a cost of up to $300,000 to the Office of Policy and Management (OPM) in FY 27 for a consultant to (1) develop a plan for technological advancements and productivity gains related to the workforce, and (2) submit the plan by January 1, 2027. Consultant costs are dependent on the complexity of the plan as it must meet certain requirements outlined in the amendment.

Section 276 transfers STF resources of $100 million from FY 26 to be credited as STF revenue in FY 27.

Sections 289 – 354: see BONDING below.

Section 290(d) provides $5 million to DEEP for Natural diversity data base mapping enhancements and other information technology resources.

Sections 355 – 356, which address hospital financial assistance programs, have no fiscal impact to the state.

Sections 357 – 363 address the hospital provider tax and supplemental payments.

Section 363 requires DSS to make payments to hospitals, via the hospital supplemental payment account established in section 35. Payments to hospitals will be provided through supplemental payment pools, disproportionate share hospital payments, hospital-affiliated medical group payments and faculty practice plan payments, beginning in FY 27. The budget assumes total associated payments of $963.3 million in FY 27.

Sections 364 – 369 make various changes to statutes involving cost growth benchmarks and the Office of Policy and Management (OPM). These include changes to the methodologies used to set, track, and assess compliance with benchmarks, increasing reporting requirements for OPM, and establishing cost growth benchmark plans and an associated appeals and review process. It is anticipated that OPM will be able to meet the requirements of these sections following the transfer of associated staff from OHS as described in sections 68-161.

Section 370 creates a Medicaid Value-Based Payment Working Group which does not result in a fiscal impact.

Sections 371 – 373 make clarifying changes to existing prevailing wage laws, resulting in no fiscal impact.

Section 374 requires the Labor Commissioner to conduct a study regarding the rights of workers under economic pressure. There is no fiscal impact because the Labor Department already possesses the necessary expertise to conduct this study.

Section 375, which does not result in a fiscal impact, alters how the transfer of funds to the Early Childhood Education Endowment Fund occurs in years when a deficit exists.

Section 376 results in a savings to Waterbury associated with decreasing the number of required school days from 180 to 176 for the school district in FY 26.

Section 377 designates Charter Schools funding of $225,000 in FY 27 for one time planning grants of $75,000 each to OLAM Stamford, PROUD Academy in Ansonia, and Taino CoLAB Academy in Waterbury.

Section 378 extends the cap on the Health and Welfare for Private School Pupils grant in FY 27, resulting in a savings to the General Fund of approximately $3 million in FY 27 and precluding a revenue gain to local and regional boards of education.

Section 379 reduces, from $12 million to $6.25 million, funding for additional operational support to magnet schools operated by a regional educational service center (RESC) or Goodwin University.

Section 380 has no fiscal impact. It allows the Office of Higher Education to enter into agreements, annually by January 1, with public and private institutions of higher education committing certain levels of need-based Willis Scholarship funding. This is a procedural change that does not change funding for the Willis Scholarship.

Section 381 requires SDE to administer a teacher apprenticeship program beginning in FY 27. The budget provides funding of $2 million in FY 27 for this purpose.

Section 382 requires the Office of Higher Education to hire a consultant to assist with the establishment of new Promise programs throughout the state. The budget provides $400,000 in FY 27 for this purpose.

Section 383 allows SDE to immediately award grants to parent organizations to respond to special education complaints and provide training and other services to assist parents of children with disabilities. This results in a cost to SDE dependent on funding for and provisions of the grant program.

Section 384 eliminates the Office of the Educational Ombudsperson (OEO) and two associated vacant positions, resulting in annual savings within the Office of Governmental Accountability of $180,000 beginning in FY 27.

Sections 385 and 386 transfer the Office of the Student Loan Ombudsman from the Department of Banking (DOB) to the Office of Higher Education (OHE). The bill includes a transfer of $532,300 and three positions from DOB to OHE for this purpose. The sections also establish a reporting requirement, which has no fiscal impact.

Section 387, which does not result in a fiscal impact, requires the Office of Early Childhood to develop and present a proposed annual spending plan for the Early Childhood Education Endowment.

Sections 388 and 389 allow BOEs to apply for a fiscal intervention and oversight plan through SDE and SDE to conduct initial reviews. After the initial review, SDE will develop a fiscal intervention and oversight plan, which may require BOEs to appear before the Municipal Accountability Review Board (MARB). The budget provides funding of $3 million in FY 27 for this purpose in Section 390.

