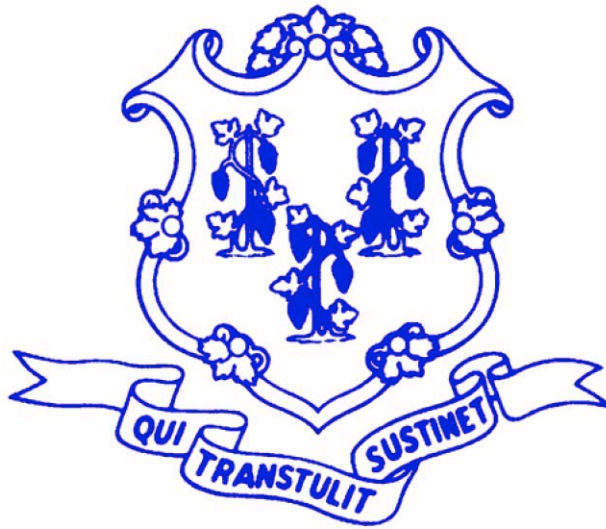


CONNECTICUT STATE BUDGET

FY 18 & FY 19 Budget



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I. OVERVIEW

General Fund Budget Development

In November 2016, OFA projected a General Fund deficit of \$77.5 million for the current fiscal year (FY 17) but more ominously projected a significant structural shortfall of \$1.2 billion in FY 18 based on the new fixed cost methodology.

By February 2017, based on new consensus revenue calculations, the General Fund gaps had grown to \$1.7 billion in FY 18 and \$1.9 billion in FY 19. The recommended FY 18 - FY 19 biennial budget that the Governor proposed to the General Assembly closed these gaps, as is required by law, by increasing revenues by \$321 million in FY 18 and by \$287 million in FY 19 while reducing appropriations by \$1.4 billion in FY 18 and by \$1.6 billion in FY 19. When combined, the Governor's budget resulted in a balance of \$2.1 million in FY 18 and \$4.5 million in FY 19.

The April consensus revenue estimates further reduced anticipated revenue by approximately \$600 million in FY 18 and \$860 million in FY 19.

FY 18 and FY 19 Budget

A budget (PA 17-1, June Special Session¹) passed both houses of the General Assembly on September 15, 2017. However, this act was vetoed by the Governor.

The budget (PA 17-2, JSS² (JSS)) passed the Senate on October 25th and the House of Representatives on October 26th. This Governor exercised his line item veto authority over certain provisions of this budget.

Finally, PA 17-4 JSS³ passed the Senate on November 14th and the House of Representatives on November 15th. This bill made final adjustments to the budget and addressed the impact of the Governor's line item veto on PA 17-2.

The FY 18 General Fund budget grows by 4.6% when compared to FY 17 Appropriations. Similarly, the FY 19 budget grows by 0.5% when compared to the FY 18 budget. The final budget included revenue increases of \$ 1,654 million in FY 18 and \$ 1,735 million in FY 19 combined with appropriation increases of \$826.1 million in FY 18 and by \$100.5 million in FY 19.

¹ PA 17-1, JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019, Appropriations and Implementing Provisions Therefor, and Authorizing and Adjusting Bonds of the State for Various Purposes.

² PA 17-2, JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019, Making Appropriations Therefore, Authorizing Bonds of the State and Implementing Provisions of the Budget.

³ PAA 17-4, JSS, An Act Making Minor and Technical Changes to the State Budget and Implementing Provisions for the Biennium Ending June 30th, 2019.

Comparison of FY 18 and FY 19 Appropriations to Revenue Estimates
(in millions)

Fund	FY 18 \$			FY 19 \$		
	Approp	Revenue	Balance	Approp	Revenue	Balance
General	18,690.1	18,739.3	49.3	18,790.6	18,908.2	117.6
Transportation	1,510.9	1,588.5	77.6	1,628.1	1,628.1	0.0
Other Appropriated	229.5	239.0	9.5	239.5	250.4	10.9
TOTAL	20,430.5	20,566.8	136.3	20,658.2	20,786.7	128.5

The budget includes appropriations totaling \$20,430.5 million in FY 18 and \$20,658.2 million in FY 19.

Fund Summary of FY 18 and FY 19 Appropriations
(in millions)

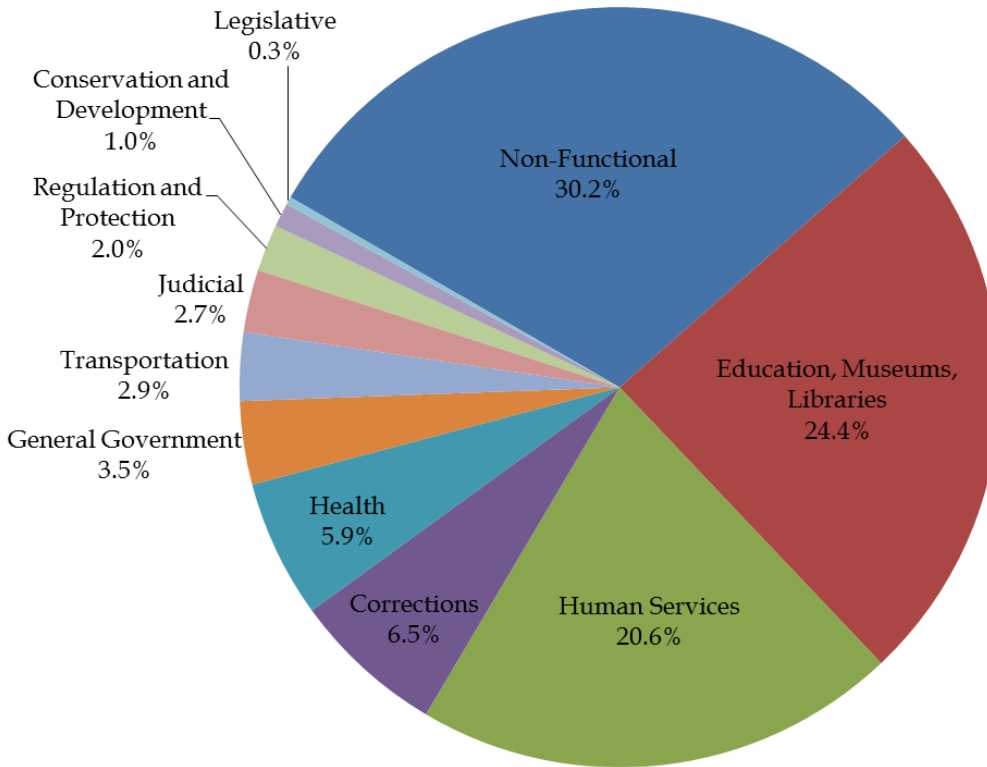
Gross Appropriations by Fund	Legislative	
	FY 18 \$	FY 19 \$
General Fund	19,571,654,760	19,885,371,203
Special Transportation Fund	1,522,906,625	1,640,068,939
Banking Fund	27,413,284	27,386,848
Insurance Fund	90,234,868	95,035,932
Consumer Counsel and Public Utility Control Fund	25,571,954	25,571,954
Workers' Compensation Fund	24,652,430	24,940,502
Mashantucket Pequot and Mohegan Fund	57,649,850	49,942,796
Regional Market Operation Fund	1,067,306	1,067,306
Criminal Injuries Compensation Fund	2,934,088	2,934,088
Tourism Fund	-	12,644,988
Total Gross Appropriations	21,324,085,165	21,764,964,556
General Fund Lapses		
Unallocated Lapse	(42,250,000)	(51,765,570)
Unallocated Lapse - Legislative	(1,000,000)	(1,000,000)
Unallocated Lapse - Judicial	(3,000,000)	(8,000,000)
Statewide Hiring Reduction - Executive	(6,500,000)	(7,000,000)
Targeted Savings	(111,814,090)	(150,878,179)
Reflect Delay	(8,500,000)	-
Achieve Labor Concessions	(700,000,000)	(867,600,000)
Municipal Aid Savings	(8,500,000)	(8,500,000)

	Legislative	
Gross Appropriations by Fund	FY 18 \$	FY 19 \$
Total General Fund Lapses	(881,564,090)	(1,094,743,749)
Special Transportation Fund Lapses		
Unallocated Lapse	(12,000,000)	(12,000,000)
Total Special Transportation Fund Lapses	(12,000,000)	(12,000,000)
Net Appropriations		
General Fund	18,690,090,670	18,790,627,454
Special Transportation Fund	1,510,906,625	1,628,068,939
Banking Fund	27,413,284	27,386,848
Insurance Fund	90,234,868	95,035,932
Consumer Counsel and Public Utility Control Fund	25,571,954	25,571,954
Workers' Compensation Fund	24,652,430	24,940,502
Mashantucket Pequot and Mohegan Fund	57,649,850	49,942,796
Regional Market Operation Fund	1,067,306	1,067,306
Criminal Injuries Compensation Fund	2,934,088	2,934,088
Tourism Fund	-	12,644,988
Total Net Appropriations	20,430,521,075	20,658,220,807

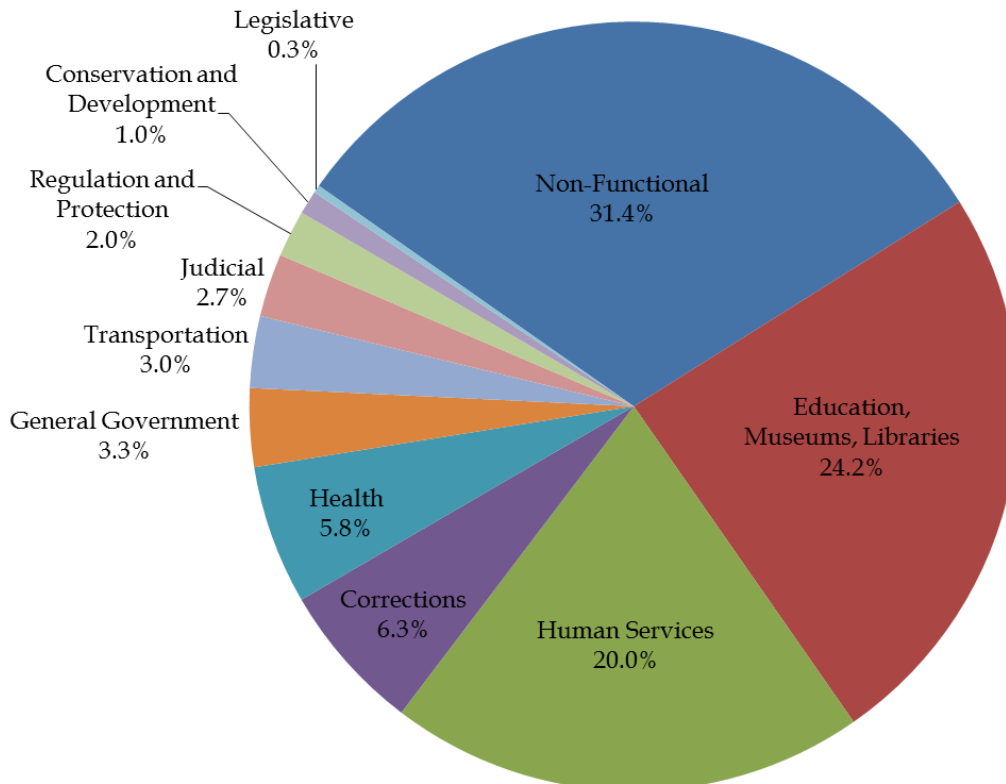
FY 18 and FY 19 All Appropriated Funds
(by function of government – in millions)

Expenditure Type	FY 18 \$	% of Total	FY 19 \$	% of Total
Non-Functional	6,435.6	30.2%	6,824.8	31.4%
<i>Fringe Benefits</i>	3,174.6	14.9%	3,426.3	15.7%
Education, Museums, Libraries	5,204.8	24.4%	5,275.0	24.2%
<i>Primary & Secondary Education</i>	4,242.5	19.9%	4,322.6	19.9%
<i>Higher Education</i>	547.5	2.6%	531.2	2.4%
Human Services	4,390.1	20.6%	4,357.0	20.0%
<i>Medicaid</i>	2,570.8	12.1%	2,616.4	12.0%
<i>Disproportionate Share</i>	108.9	0.5%	108.9	0.5%
<i>Temporary Assistance to Families</i>	70.4	0.3%	70.4	0.3%
Corrections	1,386.1	6.5%	1,367.0	6.3%
Health	1,252.1	5.9%	1,273.0	5.8%
General Government	754.4	3.5%	717.5	3.3%
Transportation	620.1	2.9%	656.6	3.0%
Judicial	568.0	2.7%	578.0	2.7%
Regulation and Protection	425.5	2.0%	428.5	2.0%
Conservation and Development	217.3	1.0%	216.9	1.0%
Legislative	70.1	0.3%	70.5	0.3%
Gross Total	21,324.1		21,765.0	
Lapses	(893.6)		(1,106.7)	
NET TOTAL	20,430.5		20,658.2	

FY 18 All Appropriated Funds
(by function of government)

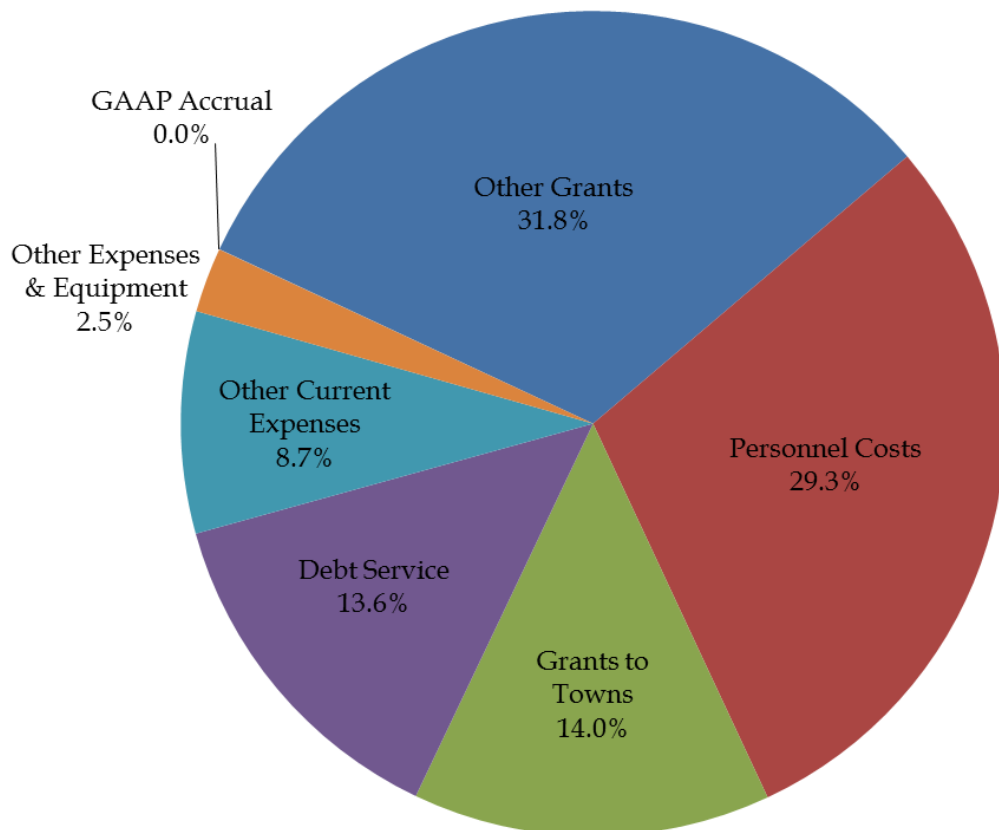


FY 19 All Appropriated Funds
(by function of government)



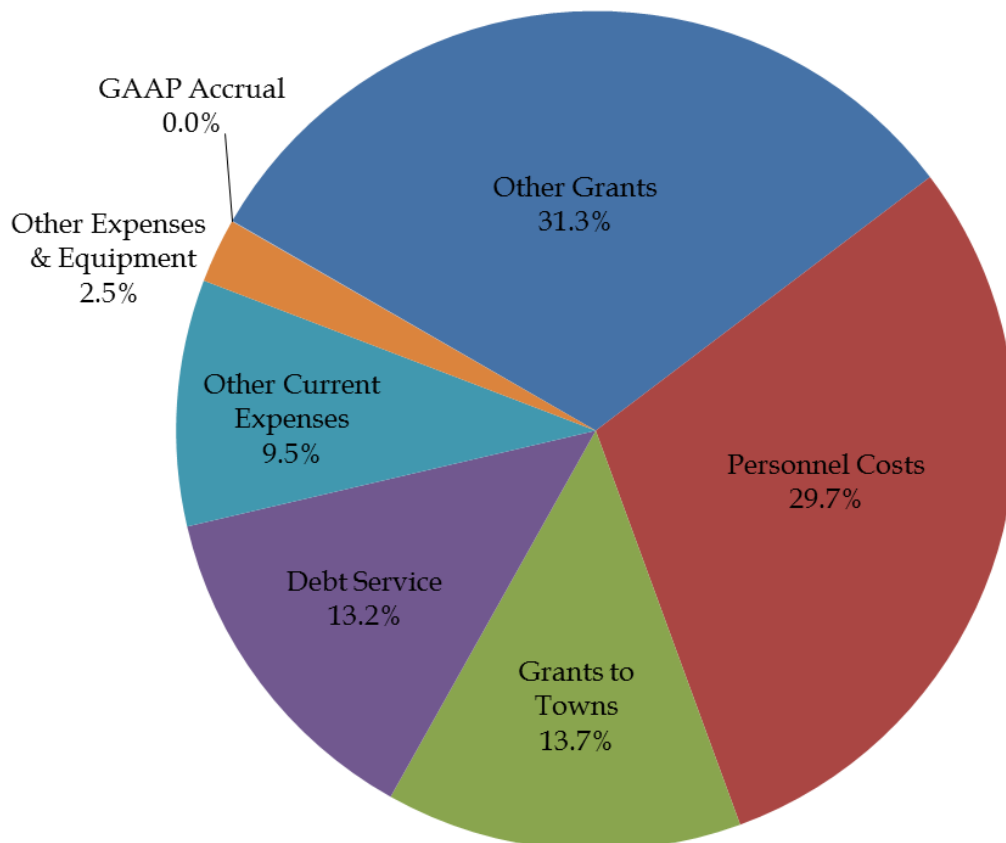
FY 18 All Appropriated Funds
(by expenditure type - in millions)

Expenditure Type	FY 18 \$	% of Total
Other Grants	6,790.6	31.8%
<i>Medicaid</i>	2,570.8	12.1%
<i>Teacher's Retirement Pension & Health</i>	1,309.6	6.1%
Personnel Costs	6,237.5	29.3%
<i>Fringe Benefits</i>	3,077.3	14.4%
Grants to Towns	2,992.9	14.0%
<i>Education Equalization Grants</i>	1,986.2	9.3%
<i>Magnet Schools</i>	328.1	1.5%
<i>PILOTS - State Owned & Private</i>	152.5	0.7%
Debt Service	2,905.7	13.6%
Other Current Expenses	1,853.5	8.7%
Other Expenses & Equipment	542.2	2.5%
GAAP Accrual	1.6	0.0%
Gross Total	21,324.1	
Lapses	(893.6)	
NET TOTAL	20,430.5	



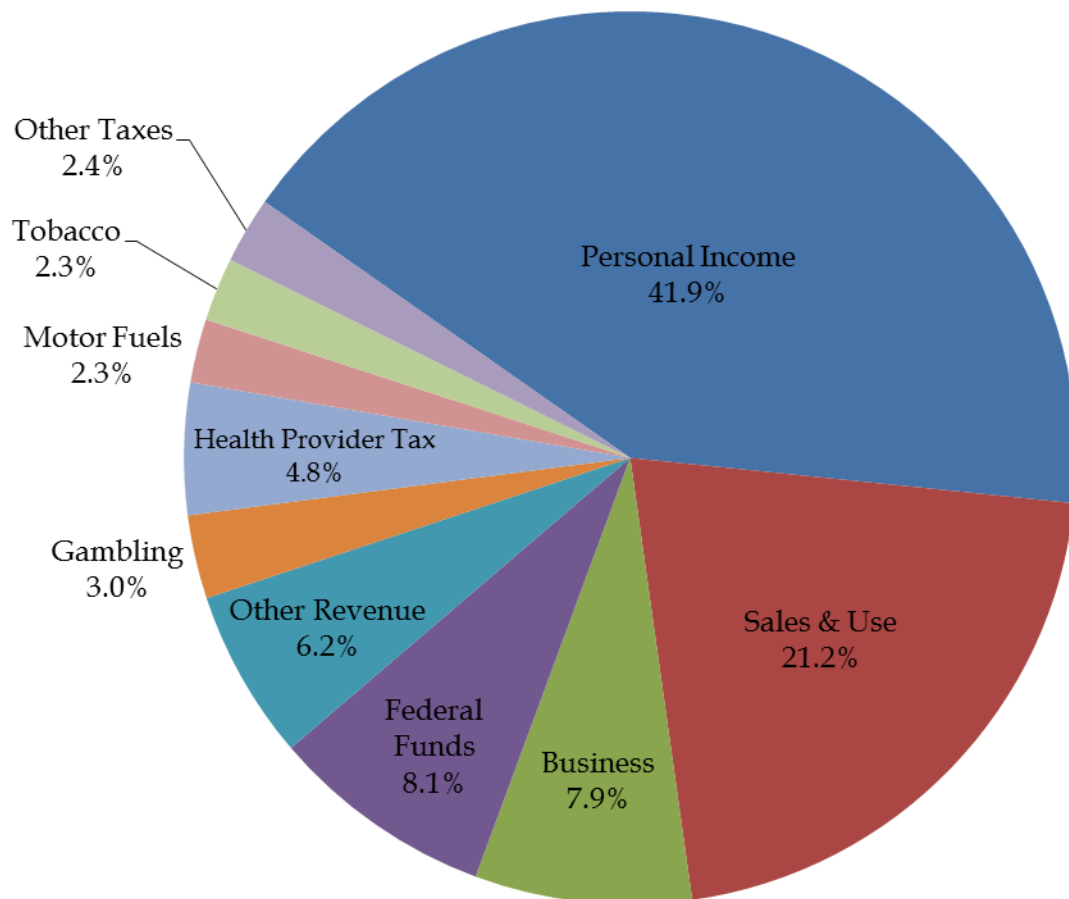
FY 19 All Appropriated Funds
(by expenditure type - in millions)

Expenditure Type	FY 19 \$	% of Total
Other Grants	6,820.5	31.3%
<i>Medicaid</i>	2,570.8	11.8%
<i>Teacher's Retirement Pension & Health</i>	1,309.6	6.0%
Personnel Costs	6,471.7	29.7%
<i>Fringe Benefits</i>	3,077.3	14.1%
Grants to Towns	2,986.8	13.7%
<i>Education Equalization Grants</i>	1,986.2	9.1%
<i>Magnet Schools</i>	328.1	1.5%
<i>PILOTS - State Owned & Private</i>	152.5	0.7%
Debt Service	2,873.8	13.2%
Other Current Expenses	2,065.2	9.5%
Other Expenses & Equipment	543.3	2.5%
GAAP Accrual	3.6	0.0%
Gross Total	21,765.0	
Lapses	(1,106.7)	
NET TOTAL	20,658.2	



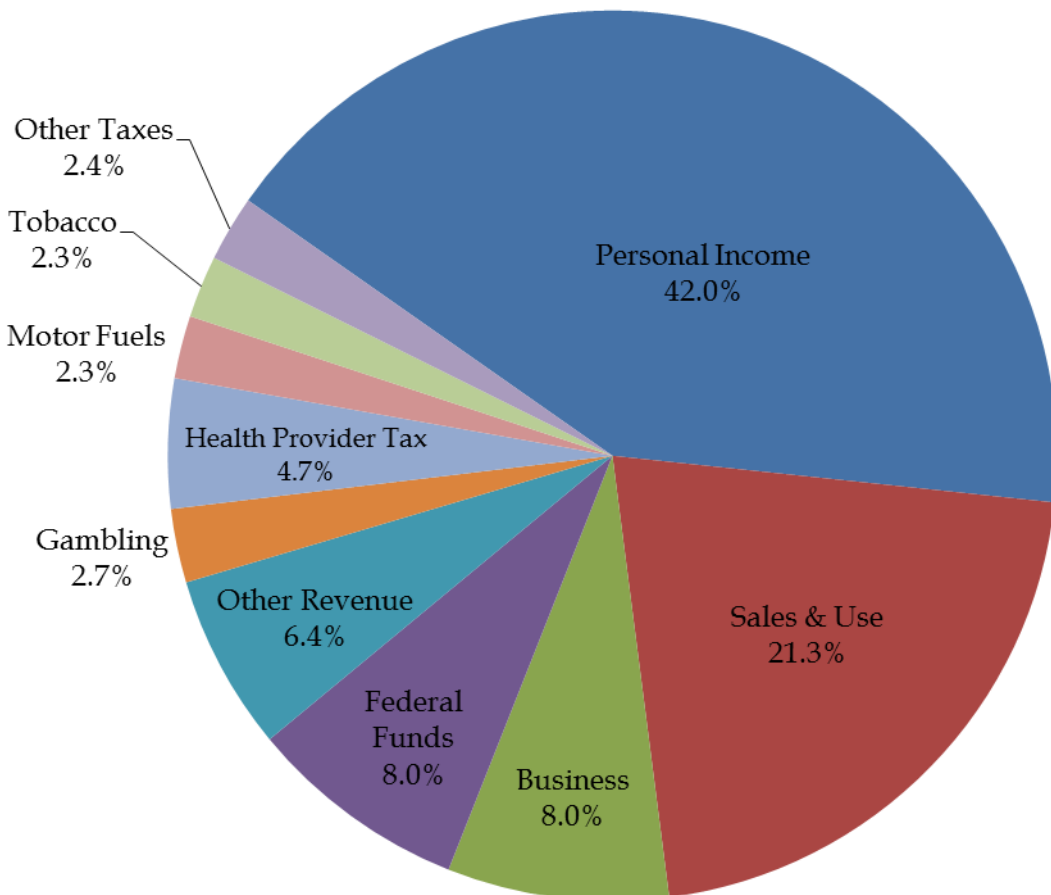
FY 18 All Appropriated Fund Revenue
(by revenue type - in millions)

Revenue Item	FY 18 \$	% of Total
Personal Income	9,182.5	41.9%
Sales & Use	4,636.3	21.2%
Business	1,720.6	7.9%
Federal Funds	1,778.4	8.1%
Other Revenue	1,351.3	6.2%
Gambling	664.2	3.0%
Health Provider Tax	1,045.0	4.8%
Motor Fuels	505.3	2.3%
Tobacco	503.9	2.3%
Other Taxes	527.5	2.4%
Gross Total	21,915.1	
Reductions	(1,348.3)	
NET TOTAL	20,566.8	



FY 19 All Appropriated Fund Revenue
(by revenue type – in millions)

Revenue Item	FY 19 \$	% of Total
Personal Income	9,312.2	42.0%
Sales & Use	4,725.0	21.3%
Business	1,786.8	8.0%
Federal Funds	1,776.1	8.0%
Other Revenue	1,420.5	6.4%
Gambling	595.3	2.7%
Health Provider Tax	1,044.1	4.7%
Motor Fuels	506.1	2.3%
Tobacco	501.5	2.3%
Other Taxes	530.6	2.4%
Gross Total	22,198.2	
Reductions	(1,411.5)	
NET TOTAL	20,786.7	



Spending Cap

The budget is under the spending cap by \$635.3 million in FY 17, \$783 million in FY 18 and \$190.1 million in FY 19. Pursuant to Section 709 of PA 17-2 JSS, these calculations incorporate: (1) an allowable growth rate based on the greater of the five-year compound annual growth in personal income on a calendar year basis or the 12-month increase in the Consumer Price Index for All Urban Consumers, All Items Less Food and Energy on a December-over-December basis, (2) the elimination of the current exemption for certain grants to distressed municipalities, (3) a temporary exemption for appropriations for the unfunded liabilities of the State Employees' Retirement System, Judges, Family Support Magistrates and Compensation Commissioners Retirement System, and Teachers' Retirement System, (4) an exemption for appropriations of federal funds, (5) an exemption for the first year of state funding for which a federal match is received, and (6) the requirement that a base adjustment be made under certain enumerated circumstances.

Spending Cap Calculation (in millions)

Item	Revised FY 17 \$	FY 18 \$	FY 19 \$
All Appropriated Funds - Prior Year	19,807.2	19,739.2	20,430.5
Base Adjustment ¹	-	77.8	(4.1)
Extraordinary spending	-	-	-
Prior Year Appropriations	19,807.2	19,817.0	20,426.4
Less Prior Year "Non-Capped" Expenditures			
Debt Service	2,474.5	2,626.1	2,925.7
SERS/TRS/JRS unfunded liability ²	1,828.8	1,890.0	2,205.3
Statutory grants to distressed municipalities ³	1,611.4	-	-
Appropriation of federal funds ⁴	-	1,257.6	1,717.7
Prior Year "Non-Capped" Expenditures	5,914.7	5,773.7	6,848.8
Total "capped" expenditures	13,892.5	14,043.3	13,577.6
Times the 5-year compound growth in personal income (calendar year basis) or 12-month increase in Core CPI-U ⁵	3.3%	2.2%	2.4%
= Allowable "capped" growth	461.2	311.9	328.9
Allowable Capped Expenditures	14,353.7	14,355.2	13,906.5
Plus Current Year "Non-Capped" Expenditures			
Debt service	2,626.1	2,925.7	2,893.8
SERS/TRS/JRS unfunded liability	1,890.0	2,205.3	2,397.1
Federal mandates and court orders (new funding)	7.9	9.6	3.6
Statutory grants to distressed municipalities	1,496.8	-	-
State match to federal funds (new funding) ⁶	-	-	-
Appropriation of federal funds	-	1,717.7	1,647.3
Current Year "Non-Capped" Expenditures	6,020.8	6,858.4	6,941.8
Expenditures Allowed Under the Cap	20,374.5	21,213.5	20,848.3
Appropriation for this year	19,739.2	20,430.5	20,658.2
TOTAL OVER/(UNDER) THE SPENDING CAP	(635.3)	(783.0)	(190.1)

¹Reflects base adjustments for the gross appropriation of portions of Medicaid, and shifting of the following programs on- or off-budget: Newborn Screening, Women's Business Center, and Passport to Parks.

² Reflects language temporarily exempting unfunded liabilities for SERS/TRS/JRS.

³ Adjusted to reflect distressed grants under the cap beginning with the FY 18-FY 19 biennium.

⁴ Reflects new exemption for state appropriation of federal funds.

⁵ Reflects greater of 5-year compound growth in Personal Income on a Calendar Year basis or increase in CPI-U, All Items Less Food and Energy on a December-over-December basis for the FY 18-FY 19 biennium.

⁶Reflects new language exempting the first year of any new state appropriation that generates a federal match.

FY 18 and FY 19 Budget Growth Rates

The FY 18 growth rate for the General Fund is 4.6% over FY 17 appropriated expenditures. The FY 19 General Fund growth rate is 0.5% over FY 18. See the table below for details.