Sections 390 and 391 appropriate $183 million to SDE in FY 26 for supplemental education grants as follows: (1) $162.2 million for supplemental education aid grants to every town; (2) $5.55 million to increase the per student grant amount for non-BOE operated magnet schools; (3) $2.75 million to increase the per student grant amount for BOE operated magnet schools; (4) $8.7 million for charter schools; (5) $800,000 to increase the per student grant amount for vocational agriculture; and (6) $3 million for SDE to implement Section 388. The sections allow funding to be carried forward and distributed in FY 27. Hartford may receive $5 million of its supplemental education aid grant in FY 26.

Section 392 requires the appropriation for ECS grants within SDE to be at least $152.2 million more in FY 28 than in FY 27.

Sections 393 – 395 transfer, in FY 26, $10,945,502 from the Probate Court Administration Fund to a new temporary education aid for school districts account for district relief and compensatory use learning aid grants. The grants are distributed to various towns for educational purposes in FY 27.

Sections 396 – 441 make various changes to the school construction reimbursement program and associated project approvals, as discussed below.

The sections approve priority list projects which result in state grant commitments of $151 million for school construction projects. Adjustments to current statutory requirements regarding various school construction-related provisions represent a potential increase to state payments and reimbursements of up to $971 million. New or increased state reimbursements represent potential revenue gain for the specified municipalities.

The sections also make several changes that may impact future project costs and reimbursement levels, which in turn would affect levels of state reimbursement and municipal revenue gain, which include specifying that calculated reimbursement rates cannot exceed 95% of eligible expenses and increasing reimbursement rates by twenty points if student enrollment increases by twenty percent over the previous ten years. To the extent future relevant projects are proposed, approved, and completed, there would be commensurate changes to costs to the state and revenues to involved municipalities. The impact of these changes for future projects on the school construction priority list will be reflected when such projects are considered by the legislature in the future.

The state's share of costs for the school construction reimbursement program is funded using General Obligation (GO) bonds, which is repaid through General Fund debt service payments.

Section 442 eliminates a reduced monthly benefit for transitional individuals under the State Administered General Assistance (SAGA) program. Related funding of $56,000 is included in the Department of Social Services (DSS) FY 27 budget for this purpose.

Section 443 adds antiretroviral drugs to the Preferred Drug List (PDL), resulting in savings associated with supplemental rebates. Related Medicaid savings of $950,000 is included in the FY 27 DSS budget.

Section 444, which allows DSS to periodically review data on the clinical effectives of certain Medicaid drugs, has no fiscal impact.

Section 445, which specifies the type of nurses to be supported by certain nursing home wage increases, has no fiscal impact.

Section 446 requires DSS to adjust Medicaid rates over a three-year phase-in period to offset reductions due to implementation of the federal patient driven payment model for nursing homes and implement a Medicaid utilization pool. Related funding of $13.1 million is provided in the DSS FY 27 budget.

Section 446 also requires DSS to distribute enhanced Medicaid quality performance payments from an annual pool of $10 million, beginning in FY 29.

Section 447 allows DSS to recalculate Medicaid rates for nursing homes under certain circumstances related to the minimum allowable patient days requirement, which could result in associated costs to DSS.

Section 448 specifies the use of FY 27 appropriated funding for family planning services, which does not result in additional costs to DSS.

Section 449, which adds to the membership of the Council on Medical Assistance Program Oversight, has no fiscal impact.

Section 450 makes changes related to the Medicaid rate review process and specifies the inclusion of certain services for purposes of behavioral health rates, which is not anticipated to result in a fiscal impact.

Section 451 allows the Department of Public Health (DPH) to waive the maximum bed requirement for certain nursing homes in limited circumstances in FY 27, which has no fiscal impact.

Section 452, which establishes a reporting requirement for the University of Connecticut Health Center, has no fiscal impact as the agency has the expertise necessary to meet the provisions.

Section 453 allows the Office of Policy and Management (OPM) to study the feasibility of establishing the Connecticut Option program and provide a report by January 15, 2027. This results in a one-time potential cost to OPM associated with a consultant to conduct the study.

To the extent a Connecticut Option program is feasible, the state may incur costs to pursue and implement a waiver if directed by OPM and approved by the legislature.

OPM must also design a plan for providing transitional health care premium assistance and cost-sharing increases on Access Health Connecticut in 2027. Such plan must include a state health care premium subsidy to enable an eligible enrollee to obtain an affordable health plan on Access Health Connecticut until 12/31/27.