FY 18 and FY 19 Budget Growth Rates (by fund – in millions)

Fund	FY 17 Approp.	FY 18 Approp.	FY 18 Change		FY 19 Approp.	FY 19 Change	
	\$	\$	\$	%	\$	\$	%
General	17,864.0	18,690.1	826.1	4.6%	18,790.6	100.5	0.5%
Transportation	1,463.4	1,510.9	47.5	3.2%	1,628.1	117.2	7.8%
Municipal Revenue Sharing	185.0	-	(185.0)	-100.0%	-	-	-
Other Appropriated	226.8	229.5	2.7	1.2%	239.5	10.0	4.4%
TOTAL	19,739.2	20,430.5	691.3	3.5%	20,658.2	227.7	1.1%

Building the FY 18 and FY 19 Budget

The Governor and the Legislature formulate the budget by establishing prior year base spending (FY 17) and adjusting for current services needs and policy goals. In short, the biennial budget is the sum of the FY 17 Revised Appropriations, plus current service adjustments, plus policy revisions. Below is a summary of these changes by fund.

FY 18 and FY 19 Budget Adjustment Summary (in millions)

Fund	Current Services		Policy		TOTAL	
	FY 18 \$	FY 19 \$	FY 18 \$	FY 19 \$	FY 18 \$	FY 19 \$
General	1,434.7	2,010.0	(608.6)	(1,083.3)	826.1	926.7
Special Transportation	71.0	189.2	(23.5)	(24.6)	47.5	164.7
Municipal Revenue Sharing	(185.0)	(185.0)	-	-	(185.0)	(185.0)
Banking	(2.0)	(2.0)	(0.7)	(0.7)	(2.7)	(2.7)
Insurance	0.8	2.0	9.0	12.5	9.8	14.6
Consumer Counsel & Public Utility Control	(0.6)	(0.6)	(1.1)	(1.1)	(1.7)	(1.7)
Workers' Compensation	(0.9)	(1.6)	(1.4)	(0.4)	(2.3)	(2.0)
Mashantucket Pequot and Mohegan	-	-	(0.4)	(8.1)	(0.4)	(8.1)
Regional Market Operation	-	-	-	-	-	-
Criminal Injuries Compensation	-	-	-	-	-	-
Tourism	-	-	-	12.6	-	12.6
TOTAL	1,318.0	2,012.1	(626.7)	(1,093.1)	691.3	919.0

On the following page are the FY 18 and FY 19 Budget Reconciliation tables by fund.

FY 18 Budget Reconciliation
(in millions)

Fund	FY 17 \$	FY 18 \$				
	Revised Approp.	Current Services Adjustments	Total Current Services	Policy Revisions	Total Adjustments	Net Approp.
General	17,864.0	1,434.7	19,298.6	(608.6)	826.1	18,690.1
Special Transportation	1,463.4	71.0	1,534.4	(23.5)	47.5	1,510.9
Municipal Revenue Sharing	185.0	(185.0)	-	-	(185.0)	-
Banking	30.1	(2.0)	28.1	(0.7)	(2.7)	27.4
Insurance	80.4	0.8	81.3	9.0	9.8	90.2
Consumer Counsel & Public Utility Control	27.3	(0.6)	26.7	(1.1)	(1.7)	25.6
Workers' Compensation	26.9	(0.9)	26.1	(1.4)	(2.3)	24.7
Mashantucket Pequot and Mohegan	58.1	-	58.1	(0.4)	(0.4)	57.6
Regional Market Operation	1.1	-	1.1	-	-	1.1
Criminal Injuries Compensation	2.9	-	2.9	-	-	2.9
Tourism	-	-	-	-	-	-
TOTAL	19,739.2	1,318.0	21,057.2	(626.7)	691.3	20,430.5

FY 19 Budget Reconciliation
(in millions)

Fund	FY 17 \$	FY 19 \$				
	Revised Approp.	Current Services Adjustments	Total Current Services	Policy Revisions	Total Adjustments	Net Approp.
General	17,864.0	2,010.0	19,874.0	(1,083.3)	926.7	18,790.6
Special Transportation	1,463.4	189.2	1,652.7	(24.6)	164.7	1,628.1
Municipal Revenue Sharing	185.0	(185.0)	-	-	(185.0)	-
Banking	30.1	(2.0)	28.1	(0.7)	(2.7)	27.4
Insurance	80.4	2.0	82.5	12.5	14.6	95.0
Consumer Counsel & Public Utility Control	27.3	(0.6)	26.7	(1.1)	(1.7)	25.6
Workers' Compensation	26.9	(1.6)	25.4	(0.4)	(2.0)	24.9
Mashantucket Pequot and Mohegan	58.1	-	58.1	(8.1)	(8.1)	49.9
Regional Market Operation	1.1	-	1.1	-	-	1.1
Criminal Injuries Compensation	2.9	-	2.9	-	-	2.9
Tourism	-	-	-	12.6	12.6	12.6
TOTAL	19,036.7	2,012.1	21,751.3	(1,093.1)	919.0	20,658.2

FY 20 – FY 22 Out Year Projections

The table below compares OFA's estimates of revenue and expenditures for FY 20 – FY 22 based on the FY 18 and FY 19 budget (PA 17-2 JSS as adjusted by PA 17-4 JSS). On a fixed costs basis, the expenditures are projected to exceed revenues by \$1.8 billion in FY 20, \$2.5 billion in FY 21, and \$2.9 billion in FY 22.

Out Year Projections of Expenditures and Revenues (in millions)

Fund	FY 20 \$			FY 21 \$			FY 22 \$		
	Approp	Revenue	Balance	Approp	Revenue	Balance	Approp	Revenue	Balance
General	19,591.7	17,786.7	(1,805.0)	20,431.2	17,882.4	(2,548.8)	21,071.1	18,008.3	(3,062.8)
Transportation	1,714.0	1,743.2	29.2	1,814.2	1,871.8	57.6	1,930.7	1,998.1	67.4
Other Appropriated	243.7	257.8	14.1	243.2	258.8	15.6	244.6	259.8	15.2
TOTAL	21,549.4	19,787.7	(1,761.7)	22,488.6	20,013.0	(2,475.6)	23,246.4	20,266.1	(2,980.2)

Budget Reserve Fund Activity and Balance

The current balance in the Budget Reserve Fund (Rainy Day Fund) is \$212.9 million.

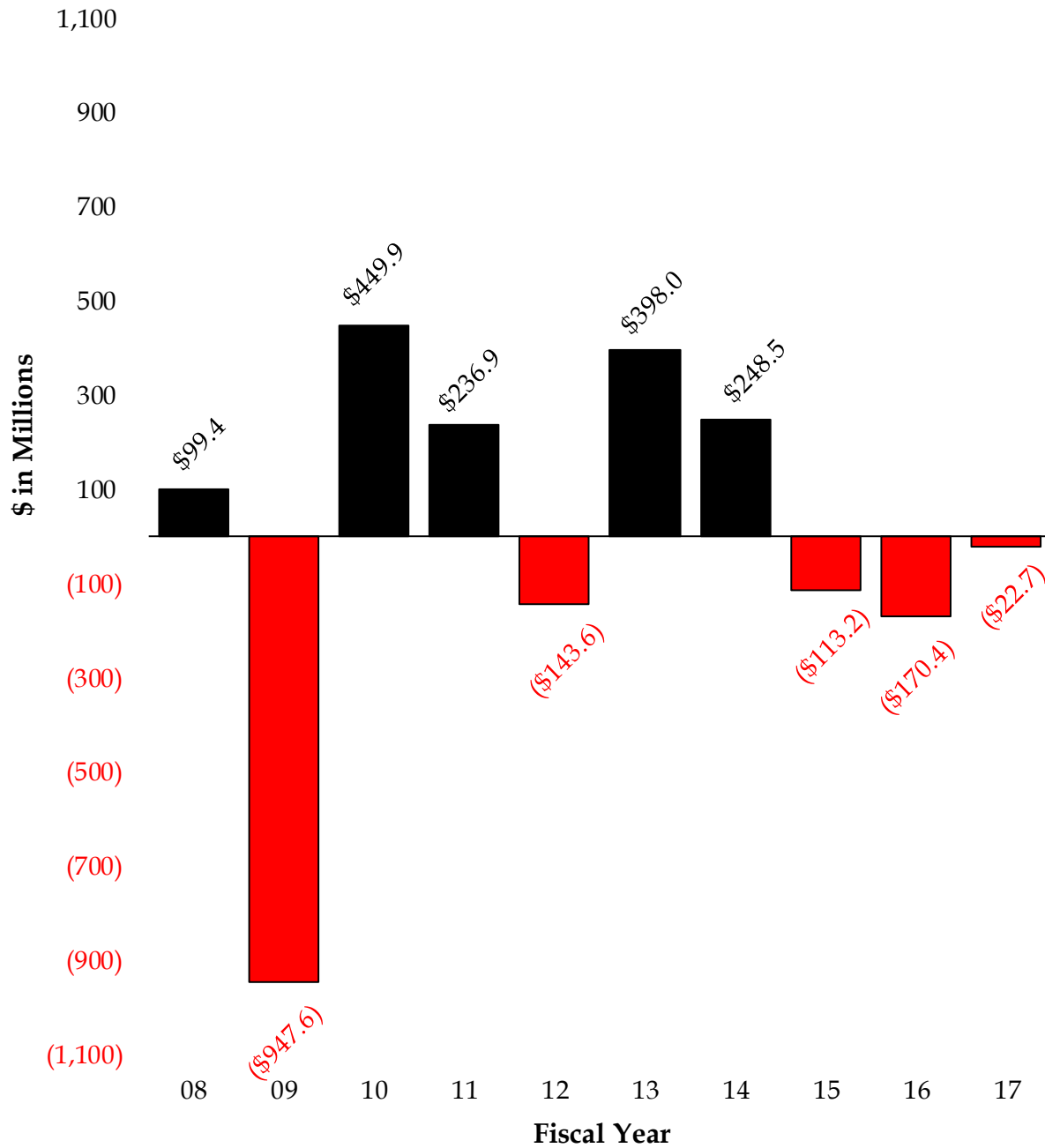
FY 17 ended with a General Fund deficit of \$22.7 million. The Budget Reserve Fund balance at the beginning of FY 17 was \$235.6 million. The deficit of \$22.7 million will be eliminated through a transfer from the Budget Reserve Fund; thus reducing the BRF balance to \$212.9 million.

The following table shows activity and balances in the Budget Reserve Fund from FY 04 – FY 17.

Budget Reserve Fund Activity and Balance: FY 04 – FY 17 (in millions)

Fiscal Year	Beginning Balance \$	Deposits/ (Withdrawals) \$	Ending Balance \$
04	-	302.2	302.2
05	302.2	363.8	666.0
06	666.0	446.5	1,112.5
07	1,112.5	269.2	1,381.7
08	1,381.7	-	1,381.7
09	1,381.7	-	1,381.7
10	1,381.7	(1,278.5)	103.2
11	103.2	(103.2)	-
12	-	93.3	93.3
13	93.3	177.2	270.7
14	270.7	248.5	519.2
15	519.2	(113.2)	406.0
16	406.0	(170.4)	235.6
17	235.6	(22.7)	212.9

Ten Year General Fund Surplus/(Deficit) History (FY 08 - FY 17)

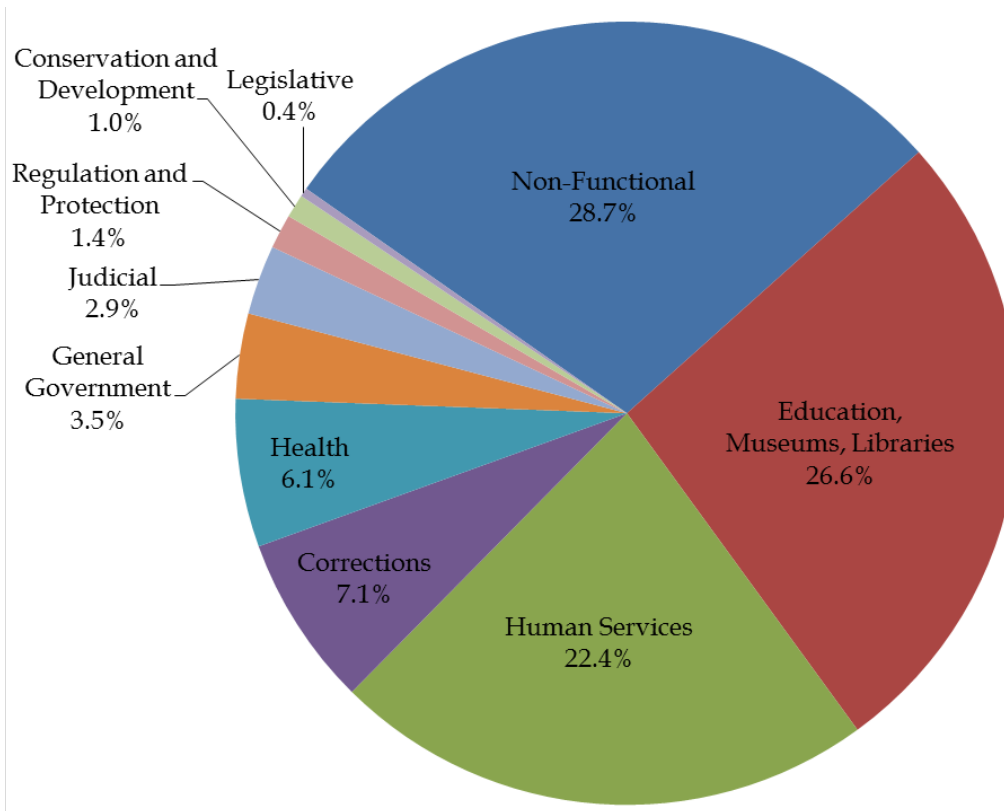


II. GENERAL FUND

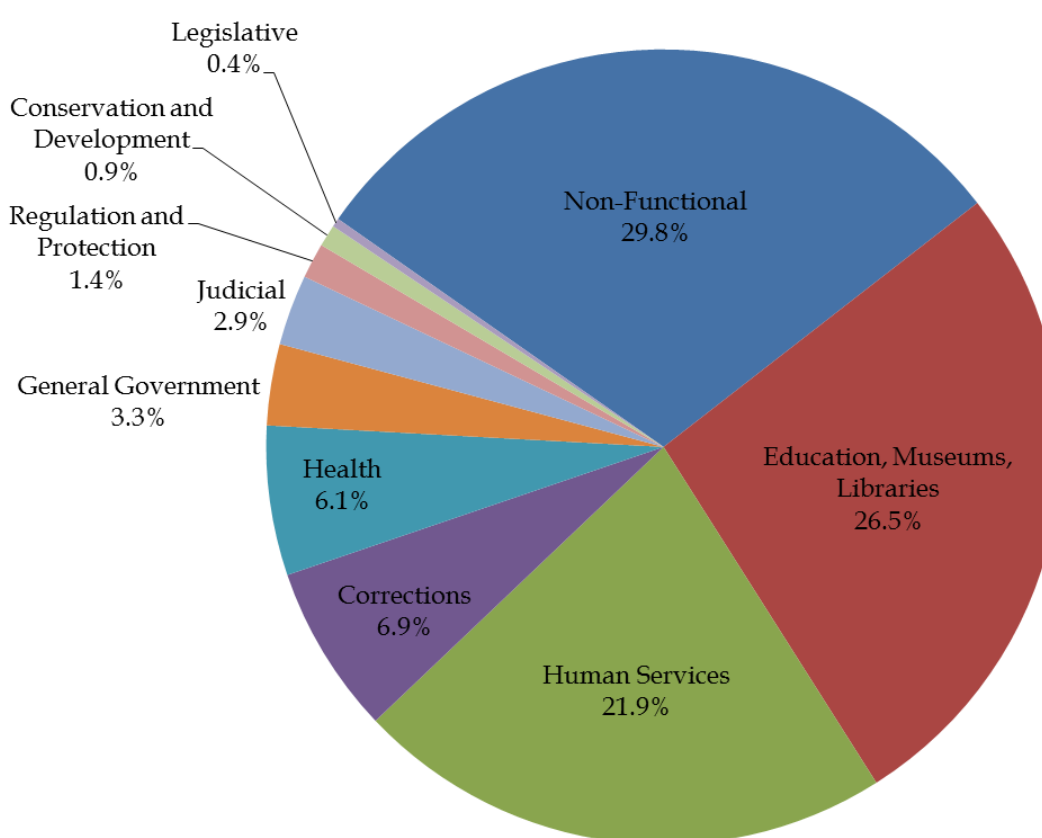
FY 18 and FY 19 General Fund Appropriations (by function of government – in millions)

Expenditure Type	FY 18 \$	% of Total	FY 19 \$	% of Total
Non-Functional	5,609.8	28.7%	5,917.6	29.8%
<i>Fringe Benefits</i>	2,973.5	15.2%	3,208.9	16.1%
Education, Museums, Libraries	5,204.8	26.6%	5,275.0	26.5%
<i>Primary & Secondary Education</i>	4,242.5	21.7%	4,322.6	21.7%
<i>Higher Education</i>	547.5	2.8%	531.2	2.7%
Human Services	4,387.6	22.4%	4,354.6	21.9%
<i>Medicaid</i>	2,570.8	13.1%	2,616.4	13.2%
<i>Disproportionate Share</i>	108.9	0.6%	108.9	0.5%
<i>Temporary Assistance to Families</i>	70.4	0.4%	70.4	0.4%
Corrections	1,386.1	7.1%	1,367.0	6.9%
Health	1,196.8	6.1%	1,209.6	6.1%
General Government	687.2	3.5%	657.9	3.3%
Judicial	561.5	2.9%	571.4	2.9%
Regulation and Protection	278.0	1.4%	284.9	1.4%
Conservation and Development	189.9	1.0%	176.9	0.9%
Legislative	70.1	0.4%	70.5	0.4%
Gross Total	19,571.7		19,885.4	
Lapses	(881.6)		(1,094.7)	
NET TOTAL	18,690.1		18,790.6	

FY 18 General Fund Appropriations (by function of government)

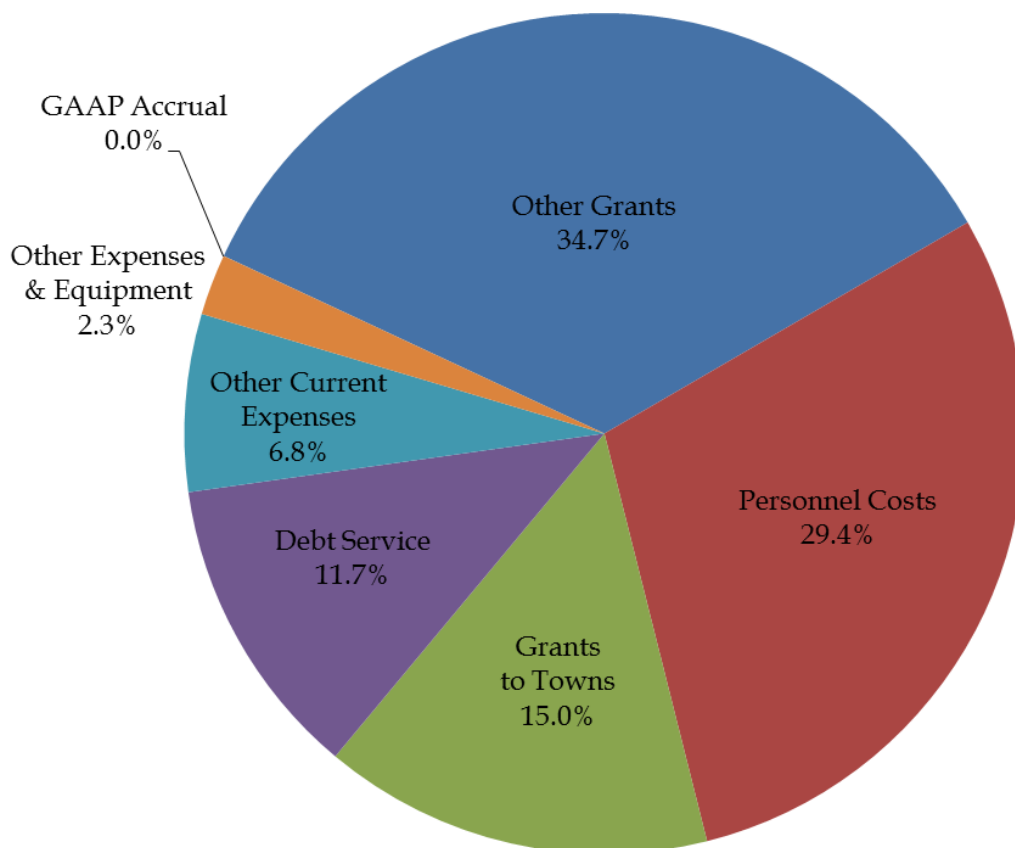


FY 19 General Fund Appropriations (by function of government)



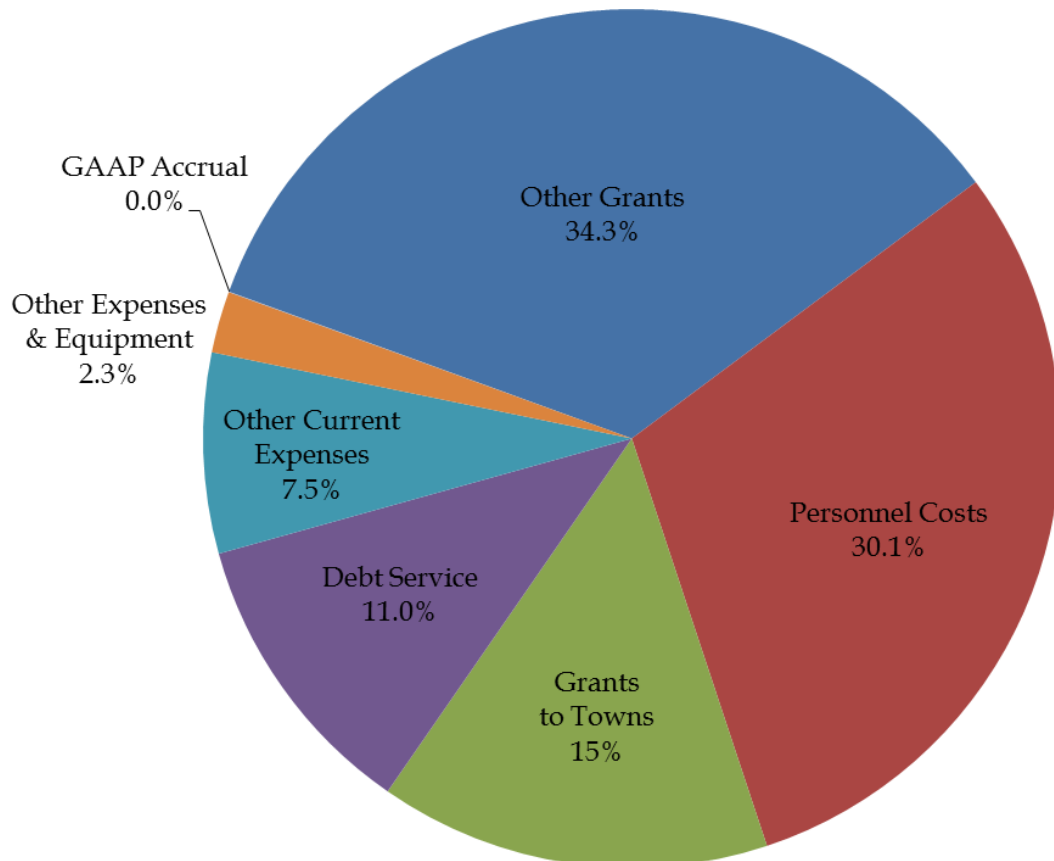
FY 18 General Fund Appropriations
(by expenditure type - in millions)

Expenditure Type	FY 18 \$	% of Total
Other Grants	6,787.3	34.7%
<i>Medicaid</i>	2,570.8	13.1%
<i>Teacher's Retirement Pension & Health</i>	1,309.6	6.7%
Personnel Costs	5,762.9	29.4%
<i>Fringe Benefits</i>	2,882.2	14.7%
Grants to Towns	2,935.0	15.0%
<i>Education Equalization Grants</i>	1,986.2	10.1%
<i>Magnet Schools</i>	328.1	1.7%
<i>PILOTS - State Owned & Private</i>	152.5	0.8%
Debt Service	2,291.1	11.7%
Other Current Expenses	1,335.7	6.8%
Other Expenses & Equipment	459.2	2.3%
GAAP Accrual	1.6	0.0%
Gross Total	19,571.7	
Lapses	(881.6)	
NET TOTAL	18,690.1	



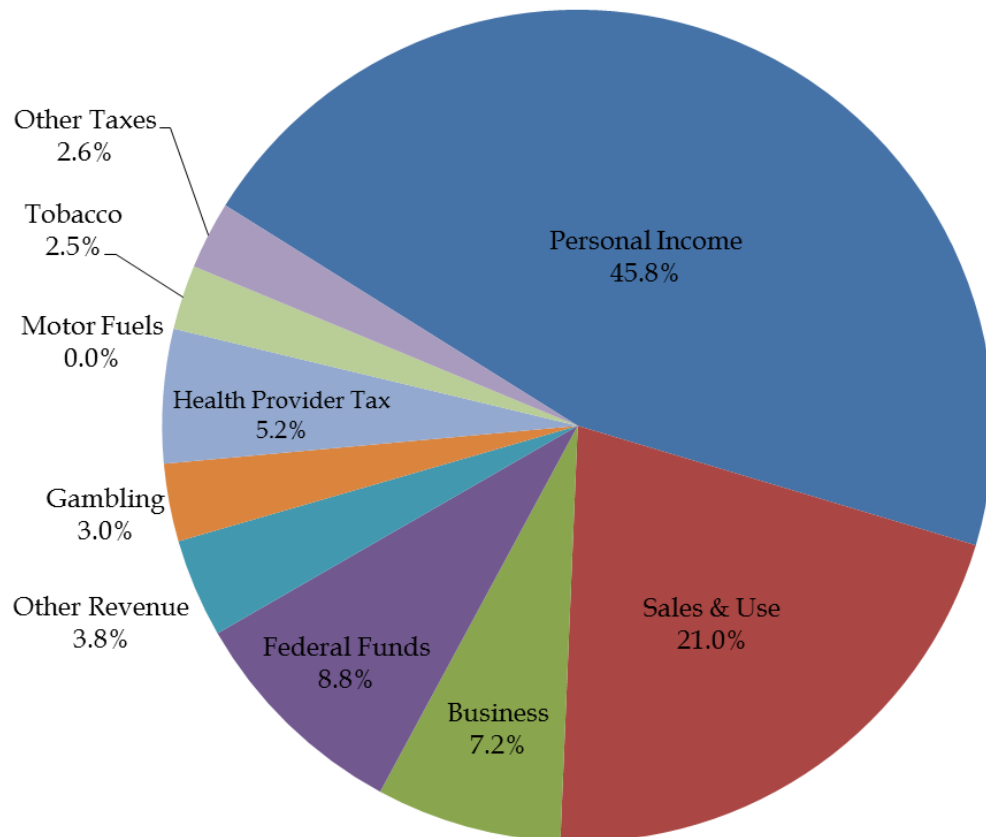
FY 19 General Fund Appropriations
(by expenditure type - in millions)

Expenditure Type	FY 19 \$	% of Total
Other Grants	6,787.3	34.7%
<i>Medicaid</i>	2,616.4	13.4%
<i>Teacher's Retirement Pension & Health</i>	1,351.6	6.9%
Personnel Costs	5,762.9	29.4%
<i>Fringe Benefits</i>	3,117.7	15.9%
Grants to Towns	2,935.0	15.0%
<i>Education Equalization Grants</i>	2,017.1	10.3%
<i>Magnet Schools</i>	326.5	1.7%
<i>PILOTS - State Owned & Private</i>	161.9	0.8%
Debt Service	2,291.1	11.7%
Other Current Expenses	1,335.7	6.8%
Other Expenses & Equipment	459.2	2.3%
GAAP Accrual	1.6	0.0%
Gross Total	19,571.7	
Lapses	(881.6)	
NET TOTAL	18,690.1	



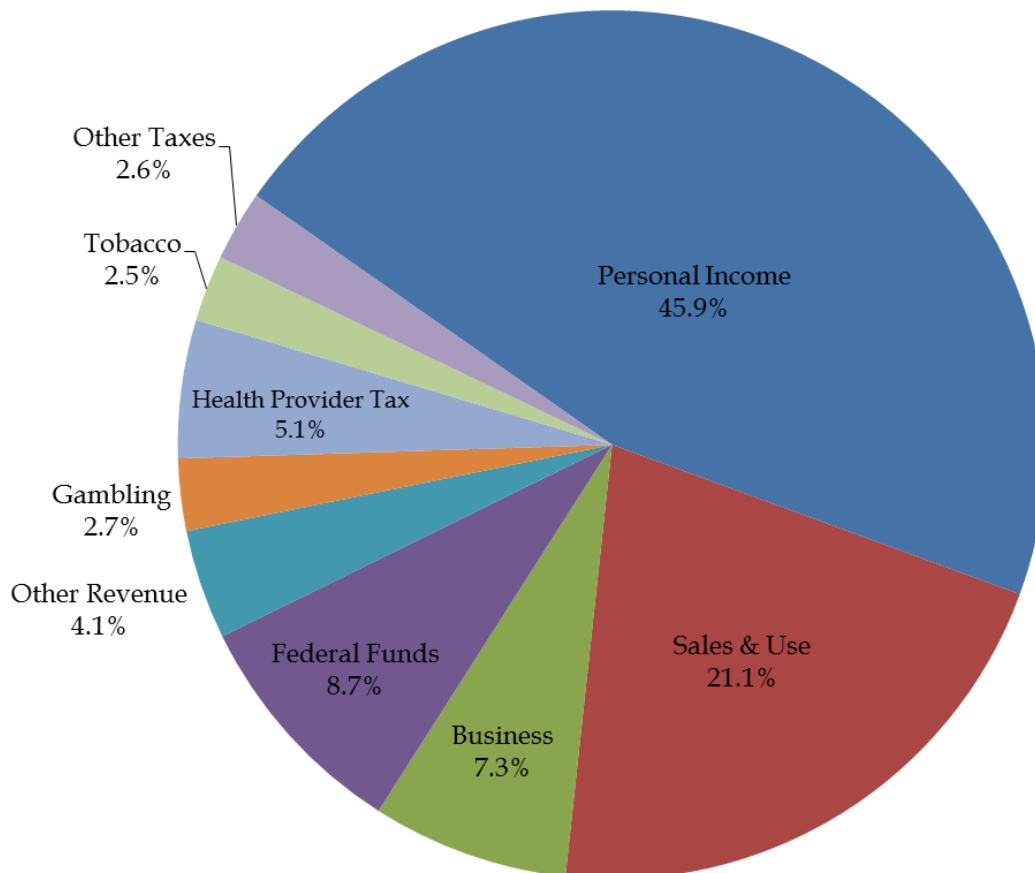
FY 18 General Fund Revenue
(by revenue item - in millions)

Revenue Item	FY 18 \$	% of Total
Personal Income	9,182.5	45.8%
Sales & Use	4,220.5	21.0%
Business	1,448.8	7.2%
Federal Funds	1,766.3	8.8%
Other Revenue	769.8	3.8%
Gambling	606.6	3.0%
Health Provider Tax	1,045.0	5.2%
Tobacco	503.9	2.5%
Other Taxes	527.5	2.6%
Gross Total	20,070.9	
Reductions	(1,331.6)	
NET TOTAL	18,739.3	



FY 19 General Fund Revenue
(by revenue item - in millions)

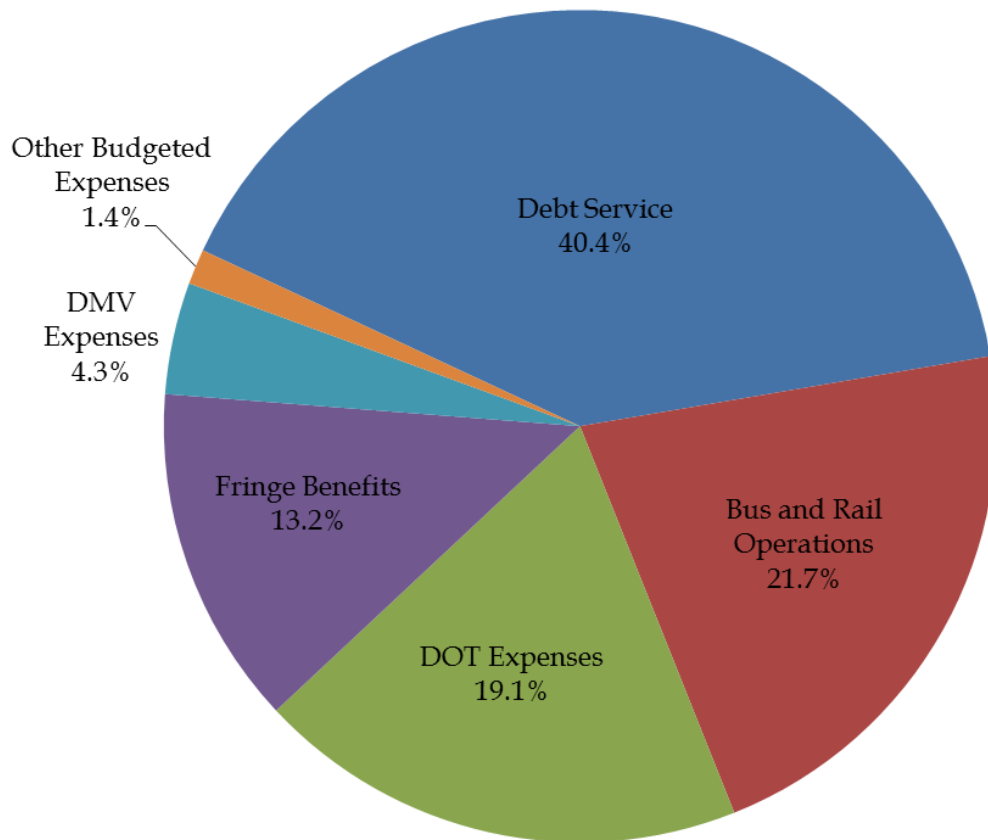
Revenue Item	FY 19 \$	% of Total
Personal Income	9,312.2	45.9%
Sales & Use	4,288.1	21.1%
Business	1,486.6	7.3%
Federal Funds	1,764.0	8.7%
Other Revenue	828.8	4.1%
Gambling	545.4	2.7%
Health Provider Tax	1,044.1	5.1%
Tobacco	501.5	2.5%
Other Taxes	530.6	2.6%
Gross Total	20,301.3	
Reductions	(1,393.1)	
NET TOTAL	18,908.2	



III. TRANSPORTATION FUND

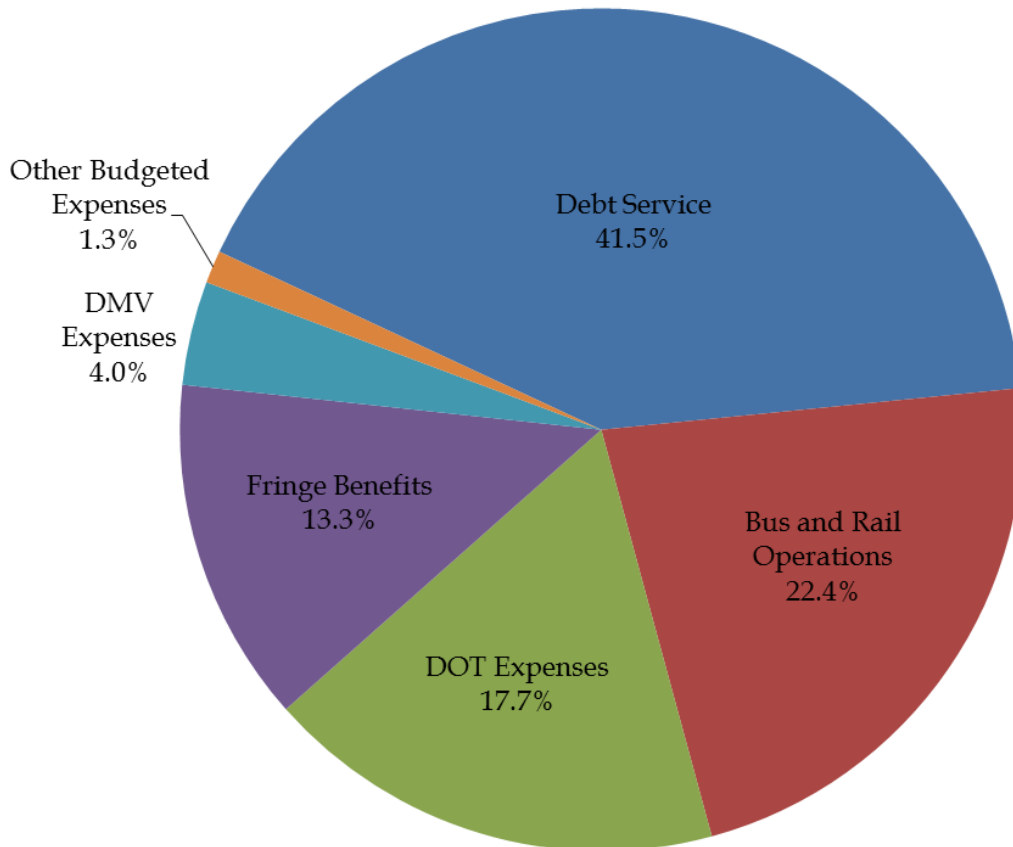
FY 18 Transportation Fund Appropriations (by expenditure type - in millions)

Expenditure Type	FY 18 \$	% of Total
Debt Service	614.7	40.4%
Bus and Rail Operations	329.7	21.7%
DOT Expenses	290.4	19.1%
Fringe Benefits	201.1	13.2%
DMV Expenses	66.2	4.3%
Other Budgeted Expenses	20.8	1.4%
Gross Total	1,522.9	
Lapses	(12.0)	
NET TOTAL	1,510.9	



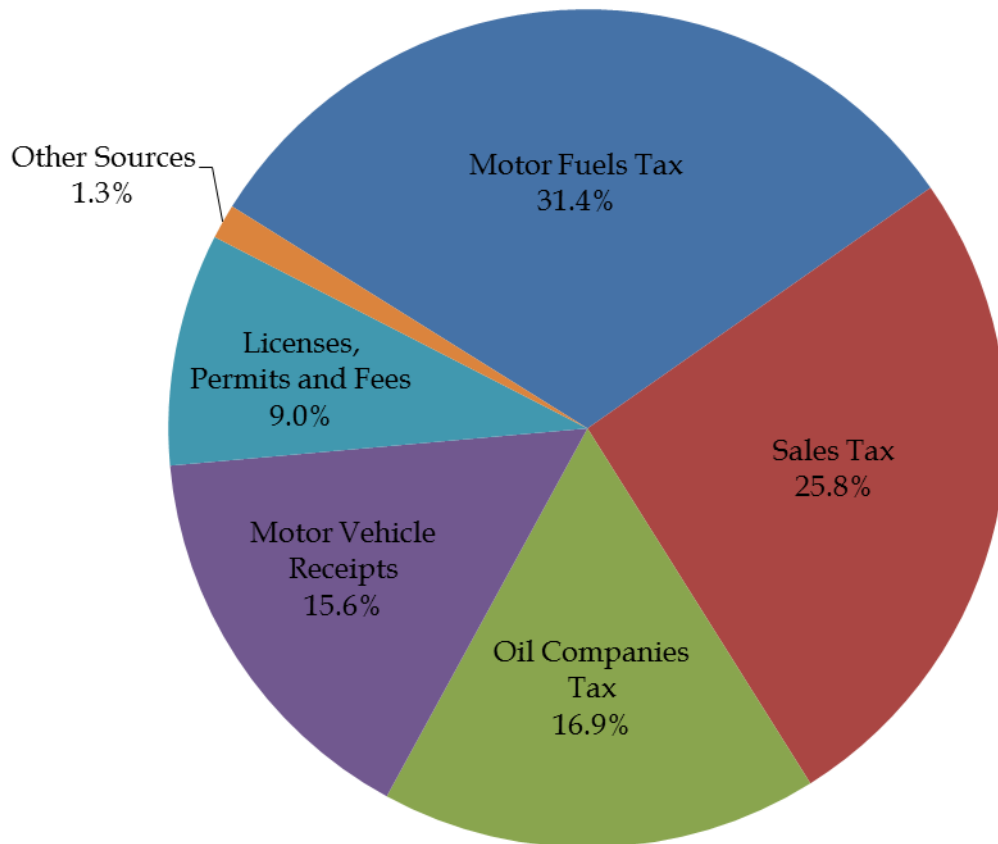
FY 19 Transportation Fund Appropriations
(by expenditure type - in millions)

Expenditure Type	FY 19 \$	% of Total
Debt Service	680.2	41.5%
Bus and Rail Operations	366.6	22.4%
DOT Expenses	290.0	17.7%
Fringe Benefits	217.4	13.3%
DMV Expenses	65.4	4.0%
Other Budgeted Expenses	20.5	1.3%
Gross Total	1,640.1	
Lapses	(12.0)	
NET TOTAL	1,628.1	



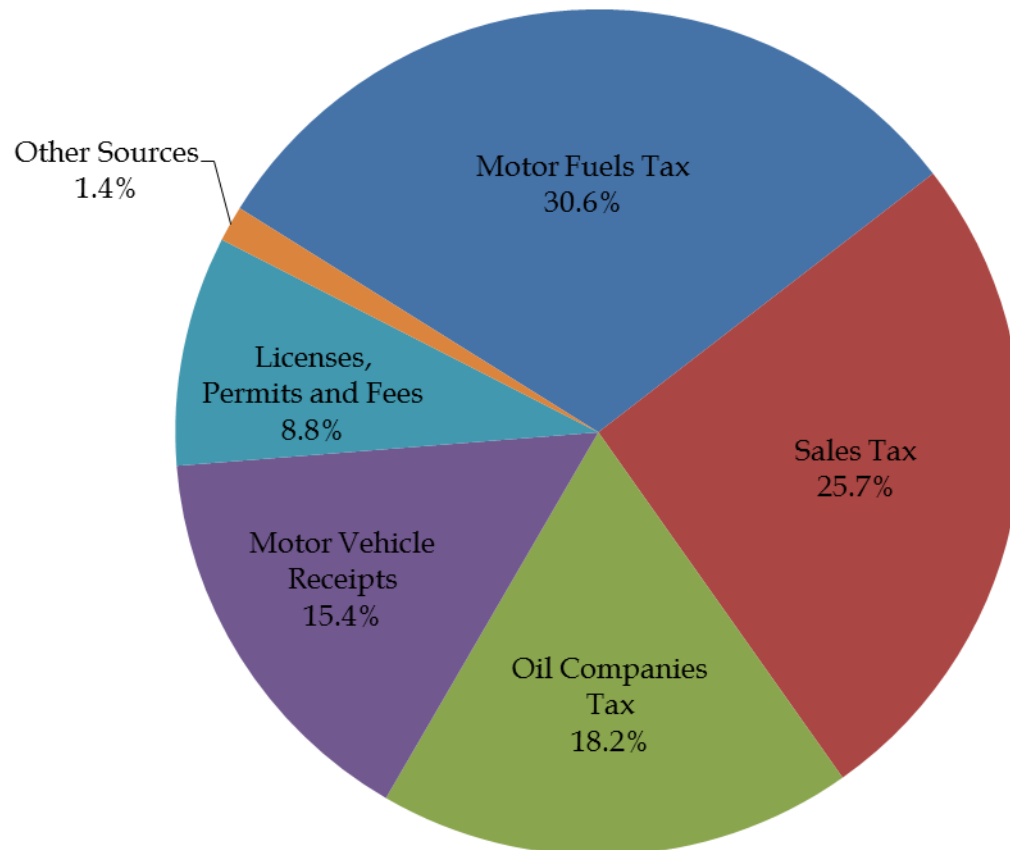
FY 18 Transportation Fund Revenue
(by revenue item - in millions)

Revenue Item	FY 18 \$	% of Total
Motor Fuels Tax	505.3	31.4%
Sales Tax	415.8	25.8%
Oil Companies Tax	271.8	16.9%
Motor Vehicle Receipts	251.8	15.6%
Licenses, Permits and Fees	144.4	9.0%
Other Sources	21.6	1.3%
Gross Total	1,610.7	
Transfers	(5.5)	
Reductions	(16.7)	
NET TOTAL	1,588.5	



FY 19 Transportation Fund Revenue
(by revenue item - in millions)

Revenue Item	FY 19 \$	% of Total
Motor Fuels Tax	506.1	31.4%
Sales Tax	424.2	26.3%
Oil Companies Tax	300.2	18.6%
Motor Vehicle Receipts	253.8	15.8%
Licenses, Permits and Fees	145.2	9.0%
Other Sources	22.5	1.4%
Gross Total	1,652.0	
Transfers	(5.5)	
Reductions	(18.4)	
NET TOTAL	1,628.1	



FY 18 and FY 19 Special Transportation Fund Projections
(in millions)

	FY 18 \$	FY 19 \$
Beginning Balance	97.6	175.2
Revenues		
Taxes		
Motor Fuels Tax	505.3	506.1
Petroleum Products Tax	271.8	300.2
Sales Tax – DMV	88.0	88.8
Sales & Use Tax	327.8	335.4
Refund of Taxes	(12.6)	(14.1)
Subtotal	1,180.3	1,216.4
Other Revenue		
Motor Vehicle Receipts	251.8	253.8
License, Permits and Fees	144.4	145.2
Interest Income	9.5	10.4
Federal Grants	12.1	12.1
Transfers (to)/from other Funds ¹	(5.5)	(5.5)
Subtotal	412.3	416.0
Less Refunds of Payments	(3.7)	(3.8)
Total - Revenues	1,588.5	1,628.1
Expenditures		
Debt Service	614.7	680.2
DOT Budgeted Expenses	620.1	656.6
DMV Budgeted Expenses	66.2	65.4
Other Budgeted Expenses	221.9	237.9
Subtotal	1,522.9	1640.1
Less Unallocated Lapses	(12.0)	(12.0)
Total - Expenditures	1,510.9	1,628.1
Surplus/(Deficit)	77.6	-
Ending Balance	175.2	175.2
Debt Service Ratio²	2.5	2.4

¹CGS 14-164m transfers \$5.5 million to the Emissions Enterprise Fund.

²Pledged revenues for reserves required under the Indentures in an amount at least two (2) times the aggregate Principal and Interest Requirements on all outstanding Bonds and Notes.

IV. OTHER APPROPRIATED FUNDS

Other Appropriated Funds	Actual FY 16 \$	Actual FY 17 \$	Projected FY 18 \$	Projected FY 19 \$	Projected FY 20 \$	Projected FY 21 \$	Projected FY 22 \$
Mashantucket Pequot and Mohegan Fund							
Beginning Balance	-	-	23,390	23,390	23,390	23,390	23,390
Revenue	61,687,907	58,100,000	57,649,850	49,942,796	57,649,850	57,649,850	57,649,850
Expenditures	(61,687,907)	(58,076,610)	(57,649,850)	(49,942,796)	(57,649,850)	(57,649,850)	(57,649,850)
Transfers	-	-	-	-	-	-	-
Ending Balance	-	23,390	23,390	23,390	23,390	23,390	23,390
Regional Market Operating Fund							
Beginning Balance	307,405	122,592	48,153	80,847	113,541	140,850	135,978
Revenue	864,337	869,872	1,100,000	1,100,000	1,100,000	1,100,000	1,150,000
Expenditures	(1,049,150)	(944,311)	(1,067,306)	(1,067,306)	(1,072,691)	(1,104,872)	(1,138,018)
Transfers	-	-	-	-	-	-	-
Ending Balance	122,592	48,153	80,847	113,541	140,850	135,978	147,960
Banking Fund							
Beginning Balance	14,344,493	8,587,945	2,035,948	622,664	1,235,816	12,848,968	26,262,120
Revenue	30,084,413	30,535,631	37,200,000	37,200,000	37,200,000	37,200,000	37,200,000
Expenditures	(28,840,961)	(26,087,628)	(27,413,284)	(27,386,848)	(25,586,848)	(23,786,848)	(23,786,848)
Transfers	(7,000,000)	(11,000,000)	(11,200,000)	(9,200,000)	-	-	-
Ending Balance	8,587,945	2,035,948	622,664	1,235,816	12,848,968	26,262,120	39,675,272
Insurance Fund							
Beginning Balance	4,062,349	11,607,796	8,331,330	8,332,231	8,432,068	8,532,068	8,632,068
Revenue	82,966,591	72,985,878	87,300,000	92,200,000	92,200,000	92,200,000	92,200,000
Expenditures	(75,458,972)	(76,405,592)	(87,299,099)	(92,100,163)	(92,100,000)	(92,100,000)	(92,100,000)
Transfers	37,828	143,248	-	-	-	-	-
Ending Balance	11,607,796	8,331,330	8,332,231	8,432,068	8,532,068	8,632,068	8,732,068
Consumer Counsel and Public Utility Control Fund							
Beginning Balance	8,531,688	5,327,701	8,436,946	9,364,992	12,793,038	15,453,926	17,324,640
Revenue	24,886,839	28,452,825	29,000,000	29,000,000	29,000,000	29,000,000	29,000,000
Expenditures	(26,090,826)	(25,343,580)	(25,571,954)	(25,571,954)	(26,339,113)	(27,129,286)	(27,943,165)
Transfers	(2,000,000)	-	(2,500,000)	-	-	-	-
Ending Balance	5,327,701	8,436,946	9,364,992	12,793,038	15,453,926	17,324,640	18,381,475

Other Appropriated Funds	Actual FY 16 \$	Actual FY 17 \$	Projected FY 18 \$	Projected FY 19 \$	Projected FY 20 \$	Projected FY 21 \$	Projected FY 22 \$
Workers' Compensation Fund							
Beginning Balance	13,372,894	15,320,563	21,582,782	10,965,084	12,326,215	12,470,251	12,719,656
Revenue	25,168,214	28,162,271	14,034,732	26,301,633	25,583,348	26,197,503	26,721,453
Expenditures	(23,220,545)	(21,900,052)	(24,652,430)	(24,940,502)	(25,439,312)	(25,948,098)	(26,467,060)
Transfers	-	-	-	-	-	-	-
Ending Balance	15,320,563	21,582,782	10,965,084	12,326,215	12,470,251	12,719,656	12,974,049
Criminal Injuries Compensation Fund							
Beginning Balance	2,875,078	3,212,619	3,329,351	3,395,263	3,461,175	3,611,175	3,761,175
Revenue	3,915,184	3,031,614	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Expenditures	(2,827,643)	(2,917,819)	(2,934,088)	(2,934,088)	(2,850,000)	(2,850,000)	(2,850,000)
Transfers	(750,000)	2,937	-	-	-	-	-
Ending Balance	3,212,619	3,329,351	3,395,263	3,461,175	3,611,175	3,761,175	3,911,175
Municipal Revenue Sharing Fund							
Beginning Balance	-	-	47,111	47,111	47,111	47,111	47,111
Revenue	-	184,250,000	-	-	-	-	-
Expenditures	-	(184,202,889)	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Ending Balance	-	47,111	47,111	47,111	47,111	47,111	47,111
Tourism Fund							
Beginning Balance	-	-	-	-	55,012	491,024	1,319,466
Revenue	-	-	-	12,700,000	13,081,000	13,473,430	13,877,633
Expenditures	-	-	-	(12,644,988)	(12,644,988)	(12,644,988)	(12,644,988)
Transfers	-	-	-	-	-	-	-
Ending Balance	-	-	-	55,012	491,024	1,319,466	2,552,111
Totals							
Beginning Balance	43,493,906	44,179,216	43,835,011	32,831,582	38,487,366	53,618,762	70,225,603
Revenue	229,573,486	406,388,091	229,284,582	251,444,429	258,814,198	259,820,783	260,798,936
Expenditures	(219,176,005)	(395,878,481)	(226,588,011)	(236,588,645)	(243,682,802)	(243,213,942)	(244,579,928)
Transfers	(9,712,172)	(10,853,815)	(13,700,000)	(9,200,000)	-	-	-
ENDING BALANCE	44,179,216	43,835,011	32,831,582	38,487,366	53,618,762	70,225,603	86,444,611

Other Appropriated Funds Explained (alphabetical)

Banking Fund: The Banking Fund is supported by: (1) consumer credit and securities licensing fees; (2) securities registration fees; and (3) a fee assessed on state banks and credit unions based on asset size. Funds are used primarily for the ongoing operation of the Department of Banking.

Consumer Counsel/Department of Public Utility Control Fund: The Consumer Counsel & Public Utility Control Fund supports the operations of the energy division of the Department of Energy and Environmental Protection, the Office of the Consumer Counsel, and the Connecticut Siting Council. Each agency assesses the regulated public utility entities (electric, gas, water and cable) to cover the agencies' costs. Each regulated entity is responsible for their portion of the total needs of the agencies, based on their percentage of the public service companies' tax.

Criminal Injuries Compensation Fund: The Criminal Injuries Compensation Fund is administered by the Office of Victim Services within the Judicial Department. The Office of Victim Services compensates eligible crime victims or their immediate families for actual and reasonable expenses, lost wages, and pecuniary and other losses resulting from injury or death. Maximum awards are \$15,000 for personal injuries and \$25,000 for death. The Criminal Injuries Compensation Fund receives funding from three major sources: (1) Costs imposed in criminal prosecutions and certain fines and fees; (2) federal funding; and (3) money from the person directly responsible for a victim's criminal injuries or death.

Insurance Fund: The Insurance Fund supports the operation of the Department of Insurance and the Office of the Healthcare Advocate, and certain programs under the Department of Public Health. The Department assesses domestic insurance companies and entities to cover the cost of these agencies. The assessment is built around the total amount of premium taxes paid to the Department of Revenue Services by domestic insurance companies and entities for the preceding year.

Mashantucket Pequot/Mohegan Fund: The Mashantucket Pequot Mohegan Fund is an appropriation that reduces the amount of slot machine revenues that are otherwise deposited into the General Fund. The appropriation provides grants to towns.

Regional Market Operation Fund: The Regional Market Operation Fund is operated by the state as a self-sustaining non-profit venture which is fully funded by fees generated from the operation of the Market. Its purpose is to provide a central location for farmers and wholesalers to sell and distribute food and other agricultural products. The Market covers 32 acres and encompasses 230,386 square feet of warehouse space, an active railroad spur and 144 stalls in the farmers' market.

Workers' Compensation Fund: The Workers' Compensation Fund supports the operation of the Workers Compensation Commission. The Commission administers the Connecticut workers' compensation system according to the provisions of the Workers' Compensation Act including determining benefits for work-related disabilities and injuries. The State Treasurer assesses private insurance companies and employers to cover the Commission's annual costs. The assessment is built around the proportion of the preceding year's expenses that the state bore on behalf of each self-insured employer or private insurance carrier.

V. APPROPRIATIONS

Budgeted Lapses and Agency Holdbacks

The FY 18 and FY 19 budget includes \$893.6 million in FY 18 and \$1,107 million in FY 19 lapses. The lapses are identified below with a brief explanation.

FY 18 and FY 19 Budget Lapses

Lapse	FY 18 \$	FY 19 \$	Explanation
General Fund Lapses (GF)			
Achieve Labor Concessions	(700,000,000)	(867,600,000)	GF savings are attributed to the SEBAC 2017 agreement, including \$300.6 million in the RSA account, \$257.9 million in fringe benefits, \$75.6 million in staffing reductions due to attrition, \$35.6 million in furlough and longevity deferrals, and \$22.8 million in non-GF funds.
Unallocated Lapse ¹	(46,250,000)	(60,765,570)	This reduction reflects an adjustment to gross appropriations due to an anticipated level of under spending across all GF agencies and accounts.
Targeted Savings	(111,814,090)	(150,878,179)	Other Expense accounts were reduced by 5%, most human services accounts were reduced by 2%, and most municipal aid grants were reduced by 2.5% to achieve savings.
Reflect Delay	(8,500,000)	-	Savings anticipated due to implementation delays for various programs and services.
Statewide Hiring Reduction	(6,500,000)	(7,000,000)	Savings anticipated to be achieved by hiring reductions and other savings initiatives in a manner to be determined by OPM. All GF agency Personal Services accounts could be subject to this reduction.
Municipal Aid Savings	(8,500,000)	(8,500,000)	This lapse will be achieved in FY 18 via holdbacks of each town's Education Cost Sharing funding. The FY 18 holdbacks are equal to half of the cost to administer the state funded Renters' Rebate program in each town, or \$250,000, whichever is lower.
Subtotal	(881,564,090)	(1,094,743,749)	
Transportation Fund Lapses			
Unallocated Lapse	(12,000,000)	(12,000,000)	This reduction reflects an adjustment to gross appropriations due to an anticipated level of under spending across all Transportation Fund agencies and accounts.
Subtotal	(12,000,000)	(12,000,000)	
TOTAL	(893,564,090)	(1,106,743,749)	

¹The amounts shown are totals by category but the budget act contains a distribution of each by branch of government.

FY 18 Budget Allocated Lapses (Holdbacks)

Sections 12, 13, 14, 15, 16, and 28 of PA 17-2 (JSS) and section 16 of PA 17-4 (JSS) contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses (typically called holdbacks) to state agencies in the three branches of government. The following five lapses are allocated to state agencies via holdbacks by OPM: (1) Achieve Labor Concessions Lapse of \$700 million, (2) a Targeted Savings Lapse of \$111.8 million, (3) a Reflect Delay of Implementation Lapse of \$8.5 million, (4) a Statewide Hiring Reduction Lapse of \$6.5 million, and a (5) Municipal Aid Savings Lapse of \$8.5 million.

The following schedules identify the allocation (holdback) by lapse category, agency and account.

FY 18 Achieve Labor Concessions Allocated Lapse

Agency	Account	FY 18 Holdback \$
General Fund		
Agricultural Experiment Station	Personal Services	205,959
Agricultural Experiment Station	Mosquito Control	4,635
Agricultural Experiment Station	Wildlife Disease Prevention	1,395
Attorney General	Personal Services	978,213
Auditors of Public Accounts	Personal Services	265,594
Board of Regents for Higher Education	Charter Oak State College	72,879
Board of Regents for Higher Education	Community Tech College System	6,572,968
Board of Regents for Higher Education	Connecticut State University	6,463,487
Board of Regents for Higher Education	Board of Regents	4,635
Board of Regents for Higher Education	Developmental Services	235,286
Board of Regents for Higher Education	Outcomes-Based Funding Incentive	31,732
Commission on Human Rights and Opportunities	Personal Services	225,993
Council on Environmental Quality	Personal Services	789
Department of Administrative Services	Personal Services	1,699,505
Department of Agriculture	Personal Services	126,156
Department of Children and Families	Personal Services	10,352,453
Department of Consumer Protection	Personal Services	498,121
Department of Correction	Personal Services	10,889,139
Department of Correction	Board of Pardons and Paroles	163,547
Department of Developmental Services	Personal Services	8,228,453

Agency	Account	FY 18 Holdback \$
Department of Economic and Community Development	Personal Services	259,671
Department of Education	Personal Services	602,488
Department of Education	Development of Mastery Exams Grades 4, 6, and 8	47,748
Department of Education	Longitudinal Data Systems	1,474
Department of Education	Sheff Settlement	9,969
Department of Education	Regional Vocational-Technical School System	5,226,504
Department of Education	Talent Development	5,967
Department of Emergency Services and Public Protection	Personal Services	4,314,410
Department of Energy and Environmental Protection	Personal Services	783,802
Department of Energy and Environmental Protection	Mosquito Control	1,807
Department of Energy and Environmental Protection	Dam Maintenance	302
Department of Energy and Environmental Protection	Emergency Spill Response	216,398
Department of Energy and Environmental Protection	Solid Waste Management	81,337
Department of Energy and Environmental Protection	Underground Storage Tank	11,260
Department of Energy and Environmental Protection	Clean Air	107,456
Department of Energy and Environmental Protection	Environmental Conservation	134,318
Department of Energy and Environmental Protection	Environmental Quality	278,700
Department of Housing	Personal Services	66,627
Department of Mental Health and Addiction Services	Personal Services	7,744,289
Department of Mental Health and Addiction Services	Managed Service System	235,943
Department of Mental Health and Addiction Services	General Assistance Managed Care	1,536
Department of Mental Health and Addiction Services	Young Adult Services	934,252
Department of Mental Health and Addiction Services	TBI Community Services	39,061
Department of Mental Health and Addiction Services	Home and Community Based Services	5,932

Agency	Account	FY 18 Holdback \$
Department of Mental Health and Addiction Services	Forensic Services	43,354
Department of Public Health	Personal Services	1,337,365
Department of Revenue Services	Personal Services	2,200,812
Department of Social Services	Personal Services	4,629,260
Department of Veterans' Affairs	Personal Services	754,309
Division of Criminal Justice	Personal Services	2,287,721
Division of Criminal Justice	Medicaid Fraud Control	23,102
Division of Criminal Justice	Cold Case Unit	901
Division of Criminal Justice	Shooting Taskforce	18,799
Elections Enforcement Commission	Elections Enforcement Commission	31,842
Freedom of Information Commission	Freedom of Information Commission	13,488
Governor's Office	Personal Services	51,299
Judicial Department	Personal Services	13,546,942
Labor Department	Personal Services	310,455
Labor Department	CETC Workforce	832
Labor Department	Workforce Investment Act	124,530
Labor Department	Jobs First Employment Services	5,422
Labor Department	Apprenticeship Program	6,894
Labor Department	Connecticut Career Resource Network	2,050
Labor Department	Veterans' Opportunity Pilot	3,699
Legislative Management	Personal Services	1,117,455
Military Department	Personal Services	97,291
Office of Early Childhood	Personal Services	288,888
Office of Governmental Accountability	Judicial Review Council	1,175
Office of Governmental Accountability	Office of the Child Advocate	2,871
Office of Governmental Accountability	Office of the Victim Advocate	3,199
Office of Governmental Accountability	Board of Firearms Permit Examiners	336
Office of Higher Education	Personal Services	59,420
Office of Higher Education	Minority Advancement Program	600
Office of Higher Education	National Service Act	686
Office of Policy and Management	Personal Services	285,534
Office of Policy and Management	Justice Assistance Grants	612
Office of State Ethics	Office of State Ethics	10,680
Office of the Chief Medical Examiner	Personal Services	173,217
Psychiatric Security Review Board	Personal Services	1,674