Section 454 allows but does not require DSS, in consultation with OPM, to develop an application to establish a basic health program and design such a program if the application for Covered CT is denied or federal action is not taken by 7/1/27. The fiscal impact is dependent on federal approvals and the scope of program changes, which cannot be determined at this time.

Section 455 establishes the basic health program account. Any funding contained in the account must be expended by DSS for the purposes of operating a basic health program.

Section 456, which requires OPM, to the extent possible, to hold a series of stakeholder engagement meetings in developing a Connecticut Option program or basic health program, has no fiscal impact. This may result in a cost to OPM, the extent to which is dependent on the number of meetings held and the cost associated with each meeting.

Section 457 establishes a safety net mitigation working group to advise on, monitor and coordinate, the state's response to significant changes in federal law or policy impact public health, social services or other safety net programs. This has no fiscal impact.

Section 458, which requires DSS to identify parameters for an effective assessment of "medical frailty" for any given Medicaid participant or applicant, has no fiscal impact.

Section 459 explicitly requires DSS to submit an application to provide medical assistance through a Medicaid managed care organization to the Appropriations and Human Services committees prior to submitting for federal approval. To the extent this delays or prevents a change that otherwise would have occurred, the state could experience a fiscal impact that cannot be determined at this time.

Sections 460 and 461 require health plans to make certain generic and biosimilar prescription drugs available on formularies resulting in potential savings to fully insured municipalities to the extent the coverage lowers plans' overall drug spend beginning in FY 27. These sections do not result in a fiscal impact to the state employee or partnership plans as they currently meet the requirements of the bill.

Section 462 may result in savings to the Department of Social Services (DSS) associated with allowing coverage modifications under the Covered Connecticut program. The bill generally gives DSS authority to make changes under the program to comply with waiver requirements for approval, renewal, or continuation. The bill specifically (1) modifies subsidy coverage for members from fully subsidized premiums and copays to fully subsidized premium coverage, and (2) allows rather than requires dental and non-emergency medical transportation (NEMT) coverage (on or after 1/1/27). For context, Covered Connecticut is estimated to support an average caseload of 61,200 individuals in FY 27 with state costs of approximately $79.1 million, including $3.7 million for dental and $1.8 million for NEMT services.

Section 463 appropriates $250,000 in FY 27 to DOH for the purposes of contracting with additional inspectors for the Rental Assistance Program (RAP).

Section 464 allocates $100 million to OPM to provide grants to municipalities in FY 27.

Section 465 increases the Mashantucket Pequot and Mohegan Fund grant to Montville and Ledyard by $800,000 to each town for a total increase of $1.6 million in FY 27. Funding is provided in Section 270.

Section 466 allocates $7,595,000 for various grants within the Judicial Department’s Youth Services Prevention account in FY 27.

Section 467 makes a one-time transfer of $3.25 million from the Citizens' Election Fund to the Secretary of the State for Other Expenses in FY 27. Of this funding, $2.25 million is provided to support early voting grants to municipalities in FY 27 and $1 million is provided to support a statewide voter information campaign that will notify the public about recent changes in existing election law and process.

Section 468 approves a memorandum of agreement between Personal Care Attendant (PCA) Workforce Council and the New England Health Care Employees Union, District 1199, SEIU submitted to the General Assembly for approval on May 1, 2026. This results in a net cost to the Department of Social Services of $5.5 million for FY 26-27 and $12.1 million when annualized as well as a gross cost to the Department of Developmental Services of $3.4 million for FY 26-27 and $7.4 million when annualized, with corresponding revenue gains of $1.9 million and $4.1 million, respectively.

Section 469 approves a memorandum of agreement between the State of Connecticut Office of Early Childhood and the Connecticut State

Employees Association SEIU Local 2001, submitted to the General Assembly for approval on May 1, 2026. This results in a one-time cost to the General Fund of $6.6 million in FY 27.

Section 470 makes a variety of procedural and clarifying changes to the Finish Line Scholars program that have no fiscal impact.

Sections 471 – 475 authorizes $249,291,500 in deficiency appropriations to agencies across two appropriated funds (GF, STF) and reduces appropriations by $168,267,500 from three appropriated funds (GF, STF, IF).

Section 476 requires the Office of Legislative Management (OLM) to apply terms consistent with the collective bargaining agreement for the Connecticut Employees Union Independent, NP-2 bargaining unit to legislative employees resulting in a cost to OLM of approximately $2.5 million in FY 27.

Section 477 carries forward $100,000 in OLM to FY 27 for the removal of the John Mason statute from the state capitol building.