Agency	Account	FY 18 Holdback \$
Public Defender Services Commission	Personal Services	1,969,082
Reserve for Salary Adjustments	Reserve For Salary Adjustments	300,600,000
Secretary of the State	Personal Services	89,817
Secretary of the State	Commercial Recording Division	110,357
State Comptroller	Personal Services	836,430
State Comptroller - Fringe Benefits	State Employees Retirement Contributions	149,700,000
State Comptroller - Fringe Benefits	State Employees Health Service Cost	43,200,000
State Comptroller - Fringe Benefits	Retired State Employees Health Service Cost	65,000,000
State Dept of Rehabilitation	Personal Services	173,531
State Dept of Rehabilitation	Educational Aid for Blind and Visually Handicapped Children	124,792
State Library	Personal Services	193,123
State Library	Interlibrary Loan Delivery Service	3,756
State Treasurer	Personal Services	94,253
Teachers' Retirement Board	Personal Services	60,676
University of Connecticut	Operating Expenses	7,039,007
University of Connecticut	Next Generation Connecticut	449,902
University of Connecticut Health Center	Operating Expenses	4,203,035
University of Connecticut Health Center	AHEC	199
University of Connecticut Health Center	Bioscience	281,908
General Fund Total		669,698,772
Special Transportation Fund		
Department of Energy and Environmental Protection	Personal Services	15,540
Department of Motor Vehicles	Personal Services	486,669
Department of Transportation	Personal Services	2,539,724
Department of Transportation	Rail Operations	5,619
Department of Transportation	Pay-As-You-Go Transportation Projects	9,360
State Comptroller - Fringe Benefits	State Employees Retirement Contributions	16,400,000
State Comptroller - Fringe Benefits	State Employees Health Service Cost	2,800,000
Special Transportation Fund Total		22,256,912
Banking Fund		
Department of Banking	Personal Services	124,664
Judicial Department	Foreclosure Mediation Program	27,284
Banking Fund Total		151,948
Insurance Fund		

Agency	Account	FY 18 Holdback \$
Department of Public Health	Breast and Cervical Cancer Detection and Treatment	2,207
Department of Public Health	Immunization Services	2,097
Insurance Department	Personal Services	153,771
Office of Policy and Management	Personal Services	1,064
Office of the Healthcare Advocate	Personal Services	18,704
Insurance Fund Total		177,843
Consumer Counsel and Public Utility Control Fund		
Department of Energy and Environmental Protection	Personal Services	122,799
Office of Consumer Counsel	Personal Services	12,127
Consumer Counsel and Public Utility Control Fund Total		134,926
Workers' Compensation Fund		
Division of Criminal Justice	Personal Services	8,706
Labor Department	Occupational Health Clinics	848
State Dept of Rehabilitation	Personal Services	6,654
Workers' Compensation Commission	Personal Services	109,289
Workers' Compensation Fund Total		125,497
Regional Market Operation Fund		
Department of Agriculture	Personal Services	2,032
Regional Market Operation Fund Total		2,032
Total - Labor Concessions Allocated Lapse - All Appropriated Funds		692,547,930

FY 18 General Fund Targeted Savings Lapse

Agency	Account	FY 18 Holdback \$
General Fund		
Agricultural Experiment Station	Other Expenses	45,528
Attorney General	Other Expenses	48,445
Auditors of Public Accounts	Other Expenses	13,607
Board of Regents for Higher Education	Institute for Municipal and Regional Policy	994,650
Commission on Equity and Opportunity	Other Expenses	1,500
Commission on Human Rights and Opportunities	Other Expenses	15,103
Commission on Women, Children and Seniors	Other Expenses	1,500
Council on Environmental Quality	Other Expenses	31
Department of Administrative Services	Other Expenses	1,427,162
Department of Administrative Services	Connecticut Education Network	95,291
Department of Administrative Services	IT Services	624,451
Department of Administrative Services	Firefighters Fund	300,000
Department of Agriculture	Other Expenses	42,252
Department of Agriculture	Tuberculosis and Brucellosis Indemnity	97
Department of Children and Families	Other Expenses	1,528,801
Department of Children and Families	Juvenile Justice Outreach Services	108,875
Department of Children and Families	Covenant to Care	2,725
Department of Consumer Protection	Other Expenses	59,684
Department of Correction	Other Expenses	3,348,651
Department of Correction	STRIDE	10,866
Department of Correction	Program Evaluation	56,250
Department of Correction	Volunteer Services	12,946
Department of Developmental Services	Other Expenses	833,256
Department of Developmental Services	Behavioral Services Program	449,570
Department of Developmental Services	Supplemental Payments for Medical Services	75,229
Department of Developmental Services	ID Partnership Initiatives	28,000
Department of Developmental Services	Rent Subsidy Program	97,598
Department of Developmental Services	Employment Opportunities and Day Services	3,570,059
Department of Economic and Community Development	Other Expenses	26,367
Department of Economic and Community Development	Northwestern Tourism	300,000
Department of Economic and Community	Eastern Tourism	300,000

Agency	Account	FY 18 Holdback \$
Development		
Department of Economic and Community Development	Central Tourism	300,000
Department of Education	Other Expenses	163,097
Department of Education	Primary Mental Health	38,365
Department of Education	Leadership, Education, Athletics in Partnership (LEAP)	46,253
Department of Education	Adult Education Action	21,615
Department of Education	Connecticut Writing Project	3,000
Department of Education	Resource Equity Assessments	13,438
Department of Education	Neighborhood Youth Centers	65,017
Department of Education	Longitudinal Data Systems	121,295
Department of Education	Parent Trust Fund Program	39,584
Department of Education	New or Replicated Schools	48,000
Department of Education	Bridges to Success	4,000
Department of Education	K-3 Reading Assessment Pilot	246,158
Department of Education	School-Based Diversion Initiative	100,000
Department of Education	Technical High Schools Other Expenses	1,193,083
Department of Education	American School For The Deaf	825,000
Department of Education	Youth Service Bureau Enhancement	64,886
Department of Education	Vocational Agriculture	255,715
Department of Education	Adult Education	509,599
Department of Education	Health and Welfare Services Pupils Private Schools	88,164
Department of Education	Education Equalization Grants	7,404,593
Department of Education	Bilingual Education	71,208
Department of Education	Priority School Districts	952,586
Department of Education	Young Parents Program	10,616
Department of Education	Interdistrict Cooperation	1,000,000
Department of Education	School Breakfast Program	53,973
Department of Education	Excess Cost - Student Based	3,563,572
Department of Education	Youth Service Bureaus	64,962
Department of Education	Open Choice Program	952,266
Department of Education	Magnet Schools	18,548,222
Department of Education	After School Program	118,017
Department of Emergency Services and Public Protection	Other Expenses	1,331,196

Agency	Account	FY 18 Holdback \$
Department of Emergency Services and Public Protection	Fire Training School - Willimantic	150,076
Department of Emergency Services and Public Protection	Maintenance of County Base Fire Radio Network	2,170
Department of Emergency Services and Public Protection	Maintenance of State-Wide Fire Radio Network	1,444
Department of Emergency Services and Public Protection	Fire Training School - Torrington	81,367
Department of Emergency Services and Public Protection	Fire Training School - New Haven	48,364
Department of Emergency Services and Public Protection	Fire Training School - Derby	37,139
Department of Emergency Services and Public Protection	Fire Training School - Wolcott	100,162
Department of Emergency Services and Public Protection	Fire Training School - Fairfield	70,395
Department of Emergency Services and Public Protection	Fire Training School - Hartford	169,336
Department of Emergency Services and Public Protection	Fire Training School - Middletown	68,470
Department of Emergency Services and Public Protection	Fire Training School - Stamford	55,432
Department of Energy and Environmental Protection	Other Expenses	70,413
Department of Energy and Environmental Protection	Greenways Account	2
Department of Energy and Environmental Protection	Fish Hatcheries	200,000
Department of Housing	Other Expenses	8,102
Department of Housing	Elderly Rental Registry and Counselors	20,709
Department of Housing	Homeless Youth	46,582
Department of Housing	Congregate Facilities Operation Costs	146,724
Department of Housing	Elderly Congregate Rent Subsidy	39,641
Department of Housing	Housing/Homeless Services	1,480,484
Department of Housing	Housing/Homeless Services - Municipality	11,739
Department of Mental Health and Addiction Services	Other Expenses	1,220,619
Department of Mental Health and Addiction Services	Housing Supports and Services	465,394
Department of Mental Health and Addiction Services	Managed Service System	1,004,042
Department of Mental Health and Addiction Services	Connecticut Mental Health Center	656,966

Agency	Account	FY 18 Holdback \$
Department of Mental Health and Addiction Services	General Assistance Managed Care	820,408
Department of Mental Health and Addiction Services	Nursing Home Screening	12,727
Department of Mental Health and Addiction Services	Young Adult Services	1,036,144
Department of Mental Health and Addiction Services	TBI Community Services	155,367
Department of Mental Health and Addiction Services	Jail Diversion	95,000
Department of Mental Health and Addiction Services	Medicaid Adult Rehabilitation Option	85,393
Department of Mental Health and Addiction Services	Discharge and Diversion Services	490,676
Department of Mental Health and Addiction Services	Home and Community Based Services	427,275
Department of Mental Health and Addiction Services	Nursing Home Contract	8,359
Department of Mental Health and Addiction Services	Pre-Trial Account	620,352
Department of Mental Health and Addiction Services	Katie Blair House	15,000
Department of Mental Health and Addiction Services	Forensic Services	170,931
Department of Mental Health and Addiction Services	Grants for Substance Abuse Services	355,765
Department of Mental Health and Addiction Services	Grants for Mental Health Services	1,317,491
Department of Mental Health and Addiction Services	Employment Opportunities	178,036
Department of Public Health	Other Expenses	389,978
Department of Public Health	Community Health Services	33,785
Department of Public Health	Rape Crisis	11,162
Department of Public Health	School Based Health Clinics	420,780
Department of Revenue Services	Other Expenses	398,056
Department of Social Services	Other Expenses	7,151,461
Department of Social Services	Connecticut Home Care Program	2,180,000
Department of Social Services	Human Resource Development-Hispanic Programs	663,756
Department of Social Services	Community Residential Services	11,078,580
Department of Social Services	Safety Net Services	514,561
Department of Social Services	Services for Persons With Disabilities	96,356

Agency	Account	FY 18 Holdback \$
Department of Social Services	Nutrition Assistance	93,944
Department of Social Services	Connecticut Children's Medical Center	227,829
Department of Social Services	Community Services	298,320
Department of Social Services	Human Service Infrastructure Community Action Program	59,890
Department of Social Services	Teen Pregnancy Prevention	25,426
Department of Social Services	Programs for Senior Citizens	117,908
Department of Social Services	Family Programs - TANF	287,498
Department of Social Services	Domestic Violence Shelters	106,090
Department of Social Services	Human Resource Development-Hispanic Programs - Municipality	4,120
Department of Social Services	Teen Pregnancy Prevention - Municipality	2,006
Department of Veterans' Affairs	Other Expenses	152,812
Department of Veterans' Affairs	SSMF Administration	10,437
Division of Criminal Justice	Other Expenses	113,820
Governor's Office	Other Expenses	9,270
Governor's Office	Coalition of Northeastern Governors	7,439
Governor's Office	National Governors' Association	11,689
Judicial Department	Other Expenses	3,053,400
Judicial Department	Alternative Incarceration Program	990,776
Judicial Department	Justice Education Center, Inc.	9,324
Judicial Department	Juvenile Alternative Incarceration	413,669
Judicial Department	Probate Court	200,000
Judicial Department	Youthful Offender Services	208,911
Judicial Department	Victim Security Account	176
Judicial Department	Children of Incarcerated Parents	10,890
Judicial Department	Legal Aid	31,048
Judicial Department	Youth Violence Initiative	38,506
Judicial Department	Youth Services Prevention	3,187,174
Judicial Department	Children's Law Center	2,054
Judicial Department	Juvenile Planning	333,792
Judicial Department	Juvenile Justice Outreach Services	111,495
Judicial Department	Board and Care for Children - Short-term and Residential	65,643
Labor Department	Other Expenses	54,017
Labor Department	CETC Workforce	61,959
Labor Department	Job Funnels Projects	10,866

Agency	Account	FY 18 Holdback \$
Labor Department	Jobs First Employment Services	1,386,961
Labor Department	Cradle To Career	100,000
Labor Department	New Haven Jobs Funnel	75,000
Labor Department	Healthcare Apprenticeship Initiative	500,000
Labor Department	Manufacturing Pipeline Initiative	500,000
Legislative Management	Other Expenses	1,163,233
Legislative Management	Equipment	50,000
Legislative Management	Interim Salary/Caucus Offices	432,891
Legislative Management	Redistricting	75,000
Legislative Management	Old State House	100,000
Legislative Management	Interstate Conference Fund	377,944
Legislative Management	New England Board of Higher Education	183,750
Lieutenant Governor's Office	Other Expenses	3,013
Military Department	Other Expenses	113,118
Office of Early Childhood	Other Expenses	20,586
Office of Early Childhood	Evenstart	43,771
Office of Early Childhood	2Gen - TANF	200,000
Office of Early Childhood	Head Start Services	103,740
Office of Governmental Accountability	Other Expenses	1,711
Office of Governmental Accountability	Contracting Standards Board	99,400
Office of Higher Education	Other Expenses	3,498
Office of Higher Education	Minority Advancement Program	178,969
Office of Higher Education	National Service Act	26,090
Office of Higher Education	Minority Teacher Incentive Program	35,570
Office of Policy and Management	Other Expenses	54,904
Office of Policy and Management	Automated Budget System and Data Base Link	3,967
Office of Policy and Management	Justice Assistance Grants	91,049
Office of Policy and Management	Project Longevity	85,000
Office of Policy and Management	Council of Governments	275,000
Office of Policy and Management	Tax Relief For Elderly Renters	625,506
Office of Policy and Management	Reimbursement to Towns for Loss of Taxes on State Property	1,289,909
Office of Policy and Management	Reimbursements to Towns for Private Tax-Exempt Property	2,522,501
Office of Policy and Management	Reimbursement Property Tax - Disability Exemption	9,352

Agency	Account	FY 18 Holdback \$
Office of Policy and Management	Property Tax Relief for Veterans	69,439
Office of Policy and Management	Municipal Stabilization Grant	1,422,599
Office of Policy and Management	Municipal Restructuring	700,000
Psychiatric Security Review Board	Other Expenses	1,319
Public Defender Services Commission	Other Expenses	58,824
Secretary of the State	Other Expenses	87,380
State Comptroller	Other Expenses	237,443
State Dept of Rehabilitation	Other Expenses	69,901
State Dept of Rehabilitation	Employment Opportunities – Blind & Disabled	20,650
State Dept of Rehabilitation	Vocational Rehabilitation - Disabled	147,082
State Dept of Rehabilitation	Supplementary Relief and Services	915
State Dept of Rehabilitation	Special Training for the Deaf Blind	5,360
State Dept of Rehabilitation	Connecticut Radio Information Service	549
State Dept of Rehabilitation	Independent Living Centers	8,419
State Library	Other Expenses	21,334
State Library	State-Wide Digital Library	167,919
State Library	Interlibrary Loan Delivery Service	27,623
State Library	Legal/Legislative Library Materials	63,838
State Library	Support Cooperating Library Service Units	18,430
State Library	Connecticard Payments	78,182
State Treasurer	Other Expenses	6,611
Teachers' Retirement Board	Other Expenses	23,407
General Fund Targeted Savings Lapse Total		111,800,000

FY 18 General Fund Implementation Delay Lapse

Agency	Account	FY 18 Holdback \$
General Fund		
Department of Agriculture	Senior Food Vouchers	87,611
Department of Correction	STRIDE	24,448
Department of Correction	Program Evaluation	18,750
Department of Correction	Volunteer Services	29,129
Department of Developmental Services	ID Partnership Initiatives	343,000
Department of Economic and Community Development	Hartford Urban Arts Grant	48,474
Department of Economic and Community Development	New Britain Arts Council	7,876
Department of Economic and Community Development	Main Street Initiatives	20,000
Department of Economic and Community Development	CCAT-CT Manufacturing Supply Chain	99,416
Department of Economic and Community Development	Capital Region Development Authority	50,000
Department of Economic and Community Development	Neighborhood Music School	16,108
Department of Economic and Community Development	Nutmeg Games	8,000
Department of Economic and Community Development	Discovery Museum	39,379
Department of Economic and Community Development	National Theatre of the Deaf	15,752
Department of Economic and Community Development	CONNSTEP	78,094
Department of Economic and Community Development	Connecticut Science Center	89,325
Department of Economic and Community Development	CT Flagship Producing Theaters Grant	51,990
Department of Economic and Community Development	Performing Arts Centers	157,514
Department of Economic and Community Development	Performing Theaters Grant	61,351
Department of Economic and Community Development	Arts Commission	74,865
Department of Economic and Community Development	Art Museum Consortium	57,463
Department of Economic and Community Development	Litchfield Jazz Festival	5,800

Agency	Account	FY 18 Holdback \$
Department of Economic and Community Development	Arte Inc.	4,147
Department of Economic and Community Development	CT Virtuosi Orchestra	3,050
Department of Economic and Community Development	Barnum Museum	4,147
Department of Economic and Community Development	Various Grants	26,000
Department of Economic and Community Development	Greater Hartford Arts Council	3,704
Department of Economic and Community Development	Stepping Stones Museum for Children	6,173
Department of Economic and Community Development	Maritime Center Authority	60,741
Department of Economic and Community Development	Connecticut Humanities Council	170,000
Department of Economic and Community Development	Amistad Committee for the Freedom Trail	7,283
Department of Economic and Community Development	Amistad Vessel	52,771
Department of Economic and Community Development	New Haven Festival of Arts and Ideas	82,902
Department of Economic and Community Development	New Haven Arts Council	10,400
Department of Economic and Community Development	Beardsley Zoo	50,776
Department of Economic and Community Development	Mystic Aquarium	64,479
Department of Economic and Community Development	Northwestern Tourism	100,000
Department of Economic and Community Development	Eastern Tourism	100,000
Department of Economic and Community Development	Central Tourism	100,000
Department of Economic and Community Development	Twain/Stowe Homes	16,239
Department of Economic and Community Development	Cultural Alliance of Fairfield	10,400
Department of Education	Leadership, Education, Athletics in Partnership (LEAP)	104,070
Department of Education	Connecticut Writing Project	6,750
Department of Education	Neighborhood Youth Centers	146,289
Department of Education	Parent Trust Fund Program	89,064

Agency	Account	FY 18 Holdback \$
Department of Education	Bridges to Success	9,000
Department of Education	Regional Education Services	87,500
Department of Education	Young Parents Program	23,886
Department of Education	Interdistrict Cooperation	512,500
Department of Emergency Services and Public Protection	Maintenance of County Base Fire Radio Network	4,882
Department of Emergency Services and Public Protection	Maintenance of State-Wide Fire Radio Network	3,249
Department of Social Services	Programs for Senior Citizens	2,000,000
Judicial Department	Justice Education Center, Inc.	114,223
Labor Department	Job Funnels Projects	24,448
Labor Department	Connecticut's Youth Employment Program	1,000,000
Labor Department	Spanish-American Merchants Association	100,122
Labor Department	STRIVE	32,597
Labor Department	Opportunities for Long Term Unemployed	438,499
Labor Department	Second Chance Initiative	133,458
Labor Department	New Haven Jobs Funnel	67,310
Military Department	Honor Guard	131,250
Office of Early Childhood	Evenstart	98,486
Office of Early Childhood	2Gen - TANF	137,500
Office of Policy and Management	Automated Budget System and Data Base Link	8,925
Office of Policy and Management	Project Longevity	191,250
Office of Policy and Management	Council of Governments	618,750
State Dept of Rehabilitation	Connecticut Radio Information Service	6,731
State Dept of Rehabilitation	Independent Living Centers	103,136
State Library	State-Wide Digital Library	7,100
State Library	Support Cooperating Library Service Units	41,468
General Fund Implementation Delay Lapse Total		8,500,000

FY 18 General Fund Statewide Hiring Savings Lapse

Agency	Account	FY 18 Holdback \$
General Fund		
Agricultural Experiment Station	Personal Services	12,406
Attorney General	Personal Services	66,743
Auditors of Public Accounts	Personal Services	22,779
Board of Regents for Higher Education	Charter Oak State College	4,982
Board of Regents for Higher Education	Community Tech College System	331,796
Board of Regents for Higher Education	Connecticut State University	310,201
Board of Regents for Higher Education	Developmental Services	20,180
Board of Regents for Higher Education	Outcomes-Based Funding Incentive	2,722
Commission on Human Rights and Opportunities	Personal Services	13,023
Department of Administrative Services	Personal Services	103,820
Department of Agriculture	Personal Services	7,946
Department of Children and Families	Personal Services	601,450
Department of Consumer Protection	Personal Services	28,062
Department of Correction	Personal Services	845,040
Department of Correction	Board of Pardons and Paroles	12,236
Department of Developmental Services	Personal Services	457,695
Department of Economic and Community Development	Personal Services	15,727
Department of Education	Personal Services	35,799
Department of Education	Development of Mastery Exams Grades 4, 6, and 8	2,551
Department of Education	Regional Vocational-Technical School System	294,667
Department of Emergency Services and Public Protection	Personal Services	317,193
Department of Energy and Environmental Protection	Personal Services	50,983
Department of Energy and Environmental Protection	Emergency Spill Response	11,496
Department of Energy and Environmental Protection	Solid Waste Management	4,448
Department of Energy and Environmental Protection	Clean Air	5,942
Department of Energy and Environmental Protection	Environmental Conservation	7,954
Department of Energy and Environmental Protection	Environmental Quality	15,239
Department of Housing	Personal Services	4,079
Department of Mental Health and Addiction Services	Personal Services	407,363

Agency	Account	FY 18 Holdback \$
Department of Mental Health and Addiction Services	Managed Service System	13,873
Department of Mental Health and Addiction Services	Young Adult Services	55,143
Department of Mental Health and Addiction Services	TBI Community Services	2,226
Department of Mental Health and Addiction Services	Forensic Services	3,718
Department of Public Health	Personal Services	78,037
Department of Revenue Services	Personal Services	124,097
Department of Social Services	Personal Services	269,710
Department of Veterans' Affairs	Personal Services	43,832
Division of Criminal Justice	Personal Services	97,055
Governor's Office	Personal Services	4,400
Judicial Department	Personal Services	718,141
Labor Department	Personal Services	19,254
Labor Department	Workforce Investment Act	7,599
Legislative Management	Personal Services	95,840
Military Department	Personal Services	5,968
Office of Early Childhood	Personal Services	17,151
Office of Higher Education	Personal Services	3,144
Office of Policy and Management	Personal Services	22,026
Office of the Chief Medical Examiner	Personal Services	10,844
Public Defender Services Commission	Personal Services	88,329
Secretary of the State	Personal Services	5,774
Secretary of the State	Commercial Recording Division	6,107
State Comptroller	Personal Services	49,865
State Dept of Rehabilitation	Personal Services	10,661
State Dept of Rehabilitation	Educational Aid for Blind and Visually Handicapped Children	6,924
State Library	Personal Services	11,049
State Treasurer	Personal Services	6,248
Teachers' Retirement Board	Personal Services	3,536
University of Connecticut	Operating Expenses	394,920
University of Connecticut	Next Generation Connecticut	38,587
University of Connecticut Health Center	Operating Expenses	234,956
University of Connecticut Health Center	Bioscience	24,178
General Fund Statewide Hiring Savings Lapse Total		6,487,714

FY 18 General Fund Municipal Contribution to Renters' Rebate Program

Agency	Account	FY 18 Holdback \$
Department of Education	Education Equalization Grants	8,285,113

Funds Carried Forward

The carry forward funds are composed of \$60.2 million from the General Fund, \$30.4 million from the Transportation Fund, \$1.5 million from Banking Fund, and \$1 million from the Workers' Compensation Fund. The table below includes details by fund and agency.

Carry Forward Funding (by fund/agency)

Fund/Agency	Account	Authorization	FY 18 \$¹
		(Legal Citation)	
General Fund			
Office of the State Comptroller	Tuition Reimbursement	Per Various SEBAC Agreements	3,390,170
Office of Policy and Management	Other Expenses	CGS Sec. 4-89(c)	428,916
Office of Policy and Management	Litigation and Settlement Account	CGS Sec. 4-89(e)	2,590,346
Office of Policy and Management	Reserve for Salary Adjustments	CGS Sec. 4-89(c)	33,462,326
Department of Administrative Services	Other Expenses	CGS Sec. 4-89(c)	82,600
Department of Administrative Services	Tuition Reimbursement - Training and Travel	CGS Sec. 4-89(c)	133,581
Department of Administrative Services	Special Labor Management	CGS Sec. 4-89(c)	720,965
Department of Emergency Services and Public Protection	Stress Reduction	Article 33 of the NP-1 Agreement, Section 10 (c)	49,954
Department of Labor	Workforce Investment Act	CGS Sec. 4-89(h)	11,825,723
Office of Protection and Advocacy	Personal Services	CGS Sec. 4-89(c)	248,244
Office of Protection and Advocacy	Other Expenses	CGS Sec. 4-89(c)	7,478
Department of Social Services	Other Expenses	CGS Sec. 4-89(c)	3,522,606
Department of Social Services	Community Residential Services	CGS Sec. 4-89(c)	3,400,000
Connecticut State Library	Support Cooperating Library Services	CGS Sec. 4-89(c)	36,544
Department of Correction	Stress Management	Article 29 of NP-4 Contract Section 3.	41,930
Department of Correction	Community Support Services	CGS Sec. 4-89(c)	295,606
Subtotal - General Fund			60,236,989
Transportation Fund			
Office of Policy and Management	Reserve for Salary Adjustments	CGS Sec. 4-89(c)	11,667,593
Department of Motor Vehicles	Personal Services	CGS Sec. 4-89(c)	706,629
Department of Motor Vehicles	CIVLS (Reg.DriverLicensDataProcesSys)	CGS Sec. 4-89(c)	8,693,716
Department of Motor Vehicles	CVISN (Com.Veh.Info.Sys.Network) Project	CGS Sec. 4-89(c)	973,062
Department of Transportation	Equipment	CGS Sec. 4-89(e)	14,783
Department of Transportation	Minor Capital Projects	CGS Sec. 4-89(b)	110,417
Department of Transportation	Highway Planning & Research	CGS Sec. 4-89(e)	1,473,582

Fund/Agency	Account	Authorization	FY 18 \$¹
Department of Transportation	Pay-As-You-Go Transportation Projects	CGS Sec. 4-89(b)	5,877,713
Department of Transportation	Emergency Relief Town Repairs	CGS Sec. 13a-175(j)	871,792
Subtotal - Transportation Fund			30,389,287
Banking Fund			
Department of Banking	Other Expenses	CGS Sec. 4-89(c)	1,332,000
Department of Banking	Equipment	CGS Sec. 4-89(c)	175,000
Subtotal - Banking Fund			1,507,000
Workers' Compensation Fund (WC)			
Workers' Compensation Commission	Other Expenses	CGS Sec. 4-89(c)	1,040,770
Subtotal - WC Fund			1,040,770
TOTAL - ALL APPROPRIATED FUNDS			93,174,046

¹The amounts shown are either specified in legislation/statute or are unexpended as of September 2017. Agency/account listed is the recipient of the carry forward funding.

Authorized Permanent Full-Time Positions
(by fund and agency)

Fund/Agency	Actual FY 16	Estimated FY 17	Authorized FY 18	Authorized FY 19	Difference FY 18 - FY 17	Difference FY 19 - FY 18
General Fund						
Legislative Management	450	444	444	436	-	(8)
Auditors of Public Accounts	117	121	126	126	5	-
Commission on Aging	4	-	-	-	-	-
Permanent Commission on the Status of Women	6	-	-	-	-	-
Commission on Children	7	-	-	-	-	-
Latino and Puerto Rican Affairs Commission	4	-	-	-	-	-
African-American Affairs Commission	3	-	-	-	-	-
Asian Pacific American Affairs Commission	2	-	-	-	-	-
Commission on Women, Children, Seniors	-	9	6	6	(3)	-
Commission on Equity and Opportunity	-	9	6	6	(3)	-
Governor's Office	28	28	28	28	-	-
Secretary of the State	84	85	85	85	-	-
Lieutenant Governor's Office	7	7	7	7	-	-
Elections Enforcement Commission	-	35	35	35	-	-
Office of State Ethics	-	15	16	16	1	-
Freedom of Information Commission	-	15	16	16	1	-
State Treasurer	45	45	45	45	-	-
State Comptroller	276	277	277	277	-	-
Department of Revenue Services	660	660	660	660	-	-
Office of Governmental Accountability	92	19	19	19	-	-
Office of Policy and Management	125	125	125	125	-	-
Department of Veterans' Affairs	243	243	243	243	-	-
Department of Administrative Services	663	665	663	663	(2)	-
Attorney General	303	303	311	311	8	-
Division of Criminal Justice	486	486	486	486	-	-
Department of Emergency Services and Public Protection	1,733	1,733	1,735	1,735	2	-

Fund/Agency	Actual FY 16	Estimated FY 17	Authorized FY 18	Authorized FY 19	Difference FY 18 - FY 17	Difference FY 19 - FY 18
Military Department	42	42	42	42	-	-
Department of Consumer Protection	239	241	218	218	(23)	-
Labor Department	191	191	191	191	-	-
Commission on Human Rights and Opportunities	85	85	82	82	(3)	-
Protection and Advocacy for Persons with Disabilities	31	31	-	-	(31)	-
Department of Agriculture	50	50	50	50	-	-
Department of Energy and Environmental Protection	644	642	618	618	(24)	-
Council on Environmental Quality	2	2	2	-	-	(2)
Department of Economic and Community Development	89	89	89	89	-	-
Department of Housing	23	23	23	23	-	-
Agricultural Experiment Station	69	69	69	69	-	-
Department of Public Health	479	481	495	480	14	(15)
Office of Health Strategy	-	-	-	23	-	23
Office of the Chief Medical Examiner	50	50	50	50	-	-
Department of Developmental Services	3,318	3,098	2,980	2,980	(118)	-
Department of Mental Health and Addiction Services	3,438	3,438	3,438	3,438	-	-
Psychiatric Security Review Board	3	3	3	3	-	-
Department of Social Services	1,975	1,986	2,009	2,009	23	-
State Department on Aging	28	27	-	-	(27)	-
Department of Rehabilitation Services	118	118	113	113	(5)	-
Department of Education	1,806	1,815	1,819	1,819	4	-
Office of Early Childhood	116	116	118	118	2	-
State Library	55	55	55	55	-	-
Office of Higher Education	27	27	27	27	-	-
University of Connecticut	2,413	2,413	2,413	2,413	-	-
University of Connecticut Health Center	1,698	1,698	1,698	1,698	-	-
Teachers' Retirement Board	27	27	27	27	-	-
Connecticut State Colleges and Universities	4,625	4,633	4,633	4,633	-	-
Department of Correction	6,216	6,117	6,117	6,117	-	-
Department of Children and	3,240	3,240	3,240	3,240	-	-

Fund/Agency	Actual FY 16	Estimated FY 17	Authorized FY 18	Authorized FY 19	Difference FY 18 - FY 17	Difference FY 19 - FY 18
Families						
Judicial Department	4,329	4,329	4,329	4,329	-	-
Public Defender Services Commission	447	447	447	447	-	-
General Fund Total	41,211	40,907	40,728	40,726	(179)	(2)
Transportation Fund						
State Treasurer	1	1	1	1	-	-
Department of Motor Vehicles	603	603	603	603	-	-
Department of Energy and Environmental Protection	28	29	29	29	-	-
Department of Transportation	3,279	3,352	3,357	3,362	5	5
Transportation Fund Total	3,911	3,985	3,990	3,995	5	5
Banking Fund						
Department of Banking	120	123	119	119	(4)	-
Judicial Department	51	51	20	20	(31)	-
Banking Fund Total	171	174	139	139	(35)	-
Insurance Fund						
Office of Policy and Management	2	2	2	2	-	-
Insurance Department	159	159	151	150	(8)	(1)
Office of the Healthcare Advocate	29	29	27	22	(2)	(5)
Department of Housing	-	-	1	1	1	-
Department of Public Health	5	5	5	5	-	-
Office of Health Strategy	-	-	-	6	-	6
Insurance Fund Total	195	195	186	186	(9)	-
Consumer Counsel & Public Utility Control Fund (CC&PUC)						
Office of Consumer Counsel	15	15	12	12	(3)	-
Department of Energy and Environmental Protection	127	127	122	122	(5)	-
CC&PUC Fund Total	142	142	134	134	(8)	-
Workers' Compensation Fund						
Division of Criminal Justice	4	4	4	4	-	-
Labor Department	2	2	2	2	-	-
Workers' Compensation Commission	117	117	117	117	-	-
Department of Rehabilitation Services	6	6	6	6	-	-
Workers' Compensation Fund Total	129	129	129	129	-	-
Regional Market Fund						
Department of Agriculture	7	7	7	7	-	-
Regional Market Fund Total	7	7	7	7	-	-

Fund/Agency	Actual FY 16	Estimated FY 17	Authorized FY 18	Authorized FY 19	Difference FY 18 - FY 17	Difference FY 19 - FY 18
TOTAL	45,766	45,539	45,313	45,316	(226)	3

FY 05 through FY 19 General Budget Expenditures
(in thousands)¹

Fiscal Year	General Budget Expenditures \$	Annual Increase Over Prior Year \$	% Growth	Inflation Adjusted Growth in Expenditures
05	14,428,128	832,834	6.1%	0.5%
06	15,665,824	1,237,696	8.6%	2.4%
07	16,505,640	839,816	5.4%	0.6%
08	17,906,920	1,401,280	8.5%	2.9%
09	18,547,639	640,719	3.6%	1.3%
10	18,459,913	(87,726)	-0.5%	-1.1%
11	19,168,739	708,826	3.8%	1.2%
12	20,134,192	965,453	5.0%	2.0%
13	20,403,224	269,032	1.3%	-0.6%
14	18,416,897	(1,986,327)	-9.7%	-11.8%
15	18,945,600	528,703	2.9%	1.9%
16	19,541,153	595,553	3.1%	2.1%
17	19,406,694	(134,459)	-0.7%	-2.4%
18 Budgeted	20,523,695	1,117,001	5.8%	3.5%
19 Budgeted	20,658,221	134,526	0.7%	-0.9%

¹Notes

Budget Expenditures - For purposes of comparison, the expenditure figures include all expenditures of the General Fund, Special Transportation Fund, other appropriated funds, surplus (primary for “one-time” items) and expenditures from prior year appropriations carried forward into subsequent fiscal year. The expenditures and percentage changes have been adjusted to account for structural changes in the budgets. Actual expenditures are based on the Comptroller’s reports (FY 17 figures are unaudited figures as of September 30, 2017). Figures for FY 18 and FY 19 are estimates of expenditures based on the biennial budget (PA 17-2 JSS), as adjusted by PA 17-4 JSS, including carried forward funding. It should be noted that beginning in FY 14 the General Fund appropriation for the Medicaid account in the Department of Social Services reflected only the state share of the joint state/federal program.

Inflation Adjusted Growth - The inflation adjusted growth rate factors the growth in expenditures from previous fiscal years less the Implicit Price Deflator for state and local governments. The use of this adjustment factor eliminates growth that results from inflation and facilitates the calculation of the adjusted year to year growth rate. The adjustments for FY 18 and FY 19 are expected to be 2.3% and 1.6% respectively. When factored with the growth in expenditures, the inflation adjusted growth for FY 18 is 3.5%; for FY 19 it is -0.9%.

Implicit Price Deflator for State and Local Governments - In economics, the GDP deflator (implicit price deflator for GDP) is a measure of the level of prices of all new, domestically produced, final goods and services in an economy. GDP stands for gross domestic product, the total value of all final goods and services produced within that economy during a specified period. Historical data is taken from the US Department of Commerce Bureau of Economic Analysis. Projections are by Moody’s Economy.com.

Function of Government

Legislative	58
General Government	70
Regulation and Protection	122
Conservation and Development	164
Health	198
Transportation	230
Human Services	236
Education, Museums, Libraries	267
Corrections	309
Judicial	322
Non-Functional	334

Legislative Management

OLM10000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	439	450	444	444	444	444	436

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	42,778,800	43,029,937	44,711,354	40,868,161	40,868,161	43,542,854	43,332,854
Other Expenses	14,480,949	14,829,043	15,504,772	14,028,674	14,498,674	13,364,982	13,975,741
Equipment	325,051	54,928	298,762	100,000	100,000	100,000	100,000
Other Current Expenses							
Flag Restoration	46,139	4,882	65,645	-	-	-	-
Minor Capital Improvements	-	-	111,565	-	-	-	-
Interim Salary/Caucus Offices	495,478	613,031	452,875	452,875	452,875	452,875	452,875
Redistricting	-	-	-	100,000	100,000	100,000	100,000
Connecticut Academy of Science and Engineering	354,500	604,250	-	-	-	-	-
Old State House	559,521	542,747	-	400,000	400,000	500,000	500,000
Other Than Payments to Local Governments							
Interstate Conference Fund	362,262	365,568	377,944	377,944	377,944	377,944	377,944
New England Board of Higher Education	183,750	183,750	170,652	183,750	183,750	183,750	183,750
Nonfunctional - Change to Accruals	57,472	-	-	-	-	-	-
Agency Total - General Fund	59,643,922	60,228,136	61,693,569	56,511,404	56,981,404	58,622,405	59,023,164
Additional Funds Available							
Private Contributions	-	3,074,025	3,202,300	3,202,300	3,202,300	3,202,300	3,202,300
Agency Grand Total	59,643,922	63,302,161	64,895,869	59,713,704	60,183,704	61,824,705	62,225,464

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Adjust Accounts to FY 17 Base

Personal Services	-	-	5,848,681	9,319,995	5,848,681	9,319,995
Other Expenses	-	-	1,800,162	2,267,921	1,800,162	2,267,921
Total - General Fund	-	-	7,648,843	11,587,916	7,648,843	11,587,916

Background

Pursuant to Sec. 4-73(f) the appropriations recommended for the legislative branch shall be the estimates of expenditure requirements transmitted to Office of Policy and Management by the Office of Legislative Management (OLM).

Legislative

Provide funding of \$7,648,843 in FY 18 and \$11,587,916 in FY 19 to reflect OLM's budget request of \$67.9 million in FY 18 and \$72.2 million in FY 19.

Annualize FY 2017 Holdbacks

Personal Services	(1,145,911)	(1,145,911)	(1,145,911)	(1,145,911)	-	-
Other Expenses	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	-	-
Equipment	(198,762)	(198,762)	(198,762)	(198,762)	-	-
Flag Restoration	(65,645)	(65,645)	(65,645)	(65,645)	-	-
Minor Capital Improvements	(111,565)	(111,565)	(111,565)	(111,565)	-	-
Total - General Fund	(2,521,883)	(2,521,883)	(2,521,883)	(2,521,883)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$2,521,883 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Reduce Funding for Wage and Compensation Related Adjustments

Personal Services	(2,697,282)	(2,697,282)	(3,506,803)	(6,336,867)	(809,521)	(3,639,585)
Total - General Fund	(2,697,282)	(2,697,282)	(3,506,803)	(6,336,867)	(809,521)	(3,639,585)

Governor

Reduce funding by \$2,697,282 in both FY 18 and FY 19 to achieve savings.

Legislative

Reduce funding by \$3,506,803 in FY 18 and \$6,336,867 in FY 19 to eliminate:

- COLAs - \$1,119,166 in FY 18 and \$2,331,890 in FY 19
- Merits - \$1,058,478 in FY 18 and \$2,491,240 in FY 19
- Promotions - \$148,151 in FY 18 and \$297,298 in FY 19
- Vacancies - \$1,181,008 in FY 18 and \$1,216,439 in FY 19.

Eliminate LCO Commissioners

Personal Services	-	-	-	(100,000)	-	(100,000)
Total - General Fund	-	-	-	(100,000)	-	(100,000)

Background

The General Assembly appoints two part-time attorneys of different political parties to oversee the Legislative Commissioners' Office. The Commissioners advise the legislature and review the final drafts of each favorably reported bill.

Legislative

Reduce funding by \$100,000 in FY 19 to reflect the elimination of the LCO Commissioners.

Consolidate Certain Legislative Committees

Personal Services	-	-	-	(500,000)	-	(500,000)
Total - General Fund	-	-	-	(500,000)	-	(500,000)
Positions - General Fund	-	-	-	(8)	-	(8)

Legislative

Reduce funding by \$500,000 and eliminate eight full-time positions and 13 sessional positions in FY 19 to reflect the consolidation of certain legislative committees.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Achieve Efficiencies

Other Expenses	-	-	(2,463,854)	(2,790,854)	(2,463,854)	(2,790,854)
Total - General Fund	-	-	(2,463,854)	(2,790,854)	(2,463,854)	(2,790,854)

Legislative

Reduce funding in Other Expenses by \$2,463,854 in FY 18 and \$2,790,854 in FY 19 to achieve efficiencies. These savings will be achieved by eliminating certain legislative mailings, and reducing transcription and statute costs.

Reduce Personal Services

Personal Services	-	-	(2,364,467)	(2,615,717)	(2,364,467)	(2,615,717)
Total - General Fund	-	-	(2,364,467)	(2,615,717)	(2,364,467)	(2,615,717)

Legislative

Reduce funding in Personal Services by \$2,364,467 in FY 18 and \$2,615,717 in FY 19.

Current Services

Transfer Care and Control of the Old State House to OLM

Old State House	400,000	400,000	500,000	500,000	100,000	100,000
Total - General Fund	400,000	400,000	500,000	500,000	100,000	100,000

Background

PA 16-3 MSS, the FY 17 budget implementer, transferred care and control of the Old State House from the Office of Legislative Management (OLM) to the Department of Energy and Environmental Protection (DEEP).

Governor

Provide funding of \$400,000 in both FY 18 and FY 19 to reflect the transfer of care and control of the Old State House from DEEP back to OLM.

Legislative

Provide funding of \$500,000 in both FY 18 and FY 19 to reflect the transfer of care and control of the Old State House from DEEP back to OLM.

Provide Funding for 2020 Redistricting

Redistricting	100,000	100,000	100,000	100,000	-	-
Total - General Fund	100,000	100,000	100,000	100,000	-	-

Background

Redistricting, or reapportionment, is a requirement under Article 111, Section 6 of the state's constitution. This provision redraws lines of both the state legislature and congressional districts every 10 years.

Governor

Provide funding of \$100,000 in each of FY 18 and FY 19 for costs associated with redistricting.

Legislative

Same as Governor

Adjust Funding for Short/Long Sessions

Other Expenses	(463,000)	7,000	(463,000)	7,000	-	-
Total - General Fund	(463,000)	7,000	(463,000)	7,000	-	-

Governor

Reduce funding by \$463,000 in FY 18 to reflect expenses in a short legislative session and increase funding by \$7,000 in FY 19 for a long legislative session. Mileage reimbursement increases and the printing of the statutes occur in a long session.

Legislative

Same as Governor

Transfer Funds for New England Board of Higher Education

Other Expenses	(13,098)	(13,098)	(13,098)	(13,098)	-	-
New England Board of Higher Education	13,098	13,098	13,098	13,098	-	-
Total - General Fund	-	-	-	-	-	-

Background

The New England Board of Higher Education, founded in 1955, promotes greater educational opportunities and services for residents of New England states. This account was transferred to OLM from the Office of Higher Education in FY 11.

Governor

Transfer funding of \$13,098 in both FY 18 and FY 19. This technical adjustment transfers the funding into the New England Board of Higher Education account.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	61,693,569	61,693,569	61,693,569	61,693,569	-	-
Policy Revisions	(5,219,165)	(5,219,165)	(3,208,164)	(3,277,405)	2,011,001	1,941,760
Current Services	37,000	507,000	137,000	607,000	100,000	100,000
Total Recommended - GF	56,511,404	56,981,404	58,622,405	59,023,164	2,111,001	2,041,760

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	444	444	444	444	-	-
Policy Revisions	-	-	-	(8)	-	(8)
Total Recommended - GF	444	444	444	436	-	(8)

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$95,840, a Labor Concessions Savings of \$1,117,455, and a Targeted Savings of \$2,382,818. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	43,542,854	(1,213,295)	42,329,559	2.8%
Other Expenses	13,364,982	(668,249)	12,696,733	5.0%
Equipment	100,000	(100,000)	-	100.0%
Interim Salary/Caucus Offices	452,875	(452,875)	-	100.0%
Redistricting	100,000	(100,000)	-	100.0%
Old State House	500,000	(500,000)	-	100.0%
Interstate Conference Fund	377,944	(377,944)	-	100.0%
New England Board of Higher Education	183,750	(183,750)	-	100.0%

Auditors of Public Accounts

APA11000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	117	117	121	121	121	126	126

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	10,961,971	10,899,914	10,641,720	10,192,726	10,192,726	10,349,151	10,349,151
Other Expenses	301,094	367,581	342,143	342,143	342,143	272,143	272,143
Equipment	3,542	-	-	-	-	-	-
Nonfunctional - Change to Accruals	40,074	-	-	-	-	-	-
Agency Total - General Fund	11,306,681	11,267,495	10,983,863	10,534,869	10,534,869	10,621,294	10,621,294

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Adjust Accounts to FY 17 Base

Personal Services	-	-	1,523,188	1,566,630	1,523,188	1,566,630
Other Expenses	-	-	30,000	30,000	30,000	30,000
Total - General Fund	-	-	1,553,188	1,596,630	1,553,188	1,596,630
Positions - General Fund	-	-	5	5	5	5

Background

Pursuant to Sec. 4-73(f) the appropriations recommended for the legislative branch shall be the estimates of expenditure requirements transmitted to Office of Policy and Management by the Office of Legislative Management.

Legislative

Provide funding of \$1,553,188 in FY 18 and \$1,596,630 in FY 19 for five positions to reflect Auditors of Public Accounts budget request of \$12.9 million in both FY 18 and FY 19.

Annualize FY 2017 Holdbacks

Personal Services	(448,994)	(448,994)	(448,994)	(448,994)	-	-
Total - General Fund	(448,994)	(448,994)	(448,994)	(448,994)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$448,994 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reduce Funding for COLAs and Merits

Personal Services	-	-	(713,338)	(756,780)	(713,338)	(756,780)
Total - General Fund	-	-	(713,338)	(756,780)	(713,338)	(756,780)

Legislative

Reduce funding by \$713,338 in FY 18 and \$756,780 in FY 19 to eliminate the COLAs and merit increases included in the agency budget request.

Provide Funding for Special Education Audits

Personal Services	-	-	201,500	201,500	201,500	201,500
Total - General Fund	-	-	201,500	201,500	201,500	201,500

Background

Sections 278-281 of PA 15-5 JSS require the Auditors of Public Accounts (APA) to conduct compliance audits of certain private special education providers on a regular basis. Section 5 of PA 16-144 provided the APA \$366,000, including fringe benefits, from the Municipal Reimbursement and Revenue Account for staffing of four and related expenses in FY 17.

Legislative

Provide funding of \$201,500 in both FY 18 and FY 19 to continue special education audits as the grant from the Municipal Reimbursement and Revenue Account expires on June 30, 2017.

Achieve Efficiencies

Personal Services	-	-	(854,925)	(854,925)	(854,925)	(854,925)
Other Expenses	-	-	(100,000)	(100,000)	(100,000)	(100,000)
Total - General Fund	-	-	(954,925)	(954,925)	(954,925)	(954,925)

Legislative

Reduce funding in Personal Services by \$854,925 in both FY 18 and FY 19 and reduce funding in Other Expenses by \$100,000 in both FY 18 and FY 19 to achieve efficiencies.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	10,983,863	10,983,863	10,983,863	10,983,863	-	-
Policy Revisions	(448,994)	(448,994)	(362,569)	(362,569)	86,425	86,425
Total Recommended - GF	10,534,869	10,534,869	10,621,294	10,621,294	86,425	86,425

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	121	121	121	121	-	-
Policy Revisions	-	-	5	5	5	5
Total Recommended - GF	121	121	126	126	5	5

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$22,779, a Labor Concessions Savings of \$265,594, and a Targeted Savings of \$13,607. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	10,349,151	(288,373)	10,060,778	2.8%
Other Expenses	272,143	(13,607)	258,536	5.0%

Commission Women, Children, Seniors

CWS11960

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	-	-	9	9	9	6	6

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	-	-	600,000	600,000	600,000	400,000	400,000
Other Expenses	-	-	100,000	71,386	71,386	30,000	30,000
Agency Total - General Fund	-	-	700,000	671,386	671,386	430,000	430,000
Additional Funds Available							
Private Contributions	-	-	1,030	-	-	-	-
Agency Grand Total	-	-	701,030	671,386	671,386	430,000	430,000

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Annualize FY 2017 Holdbacks

Other Expenses	(28,614)	(28,614)	(28,614)	(28,614)	-	-
Total - General Fund	(28,614)	(28,614)	(28,614)	(28,614)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$28,614 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Reduce the Commission on Women, Children and Seniors

Personal Services	-	-	(200,000)	(200,000)	(200,000)	(200,000)
Other Expenses	-	-	(41,386)	(41,386)	(41,386)	(41,386)
Total - General Fund	-	-	(241,386)	(241,386)	(241,386)	(241,386)
Positions - General Fund	-	-	(3)	(3)	(3)	(3)

Legislative

Reduce funding for the Commission on Women, Children and Seniors by \$241,386 in both FY 18 and FY 19. The position count is also reduced by three.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	700,000	700,000	700,000	700,000	-	-
Policy Revisions	(28,614)	(28,614)	(270,000)	(270,000)	(241,386)	(241,386)
Total Recommended - GF	671,386	671,386	430,000	430,000	(241,386)	(241,386)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	9	9	9	9	-	-
Policy Revisions	-	-	(3)	(3)	(3)	(3)
Total Recommended - GF	9	9	6	6	(3)	(3)

Other Significant Legislation**PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019**

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Targeted Savings of \$1,500. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Other Expenses	30,000	(1,500)	28,500	5.0%

Commission on Equity and Opportunity

CEO11970

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	-	-	9	9	9	6	6

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	-	-	600,000	600,000	600,000	400,000	400,000
Other Expenses	-	-	100,000	71,386	71,386	30,000	30,000
Agency Total - General Fund	-	-	700,000	671,386	671,386	430,000	430,000
Additional Funds Available							
Federal Funds	-	-	58,090	56,500	-	56,500	-
Private Contributions	-	-	37,291	-	-	-	-
Agency Grand Total	-	-	795,381	727,886	671,386	486,500	430,000

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Annualize FY 2017 Holdbacks

Other Expenses	(28,614)	(28,614)	(28,614)	(28,614)	-	-
Total - General Fund	(28,614)	(28,614)	(28,614)	(28,614)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$28,614 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Reduce the Commission on Equity and Opportunity

Personal Services	-	-	(200,000)	(200,000)	(200,000)	(200,000)
Other Expenses	-	-	(41,386)	(41,386)	(41,386)	(41,386)
Total - General Fund	-	-	(241,386)	(241,386)	(241,386)	(241,386)
Positions - General Fund	-	-	(3)	(3)	(3)	(3)

Legislative

Reduce funding for the Commission on Equity and Opportunity by \$241,386 in both FY 18 and FY 19. The position count is also reduced by three.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	700,000	700,000	700,000	700,000	-	-
Policy Revisions	(28,614)	(28,614)	(270,000)	(270,000)	(241,386)	(241,386)
Total Recommended - GF	671,386	671,386	430,000	430,000	(241,386)	(241,386)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	9	9	9	9	-	-
Policy Revisions	-	-	(3)	(3)	(3)	(3)
Total Recommended - GF	9	9	6	6	(3)	(3)

Other Significant Legislation**PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019**

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Targeted Savings of \$1,500. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Other Expenses	30,000	(1,500)	28,500	5.0%

Governor's Office

GOV12000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	28	28	28	28	28	28	28

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	2,150,089	2,089,549	2,197,412	2,048,912	2,048,912	1,998,912	1,998,912
Other Expenses	156,078	200,857	187,274	185,402	185,402	185,402	185,402
Other Than Payments to Local Governments							
New England Governors' Conference	74,391	74,391	73,614	74,391	74,391	74,391	74,391
National Governors' Association	128,155	116,517	118,073	116,893	116,893	116,893	116,893
Nonfunctional - Change to Accruals	82,675	-	-	-	-	-	-
Agency Total - General Fund	2,591,388	2,481,314	2,576,373	2,425,598	2,425,598	2,375,598	2,375,598

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Annualize FY 17 Rescissions

Personal Services	-	-	(50,000)	(50,000)	(50,000)	(50,000)
Total - General Fund	-	-	(50,000)	(50,000)	(50,000)	(50,000)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies

Legislative

Reduce funding by \$50,000 in both FY 18 and FY 19 to reflect the rollout of the Governor's FY 17 rescissions.

Adjust Personal Services

Personal Services	(75,000)	(75,000)	(75,000)	(75,000)	-	-
Total - General Fund	(75,000)	(75,000)	(75,000)	(75,000)	-	-

Governor

Reduce funding by \$75,000 in both FY 18 and FY 19 to reflect the elimination of funding for one vacant position.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(73,500)	(73,500)	(73,500)	(73,500)	-	-
Other Expenses	(1,872)	(1,872)	(1,872)	(1,872)	-	-
New England Governors' Conference	(736)	(736)	(736)	(736)	-	-
National Governors' Association	(1,180)	(1,180)	(1,180)	(1,180)	-	-
Total - General Fund	(77,288)	(77,288)	(77,288)	(77,288)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$77,288 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Current Services**Provide Funding for the New England Governors' Conference**

New England Governors' Conference	1,513	1,513	1,513	1,513	-	-
Total - General Fund	1,513	1,513	1,513	1,513	-	-

Governor

Provide funding of \$1,513 in both FY 18 and FY 19 for dues related to the New England Governors' Conference.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	2,576,373	2,576,373	2,576,373	2,576,373	-	-
Policy Revisions	(152,288)	(152,288)	(202,288)	(202,288)	(50,000)	(50,000)
Current Services	1,513	1,513	1,513	1,513	-	-
Total Recommended - GF	2,425,598	2,425,598	2,375,598	2,375,598	(50,000)	(50,000)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	28	28	28	28	-	-
Total Recommended - GF	28	28	28	28	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	1,998,912	(55,699)	1,943,213	2.8%
Other Expenses	185,402	(9,270)	176,132	5.0%
Coalition of Northeastern Governors	74,391	(7,439)	66,952	10.0%
National Governors' Association	116,893	(11,689)	105,204	10.0%

Secretary of the State

SOS12500

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	85	84	85	85	85	85	85

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	2,863,765	2,775,915	2,704,459	2,623,326	2,623,326	2,623,326	2,623,326
Other Expenses	1,562,420	1,877,820	1,712,094	1,839,705	1,839,705	1,747,593	1,747,589
Other Current Expenses							
Commercial Recording Division	4,673,647	4,822,177	4,829,932	4,685,034	4,685,034	4,610,034	4,610,034
Board of Accountancy	253,977	225,562	-	-	-	-	-
Nonfunctional - Change to Accruals	224,552	-	-	-	-	-	-
Agency Total - General Fund	9,578,361	9,701,475	9,246,485	9,148,065	9,148,065	8,980,953	8,980,949

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Annualize FY 17 Rescissions

Other Expenses	-	-	(92,112)	(92,116)	(92,112)	(92,116)
Commercial Recording Division	-	-	(75,000)	(75,000)	(75,000)	(75,000)
Total - General Fund	-	-	(167,112)	(167,116)	(167,112)	(167,116)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies

Legislative

Reduce funding by \$167,112 in FY 18 and \$167,116 in FY 19 to reflect the rollout of the Governor's FY 17 rescissions.

Annualize FY 17 Holdbacks

Personal Services	(81,133)	(81,133)	(81,133)	(81,133)	-	-
Other Expenses	(51,362)	(51,362)	(51,362)	(51,362)	-	-
Commercial Recording Division	(144,898)	(144,898)	(144,898)	(144,898)	-	-
Total - General Fund	(277,393)	(277,393)	(277,393)	(277,393)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$277,393 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Current Services

Provide Funding for eRegulations System Maintenance

Other Expenses	122,000	122,000	122,000	122,000	-	-
Total - General Fund	122,000	122,000	122,000	122,000	-	-

Background

PA 13-274 established an eRegulations System to house adopted regulations of all state agencies. Section 24 of PA 16-2, the revised FY 17 budget, carried forward \$240,000 to support the eRegulations program.

Governor

Provide funding of \$122,000 in both FY 18 and FY 19 to fund software maintenance for the eRegulations system.

Legislative

Same as Governor

Provide Funding for Motor Voter Program's Software Fees

Other Expenses	56,973	56,973	56,973	56,973	-	-
Total - General Fund	56,973	56,973	56,973	56,973	-	-

Background

The National Voter Registration Act (NVRA) of 1993 requires states to provide individuals the opportunity to register to vote at the same time the individual applies for, or renews, a driver's license.

Governor

Provide funding of \$56,973 in both FY 18 and FY 19 for software licensing fees associated with the motor voter program. This software allows the Department of Motor Vehicles' (DMV) and the Secretary of the State's (SOTS) computer systems to interact.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	9,246,485	9,246,485	9,246,485	9,246,485	-	-
Policy Revisions	(277,393)	(277,393)	(444,505)	(444,509)	(167,112)	(167,116)
Current Services	178,973	178,973	178,973	178,973	-	-
Total Recommended - GF	9,148,065	9,148,065	8,980,953	8,980,949	(167,112)	(167,116)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	85	85	85	85	-	-
Total Recommended - GF	85	85	85	85	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	2,623,326	(95,591)	2,527,735	3.6%
Other Expenses	1,747,593	(87,380)	1,660,213	5.0%
Commercial Recording Division	4,610,034	(116,464)	4,493,570	2.5%

Lieutenant Governor's Office

LGO13000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	7	7	7	7	7	7	7

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	499,470	516,873	609,998	601,699	601,699	591,699	591,699
Other Expenses	26,898	31,925	119,190	60,264	60,264	60,264	60,264
Nonfunctional - Change to Accruals	5,228	-	-	-	-	-	-
Agency Total - General Fund	531,596	548,798	729,188	661,963	661,963	651,963	651,963

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Reduce Funding to Reflect Completion of Healthcare Study

Other Expenses	(55,351)	(55,351)	(55,351)	(55,351)	-	-
Total - General Fund	(55,351)	(55,351)	(55,351)	(55,351)	-	-

Background

PA 11-58 created the Office of Healthcare Reform within the Lieutenant Governor's Office.

Governor

Reduce funding by \$55,351 in both FY 18 and FY 19 to reflect the completion of the Healthcare Cost Containment Study.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(18,299)	(18,299)	(18,299)	(18,299)	-	-
Other Expenses	(3,575)	(3,575)	(3,575)	(3,575)	-	-
Total - General Fund	(21,874)	(21,874)	(21,874)	(21,874)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$21,874 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Current Services

Funding for Personal Services

Personal Services	10,000	10,000	-	-	(10,000)	(10,000)
Total - General Fund	10,000	10,000	-	-	(10,000)	(10,000)

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation.

Governor

Provide funding of \$10,000 in both FY 18 and FY 19 to reflect full year funding for payroll costs.

Legislative

Do not provide personal services annualization funding.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	729,188	729,188	729,188	729,188	-	-
Policy Revisions	(77,225)	(77,225)	(77,225)	(77,225)	-	-
Current Services	10,000	10,000	-	-	(10,000)	(10,000)
Total Recommended - GF	661,963	661,963	651,963	651,963	(10,000)	(10,000)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	7	7	7	7	-	-
Total Recommended - GF	7	7	7	7	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Other Expenses	60,264	(3,013)	57,251	5.0%

Elections Enforcement Commission

ELE13500

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	-	-	35	35	35	35	35

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Other Current Expenses							
Elections Enforcement Commission	-	-	3,201,093	3,125,570	3,125,570	3,125,570	3,125,570
Agency Total - General Fund	-	-	3,201,093	3,125,570	3,125,570	3,125,570	3,125,570

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Annualize FY 17 Holdbacks

Elections Enforcement Commission	(96,032)	(96,032)	(96,032)	(96,032)	-	-
Total - General Fund	(96,032)	(96,032)	(96,032)	(96,032)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$96,032 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Current Services

Annualize FY 17 Funding for Personal Services

Elections Enforcement Commission	20,509	20,509	20,509	20,509	-	-
Total - General Fund	20,509	20,509	20,509	20,509	-	-

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation.

Governor

Provide funding of \$20,509 in both FY 18 and FY 19 to reflect full year funding for payroll costs.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	3,201,093	3,201,093	3,201,093	3,201,093	-	-
Policy Revisions	(96,032)	(96,032)	(96,032)	(96,032)	-	-
Current Services	20,509	20,509	20,509	20,509	-	-
Total Recommended - GF	3,125,570	3,125,570	3,125,570	3,125,570	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	35	35	35	35	-	-
Total Recommended - GF	35	35	35	35	-	-

Other Significant Legislation**PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019**

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Elections Enforcement Commission	3,125,570	(31,842)	3,093,728	1.0%

Office of State Ethics

ETH13600

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	-	-	15	16	16	16	16

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Other Current Expenses							
Information Technology Initiatives	-	-	29,098	28,226	28,226	28,226	28,226
Office of State Ethics	-	-	1,389,227	1,403,529	1,403,529	1,403,529	1,403,529
Agency Total - General Fund	-	-	1,418,325	1,431,755	1,431,755	1,431,755	1,431,755

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Transfer One Position & Associated Funding from DAS to OSE

Office of State Ethics	55,979	55,979	55,979	55,979	-	-
Total - General Fund	55,979	55,979	55,979	55,979	-	-
Positions - General Fund	1	1	1	1	-	-

Background

In FY 17, the Freedom of Information Commission (FOIC), Office of State Ethics (OSE), State Elections Enforcement Commission (SEEC), and the Department of Administrative Services (DAS) entered into a Memorandum of Understanding (MOU) to realign the business office and human resources functions for the re-established independent watchdog agencies. Under this MOU, DAS established and funded one Fiscal/ Administrative position that worked in OSE.

Governor

Provide funding of \$55,979 in both FY 18 and FY 19 for one Fiscal/ Administrative position that had been funded in FY 17 by DAS . This Fiscal/ Administrative position transferred from DAS to OSE.

Legislative

Transfer one Fiscal/ Administrative position and funding of \$55,979 in both FY 18 and FY 19 from DAS to OSE.

Annualize FY 17 Holdbacks

Information Technology Initiatives	(872)	(872)	(872)	(872)	-	-
Office of State Ethics	(41,677)	(41,677)	(41,677)	(41,677)	-	-
Total - General Fund	(42,549)	(42,549)	(42,549)	(42,549)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$42,549 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	1,418,325	1,418,325	1,418,325	1,418,325	-	-
Policy Revisions	13,430	13,430	13,430	13,430	-	-
Total Recommended - GF	1,431,755	1,431,755	1,431,755	1,431,755	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	15	15	15	15	-	-
Policy Revisions	1	1	1	1	-	-
Total Recommended - GF	16	16	16	16	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Office of State Ethics	1,403,529	(10,680)	1,392,849	0.8%

Freedom of Information Commission

FOI13700

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	-	-	15	16	16	16	16

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Other Current Expenses							
Freedom of Information Commission	-	-	1,481,416	1,513,476	1,513,476	1,513,476	1,513,476
Agency Total - General Fund	-	-	1,481,416	1,513,476	1,513,476	1,513,476	1,513,476

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Transfer One Position & Associated Funding from DAS to FOIC

Freedom of Information Commission	76,502	76,502	76,502	76,502	-	-
Total - General Fund	76,502	76,502	76,502	76,502	-	-
Positions - General Fund	1	1	1	1	-	-

Background

In FY 17, the Freedom of Information Commission (FOIC), Office of State Ethics (OSE), State Elections Enforcement Commission (SEEC), and the Department of Administrative Services (DAS) entered into a Memorandum of Understanding (MOU) to realign the business office and human resources functions for the re-established independent watchdog agencies. Under this MOU, DAS established and funded one Human Resources Specialist position that worked in FOIC.