Section 478 carries forward $100,000 in DEEP to FY 27 three state-recognized tribes, the Schaghticoke, the Paucatuck Eastern Pequot and the Golden Hill Paugussett, for storm damage clean-up and hazardous tree removal on their reservations.

Section 479 carries forward $50,000 in DEEP in FY 27 for the Mashantucket Pequot Tribe, the Mohegan Tribe of Indians of Connecticut and the three state-recognized tribes, the Schaghticoke, the Paucatuck Eastern Pequot and the Golden Hill Paugussett, for hunting and fishing license fees.

Section 480 makes $3 million in FY 26 and $4 million in FY 27 of funds appropriated to DOT's Rail Operations account available for Shore Line East. As this does not alter the total appropriations for DOT or its Rail Operations account, this section does not have a net fiscal impact.

Sections 481 – 483: see page 4.

Section 484 requires DESPP, the Police Officer Standards and Training Council, and Southern Connecticut State University to jointly report on the status of the social work and law enforcement project and does not have a fiscal impact.

Section 485 establishes a reporting requirement for the Office of the Student Loan Ombudsman. This has no fiscal impact.

Sections 486 and 487 result in no fiscal impact. The sections rename the Military Department's Governor's Guards account to the Governor's Foot Guards account and establish two sub-accounts within the Governor's Guards horse account called the First Company Governor's Horse Guard account and Second Company Governor's Horse Guard account.

Section 488 removes a provision that establishes a boundary on certain tribal property that qualifies for the Tiered PILOT grant. This results in a potential cost to the Office of Policy and Management for Tiered PILOT beginning in FY 27 and a corresponding revenue gain to certain towns to the extent more property qualifies for this grant.

Section 489 requires each intern in the Connecticut Legislative Intern Program to receive a stipend of $500 resulting in an annual cost to OLM of up to $40,000, dependent on the number of interns. It is anticipated that the number of interns will be between 40 and 75 per year.

Section 490 appropriates $50 million to the Federal Cuts Response Fund (FCRF) established under SA 26-1 to the Office of Policy and Management. SA 26-1 transferred $330.8 million from the Budget reserve Fund (BRF) for the purposes of responding to policy impacts of P.L. 119-21 and mitigating any action or inaction by the federal government that results in a reduction of federal funding for any program in the state.

All sections not cited do not result in a fiscal impact.

BONDING

Sections 289 – 354 make various changes to General Obligation (GO) and Special Tax Obligation (STO) bond authorizations and related programs.

Increases and reductions in GO and STO bond authorizations (in millions of dollars)

Description	FY 27 $
General Obligation (GO) Bonds	
New or Increased Authorizations*	903.9
Reductions to Current or Pending Authorizations	-255.1
NET TOTAL CHANGE TO GO BONDS	**648.8**
*$30 million of the $903.9 million amount is effective from passage, rather than the start of FY 27.	
Special Tax Obligation (STO) Bonds	
NET TOTAL STO BONDS	**9.0**

If all GO and STO bonds authorized by these sections are allocated by the State Bond Commission and issued by the Office of the State Treasurer, total debt repayment for the net increase in authorizations is estimated at $989.4 million and $14.8 million, respectively, over the 20-year duration of the bonds.

The Out Years

The budget for all appropriated funds combined is projected to have deficits in FY 28 – FY 31. See table below for further details.

Out Year Balance Estimates FY 28 – FY 31

Fund	FY 28			FY 29		
	Rev.	**Expend.**	**Balance**	**Rev.**	**Expend.**	**Balance**
General	25,554.2	25,743.8	(189.6)	26,288.1	26,520.1	(232.0)
Transportation	2,416.1	2,565.6	(149.5)	2,426.5	2,690.9	(264.4)
Other Appropriated	801.6	858.0	(56.4)	820.7	858.0	(37.3)
TOTAL	**28,771.9**	**29,167.4**	**(395.5)**	**29,535.3**	**30,068.9**	**(533.6)**

Fund	FY 30			FY 31		
	Rev.	**Expend.**	**Balance**	**Rev.**	**Expend.**	**Balance**
General	27,157.3	27,271.2	(113.9)	27,986.9	28,170.7	(183.8)
Transportation	2,468.0	2,820.0	(352.0)	2,495.2	2,956.3	(461.1)

Other Appropriated	839.3	858.0	(18.7)	859.1	858.0	1.1
TOTAL	**30,464.6**	**30,949.2**	**(484.6)**	**31,341.2**	**31,985.0**	**(643.8)**

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.