Governor

Provide funding of \$76,502 in both FY 18 and FY 19 for one Human Resources position that had been funded in FY 17 by DAS. This Human Resources position is transferred from DAS to FOIC.

Legislative

Transfer one Human Resource position and funding of \$76,502 in both FY 18 and FY 19 from DAS to FOIC.

Annualize FY 17 Holdbacks

Freedom of Information Commission	(44,442)	(44,442)	(44,442)	(44,442)	-	-
Total - General Fund	(44,442)	(44,442)	(44,442)	(44,442)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$44,442 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	1,481,416	1,481,416	1,481,416	1,481,416	-	-
Policy Revisions	32,060	32,060	32,060	32,060	-	-
Total Recommended - GF	1,513,476	1,513,476	1,513,476	1,513,476	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	15	15	15	15	-	-
Policy Revisions	1	1	1	1	-	-
Total Recommended - GF	16	16	16	16	-	-

Other Significant Legislation**PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019**

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Freedom of Information Commission	1,513,476	(13,488)	1,499,988	0.9%

State Treasurer

OTT14000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	48	45	45	45	45	45	45
Special Transportation Fund	1	1	1	1	1	1	1

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	3,122,049	3,066,325	3,034,513	2,838,478	2,838,478	2,838,478	2,838,478
Other Expenses	153,995	134,447	143,722	139,411	139,411	132,225	132,225
Equipment	1	-	-	-	-	-	-
Nonfunctional - Change to Accruals	117,071	-	-	-	-	-	-
Agency Total - General Fund	3,393,116	3,200,772	3,178,235	2,977,889	2,977,889	2,970,703	2,970,703
Additional Funds Available							
Private Contributions & Other Restricted	-	115,661,736	122,767,004	125,801,750	129,659,420	125,801,750	129,659,420
Private Contributions	-	3,998,719	4,118,680	4,242,241	4,369,508	4,242,241	4,369,508
Agency Grand Total	3,393,116	122,861,227	130,063,919	133,021,880	137,006,817	133,014,694	136,999,631

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Annualize FY 17 Holdbacks

Personal Services	(91,035)	(91,035)	(91,035)	(91,035)	-	-
Other Expenses	(4,311)	(4,311)	(4,311)	(4,311)	-	-
Total - General Fund	(95,346)	(95,346)	(95,346)	(95,346)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in each of FY 18 and FY 19 across various agencies.

Governor

Reduce funding by \$95,346 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Adjust Funding for Personal Services

Personal Services	(105,000)	(105,000)	(105,000)	(105,000)	-	-
Total - General Fund	(105,000)	(105,000)	(105,000)	(105,000)	-	-

Governor

Reduce funding by \$105,000 in both FY 18 and FY 19 to achieve savings.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Same as Governor

Annualize FY 17 Rescissions

Other Expenses	-	-	(7,186)	(7,186)	(7,186)	(7,186)
Total - General Fund	-	-	(7,186)	(7,186)	(7,186)	(7,186)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies

Legislative

Reduce funding by \$7,186 in both FY 18 and FY 19 to reflect the rollout of the Governor's FY 17 rescissions.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	3,178,235	3,178,235	3,178,235	3,178,235	-	-
Policy Revisions	(200,346)	(200,346)	(207,532)	(207,532)	(7,186)	(7,186)
Total Recommended - GF	2,977,889	2,977,889	2,970,703	2,970,703	(7,186)	(7,186)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	45	45	45	45	-	-
Total Recommended - GF	45	45	45	45	-	-
FY 17 Appropriation - TF	1	1	1	1	-	-
Total Recommended - TF	1	1	1	1	-	-

Other Significant Legislation**PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019**

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$6,248, a Labor Concessions Savings of \$94,253, and a Targeted Savings of \$6,611. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	2,838,478	(100,501)	2,737,977	3.5%
Other Expenses	132,225	(6,611)	125,614	5.0%

State Comptroller

OSC15000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	276	276	277	277	280	277	277

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	22,752,005	23,338,261	23,464,017	22,655,097	22,863,915	22,655,097	22,655,097
Other Expenses	4,156,404	5,584,945	4,746,238	4,748,854	4,748,854	4,748,854	4,748,854
Nonfunctional - Change to Accruals	498,742	(2,382,081)	-	-	-	-	-
Agency Total - General Fund	27,407,151	26,541,126	28,210,255	27,403,951	27,612,769	27,403,951	27,403,951

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Provide Funding for CoreCT Support Staff

Personal Services	-	208,818	-	-	-	(208,818)
Total - General Fund	-	208,818	-	-	-	(208,818)
Positions - General Fund	-	3	-	-	-	(3)

Background

The Office of the State Comptroller provides pension services to retired members, and their annuitants, for the State Employees Retirement System (SERS), the Probate Judges and Employees' Retirement System, the States Attorneys' Retirement System, the Public Defenders' Retirement System, retired Family Support Magistrates' and Compensation Commissioners' and the spouses of deceased State Judges as well as the Municipal Employees' Retirement System (MERS). Prior to the implementation of the pension module, administration of these programs was done by separate computer systems.

The Core-CT pension module consolidated all of the Comptroller's pension administration within Core-CT and retired the legacy systems. The project consisted of three major implementation phases, (1) customer relationship management (CRM), (2) SERS pension administration (3) MERS pension administration. The total project cost is approximately \$50 million. The upgrade is scheduled to be completed in February 2017.

In addition to the pension module, all human resource and payroll data for the University of Connecticut will be stored in Core-CT. The information is currently stored in a separate accounting system. The data will include detailed information about employee demographics, jobs, salary, hours worked, rates of pay and leave information. The projected is anticipated to be completed by March of 2017.

Governor

Provide funding of \$208,818 in FY 19 and three positions to support (1) the integration of the University of Connecticut's accounting system in the state accounting system, Core-CT and (2) the pension module enhancements to Core-CT.

Legislative

Do not provide funding of \$208,818 in FY 19 and three positions to support (1) the integration of the University of Connecticut's accounting system in the state accounting system, Core-CT and (2) the pension module enhancements to Core-CT.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reduce Funding for Personal Services

Personal Services	(105,000)	(105,000)	(105,000)	(105,000)	-	-
Total - General Fund	(105,000)	(105,000)	(105,000)	(105,000)	-	-

Governor

Reduce funding by \$105,000 in both FY 18 and FY 19 to achieve savings.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(703,920)	(703,920)	(703,920)	(703,920)	-	-
Other Expenses	(142,387)	(142,387)	(142,387)	(142,387)	-	-
Total - General Fund	(846,307)	(846,307)	(846,307)	(846,307)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$703,920 in the Personal Services account and \$142,387 in the Other Expenses account in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Current Services

Provide Funding for Additional Software Licenses

Other Expenses	145,003	145,003	145,003	145,003	-	-
Total - General Fund	145,003	145,003	145,003	145,003	-	-

Background

The April 26, 2013 Bond Commission allocated \$1.5 million to the Office of Policy and Management (OPM) to build an Oracle Business Intelligence (OBI) data warehouse. The warehouse was designed to improve the ability of Core-CT (the state's accounting system) users to extract financial, human resources, and other information from the system. These funds were allocated to hire consultants to build the technical infrastructure and to develop initial reports.

Governor

Provide funding of \$145,003 in both FY 18 and FY 19 in the Other Expenses account for additional user licenses for the state's OBI software.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	28,210,255	28,210,255	28,210,255	28,210,255	-	-
Policy Revisions	(951,307)	(742,489)	(951,307)	(951,307)	-	(208,818)
Current Services	145,003	145,003	145,003	145,003	-	-
Total Recommended - GF	27,403,951	27,612,769	27,403,951	27,403,951	-	(208,818)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	277	277	277	277	-	-
Policy Revisions	-	3	-	-	-	(3)
Total Recommended - GF	277	280	277	277	-	(3)

Other Significant Legislation**PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019**

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$49,865, a Labor Concessions Savings of \$836,430, and a Targeted Savings of \$237,443. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	22,655,097	(886,295)	21,768,802	3.9%
Other Expenses	4,748,854	(237,443)	4,511,411	5.0%

Department of Revenue Services

DRS16000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	665	660	660	660	660	660	660

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	57,853,931	57,801,853	57,419,820	55,180,743	55,010,743	56,380,743	56,210,743
Other Expenses	8,136,912	7,865,293	6,776,492	7,961,117	6,831,117	7,961,117	6,831,117
Other Current Expenses							
Collection and Litigation Contingency Fund	17,077	-	-	-	-	-	-
Nonfunctional - Change to Accruals	530,204	-	-	-	-	-	-
Agency Total - General Fund	66,538,124	65,667,146	64,196,312	63,141,860	61,841,860	64,341,860	63,041,860
Additional Funds Available							
Federal Funds	-	(5,331)	35,000	35,000	35,000	35,000	35,000
Private Contributions & Other Restricted	-	1,260,216	1,259,826	1,187,700	1,187,700	1,187,700	1,187,700
Agency Grand Total	66,538,124	66,922,031	65,491,138	64,364,560	63,064,560	65,564,560	64,264,560

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Provide Funding for the Connecticut Fresh Start Initiative

Personal Services	200,000	30,000	200,000	30,000	-	-
Other Expenses	1,450,000	320,000	1,450,000	320,000	-	-
Total - General Fund	1,650,000	350,000	1,650,000	350,000	-	-

Background

Section 2 of SB 787, AAC Revenue Items to Implement the Governor's Budget, establishes a Fresh Start initiative which consists of two main components: 1) incentives (including penalty and interest reductions) to taxpayers who are non-filers, under-reporters, or unregistered in exchange for self-reporting and paying taxes; and 2) a compliance strategy including audits focused on specific segments of the taxpayer population using new tools and techniques to make it easier for those taxpayers to become compliant. This initiative is estimated to result in a revenue gain of \$60 million in FY 18 and \$25 million in FY 19.

Governor

Provide funding of \$1,650,000 in FY 18 and \$350,000 in FY 19 to implement the Fresh Start initiative. This includes \$200,000 in FY 18 and \$30,000 in FY 19 in Personal Services for temporary employees and overtime, and \$1,450,000 in FY 18 and \$320,000 in FY 19 in Other Expenses for professional/expert services, travel for audits, marketing, information technology, and postage and printing costs.

Legislative

Same as Governor. Section 656 of PA 17-2 JSS, the biennial budget act, implements this policy.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Provide Funding for Collections and Enforcement

Personal Services	-	-	1,200,000	1,200,000	1,200,000	1,200,000
Total - General Fund	-	-	1,200,000	1,200,000	1,200,000	1,200,000

Legislative

Provide funding of \$1.2 million in Personal Services to re-fill vacant audit, collections & enforcement, and operations & management staff. This is estimated to result in a revenue gain of \$30 million annually in FY 18 and FY 19.

Delay Funding for Tax Incidence Study

Other Expenses	(197,100)	-	(197,100)	-	-	-
Total - General Fund	(197,100)	-	(197,100)	-	-	-

Background

Section 30 of HB 7051, AA Implementing the Governor's Budget Recommendations for General Government, repeals the statutory requirement that the Department of Revenue Services provide a biennial Tax Incidence Report.

Governor

Remove funding of \$197,100 in FY 18 only to reflect the elimination of the biennial Tax Incidence Report and associated costs.

Legislative

Remove funding of \$197,100 in FY 18 only to reflect a delay, from February 15, 2018 to February 15, 2020, the deadline for submission of the next biennial Tax Incidence Report. Section 108 of PA 17-2 JSS, the biennial budget act, implements this policy.

Transfer Funding for MSA Enforcement to Tobacco Account

Personal Services	(716,483)	(716,483)	(716,483)	(716,483)	-	-
Other Expenses	(62,081)	(62,081)	(62,081)	(62,081)	-	-
Total - General Fund	(778,564)	(778,564)	(778,564)	(778,564)	-	-

Background

In May of 2013, Connecticut joined 21 other states in a partial settlement with the major tobacco companies of a dispute dating from 2006 regarding payments to the states under the 1998 tobacco Master Settlement Agreement (MSA), from which Connecticut received approximately \$63 million. Sections 110-112 of PA 13-184 specify that: (1) up to \$40 million of the funds be used to reduce the state's GAAP deficit, (2) up to \$10 million be transferred to the General Fund for FY 14, and (3) a total of \$13 million be transferred to a non-lapsing account to fund enforcement activity related to the agreement by the Department of Revenue Services and the Office of the Attorney General.

Governor

Transfer funding of \$778,564 in both FY 18 and FY 19 to the non-lapsing Tobacco Revenue Enforcement account within the Department of Revenue Services to fund staffing costs associated with enforcement of the MSA.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(1,722,594)	(1,722,594)	(1,722,594)	(1,722,594)	-	-
Other Expenses	(203,294)	(203,294)	(203,294)	(203,294)	-	-
Total - General Fund	(1,925,888)	(1,925,888)	(1,925,888)	(1,925,888)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$1,925,888 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Current Services

Provide Funding for Biennial

Tax Incidence Study

Other Expenses	197,100	-	197,100	-	-	-
Total - General Fund	197,100	-	197,100	-	-	-

Background

CGS Sec. 12-7c requires the Department of Revenue Services, by February 15, 2018 and biennially thereafter, to provide a Tax Incidence Report covering all major state and local taxes.

Governor

Provide funding of \$197,100 in FY 18 only for consulting and information technology costs associated with the Tax Incidence Report due February 15, 2018.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	64,196,312	64,196,312	64,196,312	64,196,312	-	-
Policy Revisions	(1,251,552)	(2,354,452)	(51,552)	(1,154,452)	1,200,000	1,200,000
Current Services	197,100	-	197,100	-	-	-
Total Recommended - GF	63,141,860	61,841,860	64,341,860	63,041,860	1,200,000	1,200,000

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	660	660	660	660	-	-
Total Recommended - GF	660	660	660	660	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	56,380,743	(2,324,909)	54,055,834	4.1%
Other Expenses	7,961,117	(398,056)	7,563,061	5.0%

PA 17-147, An Act Concerning State Taxation and Collection, Tax Gap Compliance, Tax Preparers and Facilitators, Changes to the Tax and Related Statutes, a Mental Health Community Investment Account and Municipal Bonds

Section 3 shortens the period, from five to two years, during which sales tax permits issued on or after October 1, 2017 are valid.

Sections 6 and 8 require income tax withholding by certain payers of pensions and annuities, including those from an employer pension, annuity, profit-sharing plan, stock bonus, deferred compensation plan, individual retirement arrangement, endowment, or life insurance contract. The withholding requirement applies to payers of pension or annuity distributions that (1) maintain an office or transact business in Connecticut and (2) make taxable payments to resident individuals.

Sections 12 through 14 apply a uniform 11% room occupancy tax to rent received by bed and breakfast establishments (B&Bs) and specifies that rent received by hotels, lodging houses, and B&Bs includes any meals that are included with the occupancy charge.

Sections 15 through 18 establish a regulatory structure for most tax preparers and facilitators who are not otherwise regulated and prohibit a number of actions by anyone who provides tax preparation services, including those who are otherwise regulated.

Section 26 exempts from the 1% dry cleaning surcharge businesses that accept clothing or other fabrics to be dry cleaned by another establishment (i.e., "drop stores").

Office of Governmental Accountability

OGA17000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	89	92	19	19	19	19	19

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	623,385	727,201	-	-	-	-	-
Other Expenses	147,601	43,245	50,045	44,218	44,218	34,218	34,218
Other Current Expenses							
Child Fatality Review Panel	100,420	90,218	97,663	94,734	94,734	94,734	94,734
Information Technology Initiatives	24,247	23,621	-	-	-	-	-
Citizens' Election Fund Admin	1,547,998	3,995	-	-	-	-	-
Elections Enforcement Commission	1,555,153	3,168,931	-	-	-	-	-
Office of State Ethics	1,457,308	1,457,607	-	-	-	-	-
Freedom of Information Commission	1,609,496	1,666,254	-	-	-	-	-
Contracting Standards Board	271,997	261,243	274,435	271,615	271,615	257,894	257,894
Judicial Review Council	109,644	116,767	135,335	131,275	131,275	124,509	124,509
Judicial Selection Commission	82,369	84,191	84,636	82,097	82,097	82,097	82,097
Office of the Child Advocate	522,123	563,242	649,545	630,059	630,059	630,059	630,059
Office of the Victim Advocate	398,308	383,158	421,421	408,779	408,779	387,708	387,708
Board of Firearms Permit Examiners	119,748	123,429	116,774	113,272	113,272	113,272	113,272
Nonfunctional - Change to Accruals	7,260	-	-	-	-	-	-
Agency Total - General Fund	8,577,057	8,713,102	1,829,854	1,776,049	1,776,049	1,724,491	1,724,491
Additional Funds Available							
Private Contributions & Other Restricted	-	476,408	-	-	-	-	-
Agency Grand Total	8,577,057	9,189,510	1,829,854	1,776,049	1,776,049	1,724,491	1,724,491

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Reduce Funding for Various Line Items

Other Expenses	-	-	(10,000)	(10,000)	(10,000)	(10,000)
Contracting Standards Board	-	-	(13,721)	(13,721)	(13,721)	(13,721)
Judicial Review Council	-	-	(6,766)	(6,766)	(6,766)	(6,766)
Office of the Victim Advocate	-	-	(21,071)	(21,071)	(21,071)	(21,071)
Total - General Fund	-	-	(51,558)	(51,558)	(51,558)	(51,558)

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Reduce funding by \$51,558 in both FY 18 and FY 19 to achieve savings.

Reduce Funding for Other Expenses

Other Expenses	(4,326)	(4,326)	(4,326)	(4,326)	-	-
Total - General Fund	(4,326)	(4,326)	(4,326)	(4,326)	-	-

Governor

Reduce funding by \$4,326 in both FY 18 and FY 19 to achieve savings.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Other Expenses	(1,501)	(1,501)	(1,501)	(1,501)	-	-
Child Fatality Review Panel	(2,929)	(2,929)	(2,929)	(2,929)	-	-
Contracting Standards Board	(8,233)	(8,233)	(8,233)	(8,233)	-	-
Judicial Review Council	(4,060)	(4,060)	(4,060)	(4,060)	-	-
Judicial Selection Commission	(2,539)	(2,539)	(2,539)	(2,539)	-	-
Office of the Child Advocate	(19,486)	(19,486)	(19,486)	(19,486)	-	-
Office of the Victim Advocate	(12,642)	(12,642)	(12,642)	(12,642)	-	-
Board of Firearms Permit Examiners	(3,502)	(3,502)	(3,502)	(3,502)	-	-
Total - General Fund	(54,892)	(54,892)	(54,892)	(54,892)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$54,892 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Current Services**Annualize FY 17 Funding for Two Positions**

Contracting Standards Board	5,413	5,413	5,413	5,413	-	-
Total - General Fund	5,413	5,413	5,413	5,413	-	-

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation. .

Governor

Provide funding of \$5,413 in both FY 18 and FY 19 to reflect full year funding for two positions at the Contracting Standards Board.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	1,829,854	1,829,854	1,829,854	1,829,854	-	-
Policy Revisions	(59,218)	(59,218)	(110,776)	(110,776)	(51,558)	(51,558)
Current Services	5,413	5,413	5,413	5,413	-	-
Total Recommended - GF	1,776,049	1,776,049	1,724,491	1,724,491	(51,558)	(51,558)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	19	19	19	19	-	-
Total Recommended - GF	19	19	19	19	-	-

Other Significant Legislation**PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019**

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Other Expenses	34,218	(1,711)	32,507	5.0%
Contracting Standards Board	257,894	(99,400)	158,494	38.5%
Judicial Review Council	124,509	(1,175)	123,334	0.9%
Office of the Child Advocate	630,059	(2,871)	627,188	0.5%
Office of the Victim Advocate	387,708	(3,199)	384,509	0.8%
Board of Firearms Permit Examiners	113,272	(336)	112,936	0.3%

Office of Policy and Management

OPM20000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	125	125	125	125	125	125	125
Insurance Fund	2	2	2	2	2	2	2

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	11,735,284	11,244,909	11,390,132	11,092,895	11,092,895	10,006,964	10,006,964
Other Expenses	1,304,143	1,482,071	923,822	1,100,084	1,100,084	1,098,084	1,098,084
Other Current Expenses							
Litigation Settlement Costs	304,713	1,177,151	-	-	-	-	-
Automated Budget System and Data Base Link	32,985	9,134	40,894	39,668	39,668	39,668	39,668
Justice Assistance Grants	866,754	732,653	938,648	910,489	910,489	910,489	910,489
Criminal Justice Information System	1,394,005	1,671,049	920,048	-	-	-	-
Youth Services Prevention	3,377,488	-	-	-	-	-	-
Project Longevity	146,743	940,000	885,000	550,000	550,000	850,000	850,000
Council of Governments	-	-	-	-	-	2,750,000	5,000,000
Other Than Payments to Local Governments							
Tax Relief For Elderly Renters	25,305,101	26,287,142	27,300,000	25,220,568	26,103,288	25,020,226	25,020,226
Grant Payments to Local Governments							
Reimbursement to Towns for Loss of Taxes on State Property	83,641,646	71,356,484	66,730,441	66,730,441	66,730,441	51,596,345	56,045,788
Reimbursements to Towns for Private Tax-Exempt Property	125,431,737	122,919,655	114,950,770	59,122,160	59,122,160	100,900,058	105,889,432
Reimbursement Property Tax - Disability Exemption	400,000	400,000	374,065	374,065	374,065	374,065	374,065
Distressed Municipalities	5,800,000	5,549,101	5,423,986	5,423,986	5,423,986	-	-
Property Tax Relief Elderly Circuit Breaker	20,505,900	20,505,900	19,176,502	14,474,502	14,474,502	-	-
Property Tax Relief Elderly Freeze Program	120,871	94,757	112,221	65,000	65,000	65,000	65,000
Property Tax Relief for Veterans	2,970,098	2,896,990	2,777,546	2,777,546	2,777,546	2,777,546	2,777,546
Property Tax Relief	1,126,814	-	-	-	-	-	-
Focus Deterrence	790,046	-	-	-	-	-	-
Municipal Aid Adjustment	3,608,728	-	-	-	-	-	-
Municipal Revenue Sharing	-	-	-	-	-	35,221,814	36,819,135
Municipal Restructuring	-	-	-	-	-	28,000,000	28,000,000
Municipal Transition	-	-	-	-	-	36,000,000	15,000,000
Municipal Stabilization Grant	-	-	-	-	-	56,903,954	37,753,335
Nonfunctional - Change to Accruals	430,338	-	-	-	-	-	-
Agency Total - General Fund	289,293,394	267,266,995	251,944,075	187,881,404	188,764,124	352,514,213	325,649,732
Grants To Towns	61,698,907	61,687,907	58,076,612	58,076,612	58,076,612	57,649,850	49,942,796
Agency Total - Mashantucket Pequot and Mohegan Fund	61,698,907	61,687,907	58,076,612	58,076,612	58,076,612	57,649,850	49,942,796
Personal Services	291,610	294,370	313,882	313,882	313,882	313,882	313,882

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Other Expenses	444	5,355	6,012	6,012	6,012	6,012	6,012
Fringe Benefits	169,569	179,077	200,882	200,882	200,882	200,882	200,882
Nonfunctional - Change to Accruals	2,669	-	-	-	-	-	-
Agency Total - Insurance Fund	464,292	478,802	520,776	520,776	520,776	520,776	520,776
Municipal Revenue Sharing	-	-	185,000,000	330,100,000	339,000,000	-	-
Agency Total - Municipal Revenue Sharing Fund	-	-	185,000,000	330,100,000	339,000,000	-	-
Total - Appropriated Funds	351,456,593	329,433,704	495,541,463	576,578,792	586,361,512	410,684,839	376,113,304
Additional Funds Available							
Carry Forward Funding	-	-	-	-	-	3,019,262	-
Federal Funds	-	6,472,561	9,386,464	7,100,783	3,735,325	7,100,783	3,735,325
Private Contributions & Other Restricted	-	10,896,391	4,451,204	4,111,001	4,351,001	4,111,001	4,351,001
Private Contributions	-	130,180	1,349,544	1,311,013	46,013	1,311,013	46,013
Agency Grand Total	351,456,593	346,932,836	510,728,675	589,101,589	594,493,851	426,226,898	384,245,643

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Adjust Funding Source for MRSA/MRSF Grants

Municipal Revenue Sharing	-	-	45,805,008	46,101,081	45,805,008	46,101,081
Municipal Transition	-	-	36,000,000	15,000,000	36,000,000	15,000,000
Total - General Fund	-	-	81,805,008	61,101,081	81,805,008	61,101,081
Municipal Revenue Sharing	330,100,000	339,000,000	-	-	(330,100,000)	(339,000,000)
Total - Municipal Revenue Sharing Fund	330,100,000	339,000,000	-	-	(330,100,000)	(339,000,000)

Background

The Municipal Revenue Sharing Fund (MRSF) is an appropriated fund created in PA 16-2, the Revised FY 17 budget, to provide \$185.0 million in funding in FY 17 to municipalities and regional councils of government, via a revenue transfer from the General Fund. Funding is provided for 1) supplemental PILOT grants to towns with high levels of tax exempt property, 2) grants to towns that experience a revenue loss as a result of the mill rate cap on motor vehicles, 3) additional general state aid, 4) supplemental Education Cost Sharing grants, and 5) grants to regional councils of government.

Governor

Provide funding of \$330,100,000 in FY 18 and \$339 million in FY 19 for the Municipal Revenue Sharing Fund. This funding replaces a scheduled diversion of sales tax revenue (of the same amount in each of FY 18 and FY 19) into the non-appropriated Municipal Revenue Sharing Account (MRSA) for the same grant programs. Please note this does not include \$10 million in Education Cost Sharing money funded via MRSF within the State Department of Education (SDE) in FY 18 and FY 19.

Legislative

Do not fund any grants via the Municipal Revenue Sharing Fund in FY 18 or FY 19. Funding for two grants previously funded via MRSF is instead provided through the General Fund: 1) \$45,805,008 in FY 18 and \$46,101,081 in FY 19 for Supplemental PILOT, and 2) \$36,000,000 in FY 18 and \$15,000,000 in FY 19 for Car Tax Grants.

Provide Funding for Municipal Restructuring

Municipal Restructuring	-	-	28,000,000	28,000,000	28,000,000	28,000,000
Total - General Fund	-	-	28,000,000	28,000,000	28,000,000	28,000,000

Legislative

Provide \$28,000,000 in each of FY 18 and FY 19 for assistance for certain financially distressed municipalities.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reduce Funding for PILOT grants

Reimbursement to Towns for Loss of Taxes on State Property	-	-	(11,025,359)	(11,025,359)	(11,025,359)	(11,025,359)
Reimbursements to Towns for Private Tax-Exempt Property	-	-	(8,961,283)	(8,961,283)	(8,961,283)	(8,961,283)
Total - General Fund	-	-	(19,986,642)	(19,986,642)	(19,986,642)	(19,986,642)

Background

The State Property PILOT provides a payment in lieu of local property taxes (PILOT) to municipalities for property owned and used by the State of Connecticut. The payment is equal to a percentage of the amount of taxes that would be paid if the property were not exempt from taxation. The payment percentages are 100% for facilities used as a correctional facility, 100% Mashantucket Pequot Tribal land taken into trust by federal government on or after June 8, 1999, 100% for any town in which more than 50% of all property in the town is state-owned real property, 65% for the Connecticut Valley Hospital facility, and 45% for all other property.

The College & Hospital PILOT provides a payment in lieu of local property taxes (PILOT) to municipalities for private colleges, general hospitals, and free standing chronic disease hospitals. These facilities are exempt from payment of local property taxes. The PILOT payment is equal to 77% of the amount of taxes that would have been paid if the property were not exempt from taxation.

Legislative

Reduce funding by \$19,986,642 in each of FY 18 and FY 19 for PILOT grants (\$11,025,359 in each of FY 18 and FY 19 for the State Property PILOT and \$8,961,283 in each of FY 18 and FY 19 for the College & Hospital PILOT).

Eliminate Increases in PILOT funding

Reimbursement to Towns for Loss of Taxes on State Property	-	-	(5,108,737)	-	(5,108,737)	-
Reimbursements to Towns for Private Tax-Exempt Property	-	-	(5,089,429)	-	(5,089,429)	-
Municipal Revenue Sharing	-	-	(1,301,248)	-	(1,301,248)	-
Total - General Fund	-	-	(11,499,414)	-	(11,499,414)	-
Grants To Towns	-	-	(426,762)	-	(426,762)	-
Total - Mashantucket Pequot and Mohegan Fund	-	-	(426,762)	-	(426,762)	-

Legislative

Reduce funding for the State Property PILOT, College & Hospital PILOT, Pequot, and Supplemental PILOT in FY 18 by a total of \$11,499,414 in the General Fund and \$426,762 in the Pequot fund. These reductions preclude any town from receiving an increase in state aid from any of these grants.

Eliminate Supplemental PILOT for Certain Municipalities

Municipal Revenue Sharing	-	-	(9,281,946)	(9,281,946)	(9,281,946)	(9,281,946)
Total - General Fund	-	-	(9,281,946)	(9,281,946)	(9,281,946)	(9,281,946)

Background

The Supplemental PILOT is intended to increase the effective reimbursement rates (the portion of the tax loss due to state, college and hospital property that towns actually receive as a reimbursement) to certain municipalities with high levels of tax exempt property. In FY 17, this grant was funded via the Municipal Revenue Sharing Fund and provided funding of \$44.1 million to 35 municipalities.

Legislative

Reduce Supplemental PILOT funding by \$9,281,946 in each of FY 18 and FY 19 to reflect the elimination of this grant to all but the top five FY 17 recipients (Bridgeport, Hartford, New Haven, Mansfield, and Waterbury).

Establish Municipal Stabilization Grant

Municipal Stabilization Grant	-	-	56,903,954	37,753,335	56,903,954	37,753,335
Total - General Fund	-	-	56,903,954	37,753,335	56,903,954	37,753,335

Legislative

Provide Funding of \$56,903,954 in FY 18 and \$37,753,335 in FY 19 for a Municipal Stabilization Grant to mitigate reductions in aid to various towns caused by reductions in funding for other municipal grants. This funding ensures that 1) no town receives a town aid reduction greater than 5% in FY 18, and 2) Alliance Districts lose no funding in FY 18, and lose no more than \$250,000 in FY 19.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Distribute Municipal Lapse

Reimbursement to Towns for Loss of Taxes on State Property	-	-	-	(659,294)	-	(659,294)
Reimbursements to Towns for Private Tax-Exempt Property	-	-	-	(100,055)	-	(100,055)
Total - General Fund	-	-	-	(759,349)	-	(759,349)
Grants To Towns	-	-	-	(8,133,816)	-	(8,133,816)
Total - Mashantucket Pequot and Mohegan Fund	-	-	-	(8,133,816)	-	(8,133,816)

Legislative

Reduce funding for the Pequot grant, State Property PILOT, and College & Hospital PILOT in FY 19 by \$8,133,816 in the Pequot Fund and \$759,349 in the General Fund. These reductions are distributed on a per capita basis, except that no Alliance District receives a reduction greater than \$250,000.

Reduce Funding for Elderly Renter's Rebate

Tax Relief For Elderly Renters	(1,964,809)	(2,062,889)	(2,165,151)	(3,145,951)	(200,342)	(1,083,062)
Total - General Fund	(1,964,809)	(2,062,889)	(2,165,151)	(3,145,951)	(200,342)	(1,083,062)

Background

State law provides a reimbursement program for Connecticut renters who are elderly or totally disabled, and whose incomes do not exceed certain limits. Persons renting an apartment or room, or living in cooperative housing or a mobile home may be eligible for this program. Renters' rebates can be up to \$900 for married couples and \$700 for single persons. The renters' rebate amount is based on a graduated income scale and the amount of rent and utility payments (excluding telephone) made in the calendar year prior to the year in which the renter applies.

Governor

Reduce funding by \$1,964,809 in FY 18 and \$2,062,889 in FY 19 for Elderly Renters' Tax Relief to achieve savings.

Legislative

Reduce funding for the Elderly Renters' Rebate by \$2,165,151 in FY 18 and \$3,145,951 in FY 19 to match estimated FY 17 expenditure levels.

Eliminate Funding for Certain Municipal Grants

Distressed Municipalities	-	-	(5,423,986)	(5,423,986)	(5,423,986)	(5,423,986)
Property Tax Relief Elderly Circuit Breaker	(4,702,000)	(4,702,000)	(19,176,502)	(19,176,502)	(14,474,502)	(14,474,502)
Total - General Fund	(4,702,000)	(4,702,000)	(24,600,488)	(24,600,488)	(19,898,488)	(19,898,488)

Background

The Elderly Circuit Breaker provides a property tax credit program for Connecticut owners in residence of real property, who are elderly (65 and over) or totally disabled, and whose annual incomes do not exceed certain limits. The credit amount is calculated by the local assessor and applied by the tax collector to the applicant's real property tax bill. The amount of the credit that may be granted is up to \$1,250 for married couples and \$1,000 for single persons. About 38,500 people in all 169 municipalities and six other special taxing districts receive this tax credit. The grant provides a partial reimbursement to municipalities for the revenue loss associated with the Circuit Breaker program.

The Distressed Municipalities Property Tax Reimbursement Program provides a 5-year state reimbursement of a portion of the property tax loss towns sustain as a result of property tax exemptions granted to qualified manufacturing facilities located in designated municipalities. Manufacturing companies may receive a tax reduction equal to 80% of the local property tax on their real estate and personal property. Service facilities may receive a tax reduction of from 40% to 80% of the local property tax, depending on the amount of investment made by the owner. These companies must be located in distressed municipalities, enterprise zones, targeted investment communities, or other designated areas to receive these exemptions.

Governor

Reduce funding by \$4,702,000 in each of FY 18 and FY 19 to achieve savings. This results in a 24.5% reduction in grant funding to municipalities. It does not impact the tax credits received by program participants.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Reduce funding by \$24,600,488 in each of FY 18 and FY 19 (\$5,423,986 in each of FY 18 and FY 19 for the Distressed Municipalities grant; \$19,176,502 in each of FY 18 and FY 19 for the Elderly Circuit Breaker grant) to reflect the elimination of two municipal grant programs.

Maintain Funding for College and Hospital PILOT

Reimbursements to Towns for Private Tax-Exempt Property	(55,828,610)	(55,828,610)	-	-	55,828,610	55,828,610
Total - General Fund	(55,828,610)	(55,828,610)	-	-	55,828,610	55,828,610

Governor

Reduce funding by \$55,828,610 in each of FY 18 and FY 19 to reflect the removal of private hospital property from the calculation of C&H PILOT grants. The Governor's budget proposal allows municipalities to fully tax real property owned by hospitals. This is estimated to generate approximately \$212.2 million in revenue to municipalities.

Legislative

Maintain funding for the College & Hospital PILOT in FY 18 and FY 19 and do not remove private hospital property from the calculation of C&H PILOT grants. The Governor's proposal to allow municipalities to tax real property owned by hospitals is not implemented.

Provide Funding for COGs

Council of Governments	-	-	2,750,000	5,000,000	2,750,000	5,000,000
Total - General Fund	-	-	2,750,000	5,000,000	2,750,000	5,000,000

Legislative

Provide funding of \$2,750,000 in FY 18 and \$5,000,000 in FY 19 for regional Councils of Government (COGs). This funding was previously provided via the Municipal Revenue Sharing Fund. Sections 259 and 260 of PA 17-2, the FY 18 and FY 19 budget, require the Office of Policy and Management to determine the distribution of this funding and provides stipulations under which COGs may receive the money.

Transfer CJIS from OPM to DESPP

Criminal Justice Information System	(2,392,840)	(2,739,398)	(2,392,840)	(2,739,398)	-	-
Total - General Fund	(2,392,840)	(2,739,398)	(2,392,840)	(2,739,398)	-	-

Background

Connecticut's Criminal Justice Information System (CJIS) is the umbrella term for the agencies with criminal justice responsibilities. CJIS was created to enhance communication and information sharing across criminal justice agencies. The primary responsibility of CJIS is the development and management of the Connecticut Information Sharing System, the information technology system which allows for electronic information sharing across agencies.

Governor

Reduce funding for CJIS by \$2,392,840 in FY 18 and \$2,739,398 in FY 19 to reflect the transfer of this funding to the Department of Emergency Services and Public Protection.

Legislative

Same as Governor

Adjust Funding for Personal Services

Personal Services	-	-	(1,000,920)	(1,000,920)	(1,000,920)	(1,000,920)
Total - General Fund	-	-	(1,000,920)	(1,000,920)	(1,000,920)	(1,000,920)

Legislative

Reduce funding for Personal Services by \$1,000,920 in each of FY 18 and FY 19 to achieve savings.

Provide Funding for Municipal Accountability Review Board

Personal Services	215,319	215,319	130,308	130,308	(85,011)	(85,011)
Other Expenses	2,000	2,000	-	-	(2,000)	(2,000)
Total - General Fund	217,319	217,319	130,308	130,308	(87,011)	(87,011)

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

The Governor's proposed FY 18 and FY 19 budget includes the creation of the Municipal Accountability Review Board. This board will have a varying degree of oversight of municipal budgets and finances, depending on the financial health of the municipality. SB 1502, the FY 18 and FY 19 budget, establishes a Municipal Accountability Review Board (MARB) to oversee the finances of certain municipalities, and gives MARB the ability to enter into contract assistance with those municipalities. Under the provisions of the bill, MARB can review and approve the budgets, bond ordinances, and collective bargaining agreements of the most financially distressed municipalities.

Governor

Provide funding of \$217,319 (\$215,319 in Personal Services and \$2,000 in Other Expenses) in each of FY 18 and FY 19 for staffing for the Municipal Accountability Review Board.

Legislative

Provide funding of \$130,308 for the Municipal Accountability Review Board in each of FY 18 and FY 19.

Provide State Property PILOT for Groton

Reimbursement to Towns for Loss of Taxes on State Property	-	-	1,000,000	1,000,000	1,000,000	1,000,000
Total - General Fund	-	-	1,000,000	1,000,000	1,000,000	1,000,000

Legislative

Provide a State Property PILOT grant of \$1,000,000 in each of FY 18 and FY 19 for the Town of Groton.

Reduce Funding for Project Longevity

Project Longevity	(308,450)	(308,450)	(8,450)	(8,450)	300,000	300,000
Total - General Fund	(308,450)	(308,450)	(8,450)	(8,450)	300,000	300,000

Background

Project Longevity is a comprehensive initiative involving law enforcement officials, social service providers, and community members to reduce gun violence in large communities.

Governor

Reduce funding by \$308,450 in each of FY 18 and FY 19 for Project Longevity to achieve savings.

Legislative

Reduce funding by \$8,450 in each of FY 18 and FY 19.

Annualize FY 17 Holdbacks

Personal Services	(512,556)	(512,556)	(512,556)	(512,556)	-	-
Other Expenses	(9,238)	(9,238)	(9,238)	(9,238)	-	-
Automated Budget System and Data Base Link	(1,226)	(1,226)	(1,226)	(1,226)	-	-
Justice Assistance Grants	(28,159)	(28,159)	(28,159)	(28,159)	-	-
Criminal Justice Information System	(27,601)	(27,601)	(27,601)	(27,601)	-	-
Project Longevity	(26,550)	(26,550)	(26,550)	(26,550)	-	-
Tax Relief For Elderly Renters	(837,476)	(837,476)	(837,476)	(837,476)	-	-
Total - General Fund	(1,442,806)	(1,442,806)	(1,442,806)	(1,442,806)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$1,442,806 in each of FY 18 and FY 19 to annualize FY 17 holdbacks.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Same as Governor

Current Services**Reflect Change in Funding Source for MRSF/MRSA Grants**

Municipal Revenue Sharing	(185,000,000)	(185,000,000)	(185,000,000)	(185,000,000)	-	-
Total - Municipal Revenue Sharing Fund	(185,000,000)	(185,000,000)	(185,000,000)	(185,000,000)	-	-

Governor

Eliminate the General Fund revenue transfer to the Municipal Revenue Sharing Fund (MRSF) in each of FY 18 and FY 19 to reflect the funding of MRSF grants via a sales tax diversion into the non-appropriated Municipal Revenue Sharing Account (MRSA).

Legislative

Same as Governor

Provide Funding for Criminal Justice Information System

Criminal Justice Information System	1,500,393	1,846,951	1,500,393	1,846,951	-	-
Total - General Fund	1,500,393	1,846,951	1,500,393	1,846,951	-	-

Governor

Provide funding of \$1,500,393 in FY 18 and \$1,846,951 in FY 19 to meet the current contractual and technological requirements of CJIS.

Legislative

Same as Governor

Provide Funding for Elderly Renters' Rebate program

Tax Relief For Elderly Renters	722,853	1,703,653	722,853	1,703,653	-	-
Total - General Fund	722,853	1,703,653	722,853	1,703,653	-	-

Governor

Provide funding of \$722,853 in FY 18 and \$1,703,653 in FY 19 to reflect an anticipated 3.5 percent increase in the cost to fully fund renters' rebates.

Legislative

Same as Governor

Provide Funding for the Open Data Portal

Other Expenses	183,500	183,500	183,500	183,500	-	-
Total - General Fund	183,500	183,500	183,500	183,500	-	-

Background

The Open Data Portal initiative began in 2014 and is intended to provide researchers and the general public access to a wide range of information concerning state government finances, demographic information, and other statistical and economic data.

Governor

Provide funding of \$183,500 in each of FY 18 and FY 19 for contractual obligations.

Legislative

Same as Governor

Reduce Funding for Elderly Tax Freeze Program

Property Tax Relief Elderly Freeze Program	(47,221)	(47,221)	(47,221)	(47,221)	-	-
Total - General Fund	(47,221)	(47,221)	(47,221)	(47,221)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

The Freeze Tax Relief Program was established with the 1967 Grand List program year. Elderly and disabled persons who applied and qualified for tax relief had their property tax frozen at that year's net benefit level. No new applicants have been allowed since the 1978 program year. There are 51 participants in this program across 30 municipalities and three special taxing districts.

Governor

Reduce funding by \$47,221 in each of FY 18 and FY 19 to reflect a reduction in caseload.

Legislative

Same as Governor

Carry Forward**Carry Forward Funding for Litigation Settlement**

Litigation Settlement Costs	-	-	2,590,346	-	2,590,346	-
Total - Carry Forward Funding	-	-	2,590,346	-	2,590,346	-

Legislative

Pursuant to CGS 4-89(e), \$2,590,346 is carried forward into FY 18 for litigation settlement.

Carry Forward for Other Expenses

Other Expenses	-	-	428,916	-	428,916	-
Total - Carry Forward Funding	-	-	428,916	-	428,916	-

Legislative

Pursuant to CGS 4-89(c), \$428,916 is carried forward into FY 18 for various unfinished projects.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	251,944,075	251,944,075	251,944,075	251,944,075	-	-
Policy Revisions	(66,422,196)	(66,866,834)	98,210,613	70,018,774	164,632,809	136,885,608
Current Services	2,359,525	3,686,883	2,359,525	3,686,883	-	-
Total Recommended - GF	187,881,404	188,764,124	352,514,213	325,649,732	164,632,809	136,885,608
FY 17 Appropriation - MF	58,076,612	58,076,612	58,076,612	58,076,612	-	-
Policy Revisions	-	-	(426,762)	(8,133,816)	(426,762)	(8,133,816)
Total Recommended - MF	58,076,612	58,076,612	57,649,850	49,942,796	(426,762)	(8,133,816)
FY 17 Appropriation - IF	520,776	520,776	520,776	520,776	-	-
Total Recommended - IF	520,776	520,776	520,776	520,776	-	-
FY 17 Appropriation - MU	185,000,000	185,000,000	185,000,000	185,000,000	-	-
Policy Revisions	330,100,000	339,000,000	-	-	(330,100,000)	(339,000,000)
Current Services	(185,000,000)	(185,000,000)	(185,000,000)	(185,000,000)	-	-
Total Recommended - MU	330,100,000	339,000,000	-	-	(330,100,000)	(339,000,000)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	125	125	125	125	-	-
Total Recommended - GF	125	125	125	125	-	-
FY 17 Appropriation - IF	2	2	2	2	-	-
Total Recommended - IF	2	2	2	2	-	-

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$22,026, a Labor Concessions Savings of \$287,210, a Targeted Savings of \$7,149,226, and a Delayed Start Savings of \$818,925. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	10,320,846	(308,624)	10,012,222	3.4%
Other Expenses	1,098,084	(54,904)	1,043,180	5.0%
Municipal Restructuring	28,000,000	(700,000)	27,300,000	2.5%
Automated Budget System and Data Base Link	39,668	(12,892)	26,776	32.5%
Justice Assistance Grants	910,489	(91,661)	818,828	10.1%
Project Longevity	850,000	(276,250)	573,750	32.5%
Council of Governments	2,750,000	(893,750)	1,856,250	32.5%
Tax Relief For Elderly Renters	25,020,226	(625,506)	24,394,720	2.5%
Reimbursement to Towns for Loss of Taxes on State Property	51,596,345	(1,289,909)	50,306,436	2.5%
Reimbursements to Towns for Private Tax-Exempt Property	100,900,058	(2,522,501)	98,377,557	2.5%
Reimbursement Property Tax - Disability Exemption	374,065	(9,352)	364,713	2.5%
Property Tax Relief for Veterans	2,777,546	(69,439)	2,708,107	2.5%
Municipal Stabilization Grant	56,903,954	(1,422,599)	55,481,355	2.5%

Department of Veterans' Affairs

DVA21000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	248	243	243	243	243	243	243

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	22,032,118	21,874,065	21,375,366	19,914,195	19,914,195	19,914,195	17,914,195
Other Expenses	5,114,216	4,714,663	3,150,761	3,056,239	3,056,239	3,056,239	3,056,239
Other Current Expenses							
Support Services for Veterans	180,497	178,691	-	-	-	-	-
SSMF Administration	635,000	550,296	527,104	521,833	521,833	521,833	521,833
Other Than Payments to Local Governments							
Burial Expenses	7,200	7,128	6,666	6,467	6,467	6,666	6,666
Headstones	258,345	279,620	307,834	250,000	250,000	307,834	307,834
Nonfunctional - Change to Accruals	18,407	-	-	-	-	-	-
Agency Total - General Fund	28,245,783	27,604,463	25,367,731	23,748,734	23,748,734	23,806,767	21,806,767
Additional Funds Available							
Federal Funds	-	1,839,029	300,000	-	-	-	-
Private Contributions & Other Restricted	-	2,557,512	4,935,508	3,420,000	3,420,000	3,420,000	3,420,000
Private Contributions	-	64,102	96,000	-	-	-	-
Agency Grand Total	28,245,783	32,065,106	30,699,239	27,168,734	27,168,734	27,226,767	25,226,767

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Annualize FY 17 Holdbacks

Personal Services	(592,661)	(592,661)	(592,661)	(592,661)	-	-
Other Expenses	(94,522)	(94,522)	(94,522)	(94,522)	-	-
SSMF Administration	(5,271)	(5,271)	(5,271)	(5,271)	-	-
Burial Expenses	(199)	(199)	-	-	199	199
Headstones	(57,834)	(57,834)	-	-	57,834	57,834
Total - General Fund	(750,487)	(750,487)	(692,454)	(692,454)	58,033	58,033

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$750,487 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Reduce funding by \$692,454 in both FY 18 and FY 19 to annualize certain FY 17 holdbacks.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Convert Licensure to Nursing Home Level of Care

Personal Services	-	-	-	(2,000,000)	-	(2,000,000)
Total - General Fund	-	-	-	(2,000,000)	-	(2,000,000)

Background

The Sgt. John L. Levitow Veterans Healthcare Center is located on the Department of Veteran's Affairs campus in Rocky Hill. It is currently licensed by the CT Department of Public Health as a Chronic Disease Hospital.

Legislative

Convert the healthcare centers license from a chronic disease hospital to a nursing home license. The change in license will change the type of staff required resulting in a \$2 million savings starting in FY 19.

Achieve Personal Services Savings through Attrition

Personal Services	(468,510)	(468,510)	(468,510)	(468,510)	-	-
Total - General Fund	(468,510)	(468,510)	(468,510)	(468,510)	-	-

Governor

Reduce funding by \$468,510 in both FY 18 and FY 19 to reflect anticipated savings to be achieved through attrition.

Legislative

Same as Governor

Current Services

Annualize Electronic Medical Record (EMR) Savings

Personal Services	(400,000)	(400,000)	(400,000)	(400,000)	-	-
Total - General Fund	(400,000)	(400,000)	(400,000)	(400,000)	-	-

Background

DVA began implementation of EMR in 2014 with modules such as clinical notes, patient census and billing with staggered deliverable dates. The pharmacy module of the DVA's EMR system has been installed and is anticipated to be fully operational no later than 7/1/17. This module will allow for an automatic pill distribution system. Currently, pill distribution is a labor-intensive process requiring the review of patient charts and the manual distribution of medications by nursing staff at least twice a day.

Governor

Reduce funding by \$400,000 in both FY 18 and FY 19 to reflect the elimination of overtime associated with manual distribution of medications.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	25,367,731	25,367,731	25,367,731	25,367,731	-	-
Policy Revisions	(1,218,997)	(1,218,997)	(1,160,964)	(3,160,964)	58,033	(1,941,967)
Current Services	(400,000)	(400,000)	(400,000)	(400,000)	-	-
Total Recommended - GF	23,748,734	23,748,734	23,806,767	21,806,767	58,033	(1,941,967)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	243	243	243	243	-	-
Total Recommended - GF	243	243	243	243	-	-

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$43,832, a Labor Concessions Savings of \$754,309, and a Targeted Savings of \$163,249. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	19,914,195	(798,141)	19,116,054	4.0%
Other Expenses	3,056,239	(152,812)	2,903,427	5.0%
SSMF Administration	521,833	(10,437)	511,396	2.0%

Department of Administrative Services

DAS23000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	656	663	665	663	663	663	663

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	48,781,373	48,541,367	49,794,514	48,300,679	48,300,679	47,168,198	47,168,198
Other Expenses	34,157,351	31,246,877	30,154,345	29,392,481	29,653,689	28,543,249	28,804,457
Other Current Expenses							
Tuition Reimbursement - Training and Travel	525,739	438,334	-	-	-	-	-
Labor - Management Fund	9,416	-	-	-	-	-	-
Management Services	4,651,615	4,177,121	3,089,993	-	-	-	-
Loss Control Risk Management	98,961	98,934	102,927	92,634	92,634	92,634	92,634
Employees' Review Board	21,098	15,476	18,155	17,611	17,611	17,611	17,611
Surety Bonds for State Officials and Employees	5,600	125,367	65,026	65,949	147,524	65,949	147,524
Quality of Work-Life	21,600	24,300	-	-	-	-	-
Refunds Of Collections	22,270	21,650	22,116	21,453	21,453	21,453	21,453
Rents and Moving	16,083,054	10,999,900	10,421,930	10,562,692	11,318,952	10,562,692	11,318,952
Capitol Day Care Center	120,642	-	-	-	-	-	-
W. C. Administrator	5,000,000	4,908,333	4,480,774	5,000,000	5,000,000	5,000,000	5,000,000
Insurance Recovery	-	6,500	-	-	-	-	-
Connecticut Education Network	3,240,214	2,764,393	1,100,000	952,907	-	952,907	-
State Insurance and Risk Mgmt Operations	14,575,302	11,942,226	13,585,462	12,292,825	12,556,522	10,719,619	10,917,391
IT Services	13,032,309	13,914,492	13,200,415	12,657,014	12,552,014	12,489,014	12,384,014
Firefighters Fund	-	-	-	-	-	400,000	400,000
Nonfunctional - Change to Accruals	28,720	-	-	-	-	-	-
Agency Total - General Fund	140,375,264	129,225,270	126,035,657	119,356,245	119,661,078	116,033,326	116,272,234
State Insurance and Risk Mgmt Operations	6,596,001	6,390,246	8,960,575	10,138,240	10,345,232	8,353,680	8,508,924
Nonfunctional - Change to Accruals	(75,998)	-	-	-	-	-	-
Agency Total - Special Transportation Fund	6,520,003	6,390,246	8,960,575	10,138,240	10,345,232	8,353,680	8,508,924
Total - Appropriated Funds	146,895,267	135,615,516	134,996,232	129,494,485	130,006,310	124,387,006	124,781,158
Additional Funds Available							
Carry Forward Funding	-	-	-	-	-	937,146	-
Federal Funds	-	2,858,796	2,431,597	2,431,597	2,431,597	2,431,597	2,431,597
Private Contributions & Other Restricted	-	8,032,562	8,008,882	7,784,788	7,784,788	7,784,788	7,784,788
Private Contributions	-	68,199,521	66,738,576	66,738,516	66,738,516	66,738,516	66,738,516
Agency Grand Total	146,895,267	214,706,395	212,175,287	206,449,386	206,961,211	202,279,053	201,736,059

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Achieve Efficiencies

Personal Services	-	-	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Other Expenses	-	-	(919,232)	(919,232)	(919,232)	(919,232)
IT Services	-	-	(168,000)	(168,000)	(168,000)	(168,000)
Total - General Fund	-	-	(2,087,232)	(2,087,232)	(2,087,232)	(2,087,232)

Legislative

Reduce various accounts to reflect current spending requirements:

- Reduce Personal Services by \$1,000,000 in both FY 18 and FY 19;
- Reduce Other Expenses by \$919,232 in both FY 18 and FY 19;
- Reduce IT Services by \$168,000 in both FY 18 and FY 19.

Provide Funding for Claims Commissioner

Other Expenses	-	-	70,000	70,000	70,000	70,000
Total - General Fund	-	-	70,000	70,000	70,000	70,000

Background

Section 5 of Public Act 16-127 authorized the Claims Commissioner to engage magistrates from a list maintained by the Chief Court Administrator to hear claims and make recommendations for final disposition to the Claims Commissioner. The claims magistrates consider dispositive motions and preside over formal hearings on the merits, and make recommendations for disposition. They serve on a part-time basis and are compensated at the per diem rate of \$200 currently applicable to Judicial Branch magistrates, with a potential maximum compensation of \$20,000 for any fiscal year.

Legislative

Provide funding of \$70,000 in both FY 18 and FY 19 to use magistrates to help DAS to reduce the backlog of claims within the Office of the Claims Commissioner.

First Responders Fund

Firefighters Fund	-	-	400,000	400,000	400,000	400,000
Total - General Fund	-	-	400,000	400,000	400,000	400,000

Background

PA 16-10 created the cancer relief program to provide firefighters diagnosed with cancer with wage replacement benefits funded through a diversion of funds from the E-911 program. By law, the E-911 program is funded through a monthly phone service subscriber fee imposed by PURA; the fees are used to develop and administer the E-911 system.

Sections 219 & 220 of PA 17-2 (JSS) eliminate the requirement for the Public Utilities Regulatory Authority (PURA) to divert a portion of the enhanced 9-1-1 program's (E-911) funds to the Firefighters' Cancer Relief Program.

Legislative

Provide funding of \$400,000 in both FY 18 and FY 19 to establish the Firefighters Fund account.

Reduce Funding to Reflect Unoccupied State Office Building

Other Expenses	(2,288,112)	(2,208,372)	(2,288,112)	(2,208,372)	-	-
Total - General Fund	(2,288,112)	(2,208,372)	(2,288,112)	(2,208,372)	-	-

Background

The State Office Building, at 165 Capitol Avenue, will be unoccupied during FY 18 and FY 19 while undergoing major renovations.

Governor

Reduce funding by \$2,288,112 in FY 18 and \$2,208,372 in FY 19 to reflect building maintenance savings from unoccupied State Office Building. The Department of Administrative Services' (DAS) will continue to incur certain operational costs, such as snow removal.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Provide Funding for e-Licensing Expansion

IT Services	190,000	85,000	190,000	85,000	-	-
Total - General Fund	190,000	85,000	190,000	85,000	-	-

Background

The Connecticut e-License web portal provides real-time access to over 600 credentials including licenses, registrations, permits or certifications for individuals, organizations and facilities.

Governor

Provide funding of \$190,000 in FY 18 and \$85,000 in FY 19 to expand the state's e-Licensing platform to enhance certain capabilities for the Department of Public Health's drinking water e-Licensing, as well as programs for other state agencies.

Legislative

Same as Governor

Reduce Various Accounts

Other Expenses	(205,752)	(205,752)	(205,752)	(205,752)	-	-
Loss Control Risk Management	(7,205)	(7,205)	(7,205)	(7,205)	-	-
Rents and Moving	(79,686)	(79,686)	(79,686)	(79,686)	-	-
Total - General Fund	(292,643)	(292,643)	(292,643)	(292,643)	-	-

Governor

Reduce various accounts to reflect current spending requirements:

- Reduce Other Expenses by \$205,752 in both FY 18 and FY 19 for training, travel and other discretionary expenses;
- Reduce Loss Control by \$7,205 in both FY 18 and FY 19;
- Reduce Rents and Moving by \$79,686 in both FY 18 and FY 19 to reflect the termination of the lease at 999 Asylum Avenue.

Legislative

Same as Governor

Reduce Funding to Reflect Decreased Use of Mainframe

IT Services	(337,389)	(337,389)	(337,389)	(337,389)	-	-
Total - General Fund	(337,389)	(337,389)	(337,389)	(337,389)	-	-

Background

The Department of Social Services is anticipated to complete rollout of the ImpaCT project in FY 17 which will reduce the load on the DAS mainframe environment.

Governor

Reduce funding by \$337,389 in both FY 18 and FY 19 as DAS expects to renegotiate vendor contracts to reflect current mainframe requirements.

Legislative

Same as Governor

Reduce the Insurance and Risk Management Account

State Insurance and Risk Mgmt Operations	(1,222,692)	(1,222,692)	(2,795,898)	(2,861,823)	(1,573,206)	(1,639,131)
Total - General Fund	(1,222,692)	(1,222,692)	(2,795,898)	(2,861,823)	(1,573,206)	(1,639,131)
State Insurance and Risk Mgmt Operations	(896,058)	(896,058)	(2,680,618)	(2,732,366)	(1,784,560)	(1,836,308)
Total - Special Transportation Fund	(896,058)	(896,058)	(2,680,618)	(2,732,366)	(1,784,560)	(1,836,308)

Governor

Reduce funding by \$1,222,692 in the General Fund and \$896,058 in the Transportation Fund in both FY18 and FY 19 to reflect anticipated spending requirements.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Reduce funding by \$2,795,898 in FY 18 and \$2,861,823 in FY 19 in the General Fund and \$2,680,618 in FY 18 and \$2,732,366 in FY 19 in the Transportation Fund to reflect anticipated spending requirements.

Transfer Ownership of 25 Sigourney to DOT

Other Expenses	(912,800)	(912,800)	(912,800)	(912,800)	-	-
Total - General Fund	(912,800)	(912,800)	(912,800)	(912,800)	-	-

Governor

Transfer funding of \$912,800 in both FY 18 and FY 19 to reflect the transfer of ownership of the 25 Sigourney Street building from DAS to the Department of Transportation (DOT).

Legislative

Same as Governor

Eliminate 25 Sigourney Street Maintenance Costs

Other Expenses	(945,394)	(945,394)	(945,394)	(945,394)	-	-
Total - General Fund	(945,394)	(945,394)	(945,394)	(945,394)	-	-

Governor

Reduce funding by \$945,394 in both FY 18 and FY 19 to reflect building maintenance savings from the unoccupied property at 25 Sigourney Street. The Department of Administrative Services' (DAS) will continue to incur certain operational costs, such as snow removal.

Legislative

Same as Governor

Provide Funding for Utility Costs at Data Center

Rents and Moving	102,000	102,000	102,000	102,000	-	-
Total - General Fund	102,000	102,000	102,000	102,000	-	-

Governor

Provide funding of \$102,000 in both FY 18 and FY 19 for to pay certain utility costs at the state data center in Groton.

Legislative

Same as Governor

Reduce Funding for CEN

Connecticut Education Network	(114,093)	(1,067,000)	(114,093)	(1,067,000)	-	-
Total - General Fund	(114,093)	(1,067,000)	(114,093)	(1,067,000)	-	-

Background

Connecticut Education Network (CEN) is part of the State's secure 'Nutmeg Network', whose purpose is to deliver reliable, high-speed internet access, and data transport services to its members throughout Connecticut.

Governor

Reduce funding by \$114,093 in FY 18 and \$1,067,000 in FY 19 to reflect the phasing out of DAS financial support for CEN.

Legislative

Same as Governor

Transfer Management Services to Other Expenses

Other Expenses	3,072,794	3,086,905	3,072,794	3,086,905	-	-
Management Services	(3,072,794)	(3,086,905)	(3,072,794)	(3,086,905)	-	-
Total - General Fund	-	-	-	-	-	-

Background

DAS has been utilizing two separate accounts to pay for lease expenditures, utility costs, and property management expenses based on a property's proximity to Hartford.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Transfer funding of \$3,072,794 in FY 18 and \$3,086,905 in FY 19 from Management Services to Other Expenses to place all leasing , utility and property management funding into one account.

Legislative

Same as Governor

Transfer Two Positions and Associated Funding to FOIC & OSE

Personal Services	-	-	(132,481)	(132,481)	(132,481)	(132,481)
Total - General Fund	-	-	(132,481)	(132,481)	(132,481)	(132,481)
Positions - General Fund	(2)	(2)	(2)	(2)	-	-

Background

DAS provided the services of a Human Resources Specialist and a Fiscal Administrative Assistant to the watchdog agencies in FY 17 based on an MOU.

Governor

Transfer one Human Resources position to the Freedom of Information Commission and one Fiscal Administration position to the Office of State Ethics.

Legislative

Transfer funding of \$132,481 in both FY 18 and FY 19 to reflect the transfer of two positions:

- 1) One human resources position and \$76,502 is transferred to the Freedom of Information Commission, and
- 2) One fiscal position and \$55,979 is transferred to the Office of State Ethics.

Annualize FY 17 Holdbacks

Personal Services	(1,493,835)	(1,493,835)	(1,493,835)	(1,493,835)	-	-
Other Expenses	(301,543)	(301,543)	(301,543)	(301,543)	-	-
Management Services	(30,899)	(30,899)	(30,899)	(30,899)	-	-
Loss Control Risk Management	(3,088)	(3,088)	(3,088)	(3,088)	-	-
Employees' Review Board	(544)	(544)	(544)	(544)	-	-
Surety Bonds for State Officials and Employees	(1,951)	(1,951)	(1,951)	(1,951)	-	-
Refunds Of Collections	(663)	(663)	(663)	(663)	-	-
Rents and Moving	(312,658)	(312,658)	(312,658)	(312,658)	-	-
W. C. Administrator	(134,422)	(134,422)	(134,422)	(134,422)	-	-
Connecticut Education Network	(33,000)	(33,000)	(33,000)	(33,000)	-	-
State Insurance and Risk Mgmt Operations	(135,854)	(135,854)	(135,854)	(135,854)	-	-
IT Services	(396,012)	(396,012)	(396,012)	(396,012)	-	-
Total - General Fund	(2,844,469)	(2,844,469)	(2,844,469)	(2,844,469)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$2,844,469 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Current Services

Annualize Costs of Occupancy at 450 Columbus Blvd

Other Expenses	656,461	656,461	656,461	656,461	-	-
Total - General Fund	656,461	656,461	656,461	656,461	-	-

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation.

Governor

Provide funding of \$656,461 in both FY 18 and FY 19 to reflect full year funding for the occupancy costs at 450 Columbus Boulevard.

Legislative

Same as Governor

Provide Funding for Various Adjustments

Other Expenses	162,482	329,839	162,482	329,839	-	-
Management Services	13,700	27,811	13,700	27,811	-	-
Surety Bonds for State Officials and Employees	2,874	84,449	2,874	84,449	-	-
Rents and Moving	431,106	1,187,366	431,106	1,187,366	-	-
State Insurance and Risk Mgmt Operations	65,909	329,606	65,909	329,606	-	-
Total - General Fund	676,071	1,959,071	676,071	1,959,071	-	-

Governor

Provide Funding of \$431,106 in FY 18 and \$1,187,366 in FY 19 for lease increases; \$176,182 in FY 18 and \$357,650 in FY 19 for contractual increases for security guards; \$65,909 in FY 18 and \$329,606 in FY 19 for insurance premium increases; and \$2,874 in FY 18 and \$84,449 surety bond renewal increases.

Legislative

Same as Governor

Provide Funding for the Third Party Administrator

W. C. Administrator	653,648	653,648	653,648	653,648	-	-
Total - General Fund	653,648	653,648	653,648	653,648	-	-

Background

The Workers' Compensation Administrator account provides funding for the third party administrator (TPA) contract for workers' compensation claims administration and medical case management.

Governor

Provide funding of \$653,648 in both FY 18 and FY 19 to reflect the current TPA contractual obligation.

Legislative

Same as Governor

Provide Funding for Rail Line Insurance

State Insurance and Risk Mgmt Operations	2,073,723	2,280,715	2,073,723	2,280,715	-	-
Total - Special Transportation Fund	2,073,723	2,280,715	2,073,723	2,280,715	-	-

Background

Beginning in FY18, the Insurance and Risk management board will be required to purchase insurance for the new rail line from New Haven to Springfield.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Provide funding of \$2,073,723 in FY 18 and \$2,280,715 in FY 19 to purchase insurance for the new rail line.

Legislative

Same as Governor

Carry Forward**Carry Forward Funding in Various Accounts**

Other Expenses	-	-	82,600	-	82,600	-
Tuition Reimbursement - Training and Travel	-	-	133,581	-	133,581	-
Labor - Management Fund	-	-	720,965	-	720,965	-
Total - Carry Forward Funding	-	-	937,146	-	937,146	-

Legislative

Pursuant to CGS Sec. 4-89 (c), funds totaling \$937,146 are carried forward into FY 18 (\$82,600 in Other Expenses for Claims Commissioner expenses; \$133,581 in Tuition, Training and Travel; and \$720,965 in the Special Labor-Management Fund account).

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	126,035,657	126,035,657	126,035,657	126,035,657	-	-
Policy Revisions	(8,665,592)	(9,643,759)	(11,988,511)	(13,032,603)	(3,322,919)	(3,388,844)
Current Services	1,986,180	3,269,180	1,986,180	3,269,180	-	-
Total Recommended - GF	119,356,245	119,661,078	116,033,326	116,272,234	(3,322,919)	(3,388,844)
FY 17 Appropriation - TF	8,960,575	8,960,575	8,960,575	8,960,575	-	-
Policy Revisions	(896,058)	(896,058)	(2,680,618)	(2,732,366)	(1,784,560)	(1,836,308)
Current Services	2,073,723	2,280,715	2,073,723	2,280,715	-	-
Total Recommended - TF	10,138,240	10,345,232	8,353,680	8,508,924	(1,784,560)	(1,836,308)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	665	665	665	665	-	-
Policy Revisions	(2)	(2)	(2)	(2)	-	-
Total Recommended - GF	663	663	663	663	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$103,820, a Labor Concessions Savings of \$1,699,505, and a Targeted Savings of \$2,446,904. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	47,168,198	(1,803,325)	45,364,873	3.8%
Other Expenses	28,543,249	(1,427,162)	27,116,087	5.0%
Connecticut Education Network	952,907	(95,291)	857,616	10.0%
IT Services	12,489,014	(624,451)	11,864,563	5.0%
Firefighters Fund	400,000	(300,000)	100,000	75.0%

Attorney General

OAG29000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	303	303	303	303	303	311	311

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	30,459,339	29,582,649	31,369,385	30,323,304	30,323,304	30,323,304	30,923,304
Other Expenses	1,257,826	991,811	998,871	968,906	968,906	968,906	1,068,906
Nonfunctional - Change to Accruals	123,440	-	-	-	-	-	-
Agency Total - General Fund	31,840,605	30,574,461	32,368,256	31,292,210	31,292,210	31,292,210	31,992,210
Additional Funds Available							
Federal Funds	-	95,274	-	-	-	-	-
Private Contributions & Other Restricted	-	2,591,229	2,620,000	2,648,000	2,660,000	2,648,000	2,660,000
Private Contributions	-	177,103	260,000	360,000	360,000	360,000	360,000
Agency Grand Total	31,840,605	33,438,067	35,248,256	34,300,210	34,312,210	34,300,210	35,012,210

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Annualize FY 17 Holdbacks

Personal Services	(941,081)	(941,081)	(941,081)	(941,081)	-	-
Other Expenses	(29,965)	(29,965)	(29,965)	(29,965)	-	-
Total - General Fund	(971,046)	(971,046)	(971,046)	(971,046)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in each of FY 18 and FY 19 across various agencies.

Governor

Reduce funding by \$971,046 in each of FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Reduce Funding for Personal Services

Personal Services	(105,000)	(105,000)	(105,000)	(105,000)	-	-
Total - General Fund	(105,000)	(105,000)	(105,000)	(105,000)	-	-

Governor

Reduce funding by \$105,000 in each of FY 18 and FY 19 to achieve savings.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Add Attorneys and Increase Funding for Expenses

Personal Services	-	-	-	600,000	-	600,000
Other Expenses	-	-	-	100,000	-	100,000
Total - General Fund	-	-	-	700,000	-	700,000
Positions - General Fund	-	-	8	8	8	8

Legislative

Provide funding of \$800,000 in each of FY 18 and FY 19 to support eight attorney positions and related expenses in order to enhance legal representation. A portion of the increased funding to other expenses reflects the anticipated costs of agency relocation.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	32,368,256	32,368,256	32,368,256	32,368,256	-	-
Policy Revisions	(1,076,046)	(1,076,046)	(1,076,046)	(376,046)	-	700,000
Total Recommended - GF	31,292,210	31,292,210	31,292,210	31,992,210	-	700,000

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	303	303	303	303	-	-
Policy Revisions	-	-	8	8	8	8
Total Recommended - GF	303	303	311	311	8	8

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$66,743, a Labor Concessions Savings of \$978,213, and a Targeted Savings of \$48,445. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	30,323,304	(1,044,956)	29,278,348	3.4%
Other Expenses	968,906	(48,445)	920,461	5.0%

Division of Criminal Justice

DCJ30000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	498	486	486	486	486	486	486
Workers' Compensation Fund	4	4	4	4	4	4	4

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	46,940,489	47,927,316	45,296,055	45,591,267	45,591,267	44,094,555	44,021,057
Other Expenses	2,708,695	2,557,340	2,359,373	2,403,280	2,403,280	2,276,404	2,273,280
Other Current Expenses							
Witness Protection	251,104	246,094	165,806	164,148	164,148	164,148	164,148
Training And Education	44,154	37,156	52,044	30,000	30,000	27,398	27,398
Expert Witnesses	123,635	127,605	191,757	145,000	145,000	135,413	135,413
Medicaid Fraud Control	1,120,952	1,054,950	1,107,897	1,096,819	1,096,819	1,041,425	1,041,425
Criminal Justice Commission	159	406	444	431	431	409	409
Cold Case Unit	269,262	176,198	240,619	-	-	228,213	228,213
Shooting Taskforce	1,012,651	1,063,626	1,044,948	-	-	1,034,499	1,034,499
Nonfunctional - Change to Accruals	156,727	-	-	-	-	-	-
Agency Total - General Fund	52,627,828	53,190,691	50,458,943	49,430,945	49,430,945	49,002,464	48,925,842
Personal Services	314,927	290,570	405,969	369,969	369,969	369,969	369,969
Other Expenses	5,211	6,912	10,428	10,428	10,428	10,428	10,428
Fringe Benefits	251,013	247,155	339,273	306,273	306,273	306,273	306,273
Nonfunctional - Change to Accruals	(3,398)	-	-	-	-	-	-
Agency Total - Workers' Compensation Fund	567,753	544,637	755,670	686,670	686,670	686,670	686,670
Total - Appropriated Funds	53,195,581	53,735,328	51,214,613	50,117,615	50,117,615	49,689,134	49,612,512
Additional Funds Available							
Federal Funds	-	1,057,596	1,047,911	1,017,500	1,027,500	1,017,500	1,027,500
Private Contributions & Other Restricted	-	146,873	150,000	150,000	150,000	150,000	150,000
Private Contributions	-	125,455	135,304	135,500	135,500	135,500	135,500
Agency Grand Total	53,195,581	55,065,252	52,547,828	51,420,615	51,430,615	50,992,134	50,925,512

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Maintain Cold Case and Shooting Taskforce Unit

Personal Services	1,195,212	1,195,212	-	-	(1,195,212)	(1,195,212)
Other Expenses	67,500	67,500	-	-	(67,500)	(67,500)
Cold Case Unit	(228,213)	(228,213)	-	-	228,213	228,213
Shooting Taskforce	(1,034,499)	(1,034,499)	-	-	1,034,499	1,034,499

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
Total - General Fund	-	-	-	-	-	-

Background

The Cold Case/Shooting Task Force Unit is responsible for the investigation and prosecution of violent crime. The Unit investigate and, whenever possible, prosecute serious crimes that have gone "cold," or unsolved for a long period of time. The cases assigned to this Unit typically include unsolved murders, some of which took place decades ago. The Unit works closely with the Connecticut State Police, municipal police departments, and nationally recognized forensics experts, utilizing the latest technology to solve these crimes.

Governor

Reallocate funding for the Cold Case and Shooting Taskforce Units to the Personal Services and Other Expenses accounts.

Legislative

Maintain funding for the Cold Case Unit and Shooting Taskforce in separate accounts. Section 167 of PA 17-2 JSS specifies that the account remain separate.

Annualize FY 17 Savings for Turnover

Personal Services	(400,000)	(400,000)	(400,000)	(400,000)	-	-
Total - General Fund	(400,000)	(400,000)	(400,000)	(400,000)	-	-
Personal Services	(36,000)	(36,000)	(36,000)	(36,000)	-	-
Fringe Benefits	(33,000)	(33,000)	(33,000)	(33,000)	-	-
Total - Workers' Compensation Fund	(69,000)	(69,000)	(69,000)	(69,000)	-	-

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation.

Governor

Reduce funding by \$469,000 in both FY 18 and FY 19 to reflect full year savings from turnover.

Legislative

Same as Governor

Achieve Efficiencies

Personal Services	-	-	(301,500)	(374,998)	(301,500)	(374,998)
Other Expenses	-	-	(59,376)	(62,500)	(59,376)	(62,500)
Training And Education	-	-	(2,602)	(2,602)	(2,602)	(2,602)
Expert Witnesses	-	-	(9,587)	(9,587)	(9,587)	(9,587)
Medicaid Fraud Control	-	-	(55,394)	(55,394)	(55,394)	(55,394)
Criminal Justice Commission	-	-	(22)	(22)	(22)	(22)
Total - General Fund	-	-	(428,481)	(505,103)	(428,481)	(505,103)

Legislative

Reduce funding by \$428,481 in FY 18 and \$505,103 in FY 19 to reflect savings that will be achieved.

Annualize FY 17 Holdbacks

Personal Services	(1,619,166)	(1,619,166)	(1,619,166)	(1,619,166)	-	-
Other Expenses	(23,593)	(23,593)	(23,593)	(23,593)	-	-
Witness Protection	(1,658)	(1,658)	(1,658)	(1,658)	-	-
Training And Education	(22,044)	(22,044)	(22,044)	(22,044)	-	-
Expert Witnesses	(46,757)	(46,757)	(46,757)	(46,757)	-	-
Medicaid Fraud Control	(11,078)	(11,078)	(11,078)	(11,078)	-	-
Criminal Justice Commission	(13)	(13)	(13)	(13)	-	-
Cold Case Unit	(12,406)	(12,406)	(12,406)	(12,406)	-	-
Shooting Taskforce	(10,449)	(10,449)	(10,449)	(10,449)	-	-
Total - General Fund	(1,747,164)	(1,747,164)	(1,747,164)	(1,747,164)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Reduce funding by \$1,747,164 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Current Services**Provide Personal Services Funding**

Personal Services	1,119,166	1,119,166	1,119,166	1,119,166	-	-
Total - General Fund	1,119,166	1,119,166	1,119,166	1,119,166	-	-

Governor

Provide funding of \$1,119,166 in both FY 18 and FY 19 to reflect current requirements for this account.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	50,458,943	50,458,943	50,458,943	50,458,943	-	-
Policy Revisions	(2,147,164)	(2,147,164)	(2,575,645)	(2,652,267)	(428,481)	(505,103)
Current Services	1,119,166	1,119,166	1,119,166	1,119,166	-	-
Total Recommended - GF	49,430,945	49,430,945	49,002,464	48,925,842	(428,481)	(505,103)
FY 17 Appropriation - WF	755,670	755,670	755,670	755,670	-	-
Policy Revisions	(69,000)	(69,000)	(69,000)	(69,000)	-	-
Total Recommended - WF	686,670	686,670	686,670	686,670	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	486	486	486	486	-	-
Total Recommended - GF	486	486	486	486	-	-
FY 17 Appropriation - WF	4	4	4	4	-	-
Total Recommended - WF	4	4	4	4	-	-

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$97,055, a Labor Concessions Savings of \$2,339,229, and a Targeted Savings of \$113,820. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	44,464,524	(2,393,482)	42,071,042	7.8%
Other Expenses	2,276,404	(113,820)	2,162,584	5.0%
Medicaid Fraud Control	1,041,425	(23,102)	1,018,323	2.2%
Cold Case Unit	228,213	(901)	227,312	0.4%
Shooting Taskforce	1,034,499	(18,799)	1,015,700	1.8%

Department of Emergency Services and Public Protection

DPS32000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	1,733	1,733	1,733	1,736	1,736	1,735	1,735

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	145,815,286	146,232,420	136,557,561	146,714,985	148,840,423	144,109,537	146,234,975
Other Expenses	28,644,251	28,435,284	26,275,160	27,396,849	26,678,310	26,623,919	26,611,310
Equipment	89,289	87,003	86,580	-	-	-	-
Other Current Expenses							
Stress Reduction	75,108	250	25,354	25,354	25,354	25,354	25,354
Fleet Purchase	6,006,001	5,979,054	6,394,806	6,518,502	6,897,277	6,202,962	6,581,737
Gun Law Enforcement Task Force	633,735	-	-	-	-	-	-
Workers' Compensation Claims	5,603,473	4,243,453	4,293,814	4,541,962	4,636,817	4,541,962	4,636,817
Criminal Justice Information System	-	-	-	2,392,840	2,739,398	2,392,840	2,739,398
Other Than Payments to Local Governments							
Fire Training School - Willimantic	146,024	93,176	76,900	20,000	20,000	150,076	150,076
Maintenance of County Base Fire Radio Network	23,918	22,681	22,368	21,698	21,698	21,698	21,698
Maintenance of State-Wide Fire Radio Network	15,919	15,096	14,887	14,441	14,441	14,441	14,441
Police Association of Connecticut	88,535	99,660	177,683	172,353	172,353	172,353	172,353
Connecticut State Firefighter's Association	159,562	133,077	182,087	176,625	176,625	176,625	176,625
Fire Training School - Torrington	73,435	56,083	46,150	20,000	20,000	81,367	81,367
Fire Training School - New Haven	43,649	37,455	30,000	20,000	20,000	48,364	48,364
Fire Training School - Derby	33,519	28,082	23,100	20,000	20,000	37,139	37,139
Fire Training School - Wolcott	90,397	65,370	53,830	20,000	20,000	100,162	100,162
Fire Training School - Fairfield	63,533	46,706	37,700	20,000	20,000	70,395	70,395
Fire Training School - Hartford	152,827	93,090	76,900	20,000	20,000	169,336	169,336
Fire Training School - Middletown	53,296	27,835	23,100	20,000	20,000	68,470	68,470
Fire Training School - Stamford	50,028	27,875	22,320	20,000	20,000	55,432	55,432
Nonfunctional - Change to Accruals	(18,429)	-	-	-	-	-	-
Agency Total - General Fund	187,843,356	185,723,649	174,420,300	188,155,609	190,382,696	185,062,432	187,995,449
Additional Funds Available							
Carry Forward Funding	-	-	-	-	-	49,954	-
Federal Funds	-	38,339,883	63,417,030	23,313,446	20,050,488	23,313,446	20,050,488
Private Contributions & Other Restricted	-	33,441,727	36,079,443	37,070,448	37,384,772	37,070,448	37,384,772
Private Contributions	-	2,262,700	2,605,016	2,367,683	2,367,683	2,367,683	2,367,683
Agency Grand Total	187,843,356	259,767,959	276,521,789	250,907,186	250,185,639	247,863,963	247,798,392

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Provide Funding for Fire Training Schools

Fire Training School - Willimantic	-	-	73,176	73,176	73,176	73,176
Fire Training School - Torrington	-	-	35,217	35,217	35,217	35,217
Fire Training School - New Haven	-	-	18,364	18,364	18,364	18,364
Fire Training School - Derby	-	-	14,039	14,039	14,039	14,039
Fire Training School - Wolcott	-	-	46,332	46,332	46,332	46,332
Fire Training School - Fairfield	-	-	32,695	32,695	32,695	32,695
Fire Training School - Hartford	-	-	92,436	92,436	92,436	92,436
Fire Training School - Middletown	-	-	45,370	45,370	45,370	45,370
Fire Training School - Stamford	-	-	33,112	33,112	33,112	33,112
Total - General Fund	-	-	390,741	390,741	390,741	390,741

Background

There are nine regional fire training schools throughout the state that provide training to municipal fire departments. These schools typically receive funding from state and local government to provide training and resources to professional and volunteer firefighters.

Legislative

Provide funding of \$390,741 in FY 18 and FY 19 to regional fire schools to cover operating expenses and administrative costs.

Defer FY 17 Trooper Class

Personal Services	-	-	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)
Total - General Fund	-	-	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)

Background

Each year, the Department aims to commence a trooper class for the purpose of refilling patrol positions within the State Police Division. They aim to graduate approximately 60 troopers per class, as that is the average number of retirees anticipated each year.

Legislative

Reduce funding for Personal Services by \$3,000,000 associated with deferring the FY 17 trooper class. Although the class was set to commence in FY 17, the salaries for the cadets would have been paid in FY 18.

Reduce Overtime Associated with Software

Personal Services	(457,767)	(457,767)	-	-	457,767	457,767
Other Expenses	67,000	67,000	-	-	(67,000)	(67,000)
Total - General Fund	(390,767)	(390,767)	-	-	390,767	390,767

Governor

Reduce funding by \$390,767 in both FY 18 and FY 19 to reflect an overtime savings initiative. Reduce Personal Services by \$457,767 in both FY 18 and FY 19 through the utilization of the National Crime Information Center (NCIC) Peak Performance Project. The system allows for online training, validations and audits to be conducted on-site during the work day and thereby reducing staff overtime expenses normally used for training. This overtime savings is partially offset by purchasing and maintaining an online certification system for \$67,000.

Legislative

Do not provide \$67,000 of funding for the purchasing and maintenance of an online certification system and do not reduce funding to reflect an associated savings in overtime from reducing staff expenses normally used for trainings and certification.

Transfer Funding for Criminal Justice Information System

Criminal Justice Information System	2,392,840	2,739,398	2,392,840	2,739,398	-	-
Total - General Fund	2,392,840	2,739,398	2,392,840	2,739,398	-	-

Background

Connecticut's Criminal Justice Information System (CJIS) is the umbrella term for the agencies with criminal justice responsibilities. CJIS was created to enhance communication and information sharing across criminal justice agencies. The primary responsibility of

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

CJIS is the development and management of the Connecticut Information Sharing System, the information technology system which allows for electronic information sharing across agencies.

Governor

Transfer Criminal Justice Information System (CJIS) funding of \$2,392,840 in FY 18 and \$2,739,398 in FY 19 from OPM to DESPP. DESPP assumed management of CJIS in July 2015.

Legislative

Same as Governor

Increase Fire Prevention/Control Certification Testing Fees

Other Expenses	(130,000)	(130,000)	(130,000)	(130,000)	-	-
Total - General Fund	(130,000)	(130,000)	(130,000)	(130,000)	-	-

Governor

Reduce funding by \$130,000 in both FY 18 and FY 19 to reflect the state savings from increasing certain Division of Fire Prevention and Control certification testing fees.

Legislative

Same as Governor

Reduce Funding to Various Accounts

Other Expenses	(282,800)	(282,800)	(282,800)	(282,800)	-	-
Equipment	(83,983)	(83,983)	(83,983)	(83,983)	-	-
Total - General Fund	(366,783)	(366,783)	(366,783)	(366,783)	-	-

Governor

Reduce funding by \$366,783 in both FY 18 and FY 19 in the Other Expenses and Equipment accounts to achieve savings.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(4,096,726)	(4,096,726)	(4,096,726)	(4,096,726)	-	-
Other Expenses	(262,751)	(262,751)	(262,751)	(262,751)	-	-
Equipment	(2,597)	(2,597)	(2,597)	(2,597)	-	-
Fleet Purchase	(191,844)	(191,844)	(191,844)	(191,844)	-	-
Workers' Compensation Claims	(128,814)	(128,814)	(128,814)	(128,814)	-	-
Fire Training School - Willimantic	(56,900)	(56,900)	-	-	56,900	56,900
Maintenance of County Base Fire Radio Network	(670)	(670)	(670)	(670)	-	-
Maintenance of State-Wide Fire Radio Network	(446)	(446)	(446)	(446)	-	-
Police Association of Connecticut	(5,330)	(5,330)	(5,330)	(5,330)	-	-
Connecticut State Firefighter's Association	(5,462)	(5,462)	(5,462)	(5,462)	-	-
Fire Training School - Torrington	(26,150)	(26,150)	-	-	26,150	26,150
Fire Training School - New Haven	(10,000)	(10,000)	-	-	10,000	10,000
Fire Training School - Derby	(3,100)	(3,100)	-	-	3,100	3,100
Fire Training School - Wolcott	(33,830)	(33,830)	-	-	33,830	33,830
Fire Training School - Fairfield	(17,700)	(17,700)	-	-	17,700	17,700
Fire Training School - Hartford	(56,900)	(56,900)	-	-	56,900	56,900
Fire Training School - Middletown	(3,100)	(3,100)	-	-	3,100	3,100
Fire Training School - Stamford	(2,320)	(2,320)	-	-	2,320	2,320
Total - General Fund	(4,904,640)	(4,904,640)	(4,694,640)	(4,694,640)	210,000	210,000

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Reduce funding by \$4,904,640 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Reduce funding by \$4,694,640 to annualize FY 17 holdbacks. Do not holdback \$210,000 of funding related to the regional fire schools.

Current Services**FY 17 RSA transfer for NP-1 Contract**

Personal Services	8,478,586	8,478,586	8,478,586	8,478,586	-	-
Total - General Fund	8,478,586	8,478,586	8,478,586	8,478,586	-	-

Background

In FY 17, \$8,478,586 was transferred from the Reserve for Salary Adjustment account for the settlement of the NP-1 contract.

Governor

Transfer funding of \$8,478,586 in both FY 18 and FY 19 from the Reserve for Salary Adjustment (RSA) account to DESPP for the FY 17 wage and compensation costs of the settled NP-1 contract.

Legislative

Same as Governor

Provide Funding for Wage Increases for the NP-1 Contract

Personal Services	6,010,711	8,136,149	6,010,711	8,136,149	-	-
Total - General Fund	6,010,711	8,136,149	6,010,711	8,136,149	-	-

Background

The State Police NP-1 union contract expires in June 2018. The funds are now budgeted in the Department of Emergency Services and Public Protection Personal Services account.

Governor

Provide funding of \$6,010,711 in FY 18 and \$8,136,149 in FY 19 for the NP -1 Union contract settlement. This reflects the FY 18 COLAs and Annual Increments awarded in the contract.

Legislative

Same as Governor

Provide Funding Related to Body Worn Camera Devices

Personal Services	222,620	222,620	159,405	159,405	(63,215)	(63,215)
Other Expenses	225,000	225,000	225,000	225,000	-	-
Total - General Fund	447,620	447,620	384,405	384,405	(63,215)	(63,215)
Positions - General Fund	3	3	2	2	(1)	(1)

Background

PA 15-4 requires that the State Police use body worn cameras while interacting with the public in their law enforcement capacity. Bond funds were designated for the purchase of the cameras and did not include ongoing support and maintenance costs of the program.

Governor

Provide funding of \$447,920 in both FY 18 and FY 19 for three positions including a Forensic Scientist, an IT Analyst and a Paralegal to handle the video redaction workload associated with increased FOIA requests for body camera information. Funding includes \$225,000 for ongoing support and maintenance of the cameras and digital storage.

Legislative

Provide funding of \$384,405 in both FY 18 and FY 19 for two positions including a Forensic Scientist and an IT Analyst to handle the video redaction workload associated with increased FOIA requests for body camera information. Funding includes \$225,000 for ongoing support and maintenance of the cameras and digital storage.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Replace State Police Vehicles and Bulletproof Vests

Other Expenses	436,014	-	-	-	(436,014)	-
Fleet Purchase	315,540	694,315	-	378,775	(315,540)	(315,540)
Total - General Fund	751,554	694,315	-	378,775	(751,554)	(315,540)

Background

The department's replacement schedule is for 250 patrol vehicles and 50 specialty/administrative vehicles annually. Bulletproof vests are replaced on a five year cycle.

Governor

Provide funding of \$436,014 in FY 18 for the replacement of bulletproof vests. Provide funding of \$315,540 in FY 18 and \$694,315 in 19 is provided for the replacement of State Police Vehicles.

Legislative

Provide funding of \$378,775 in FY19 for the replacement of State Police Vehicles.

Provide Funding for a Trooper Class in FY 18

Other Expenses	438,200	-	438,200	-	-	-
Total - General Fund	438,200	-	438,200	-	-	-

Background

A recruit trooper training class begins with 80 recruits. Salaries for recruits are included within Personal Services, and are often paid from savings associated with retirements throughout the fiscal year.

Governor

Provide funding of \$438,200 to provide equipment and outfitting for a Trooper Class in FY 18.

Legislative

Same as Governor

Adjust Funding to Reflect the FY 17 Deficiency

Workers' Compensation Claims	376,962	471,817	376,962	471,817	-	-
Total - General Fund	376,962	471,817	376,962	471,817	-	-

Background

HB 7026, the Governor's deficiency bill, results in no net increase to the General Fund. Increases of \$28.4 million are offset by funding reductions in various accounts. The bill includes 300,000 in deficiency funding in FY 17 for this agency in the Workers' Compensation Claims account. This funding is required based on historical increases to the Workers' Compensation Claims account have been 6%.

Governor

Provide funding of \$376,962 in FY 18 and \$471,817 in FY 19 to reflect the annualization of the agency's FY 17 deficiency.

Legislative

Same as Governor

Provide Funding for Various IT Programs and Maintenance

Other Expenses	361,110	492,794	361,110	492,794	-	-
Total - General Fund	361,110	492,794	361,110	492,794	-	-

Background

The microwave radio network is a statewide infrastructure used for inter-departmental communication. The Law Enforcement Administration software is used for various trainings, certification, and communications functions.

Governor

Provide funding of \$361,110 in FY 18 and \$492,794 in FY 19 for IT maintenance contract increases for the microwave radio network, Law Enforcement Administration Software as well as CADRMS mobility software and training audit/validation program for COLLECT users.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Provide Funding for Lab Supplies

Other Expenses	269,916	293,907	-	293,907	(269,916)	-
Total - General Fund	269,916	293,907	-	293,907	(269,916)	-

Background

Lab supplies are used to process forensics evidence.

Governor

Provide funding of \$269,916 in FY 18 and \$293,907 in FY 19 for lab supplies due to a growth in case load.

Legislative

Provide funding of \$293,907 in FY 19 for lab supplies due to case load growth.

Carry Forward

Carry Forward for Stress Reduction

Stress Reduction	-	-	49,954	-	49,954	-
Total - Carry Forward Funding	-	-	49,954	-	49,954	-

Legislative

Pursuant to CGS 5-278, and in accordance with section 10(c), article 33, of the collectively bargained NP-1 (State Trooper) contract, funding of up to \$49,954 from the Stress Reduction account is carried forward into FY 18 for use by sworn members of the State Police for stress reduction initiatives.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	174,420,300	174,420,300	174,420,300	174,420,300	-	-
Policy Revisions	(3,399,350)	(3,052,792)	(5,407,842)	(5,061,284)	(2,008,492)	(2,008,492)
Current Services	17,134,659	19,015,188	16,049,974	18,636,433	(1,084,685)	(378,755)
Total Recommended - GF	188,155,609	190,382,696	185,062,432	187,995,449	(3,093,177)	(2,387,247)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	1,733	1,733	1,733	1,733	-	-
Current Services	3	3	2	2	(1)	(1)
Total Recommended - GF	1,736	1,736	1,735	1,735	(1)	(1)

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$317,193, a Labor Concessions Savings of \$4,314,410, a Targeted Savings of \$2,115,551, and a Delayed Start Savings of \$8,131. See the FY 18 Holdbacks schedule in Section V of this

document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	144,109,537	(4,631,603)	139,477,934	3.2%
Other Expenses	26,623,919	(1,331,196)	25,292,723	5.0%
Fire Training School - Willimantic	150,076	(150,076)	-	100.0%
Maintenance of County Base Fire Radio Network	21,698	(7,052)	14,646	32.5%
Maintenance of State-Wide Fire Radio Network	14,441	(4,693)	9,748	32.5%
Fire Training School - Torrington	81,367	(81,367)	-	100.0%
Fire Training School - New Haven	48,364	(48,364)	-	100.0%
Fire Training School - Derby	37,139	(37,139)	-	100.0%
Fire Training School - Wolcott	100,162	(100,162)	-	100.0%
Fire Training School - Fairfield	70,395	(70,395)	-	100.0%
Fire Training School - Hartford	169,336	(169,336)	-	100.0%
Fire Training School - Middletown	68,470	(68,470)	-	100.0%
Fire Training School - Stamford	55,432	(55,432)	-	100.0%

Department of Motor Vehicles

DMV35000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	4	-	-	-	-	-	-
Special Transportation Fund	599	603	603	603	603	603	603

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	242,519	-	-	-	-	-	-
Other Expenses	242,365	-	-	-	-	-	-
Nonfunctional - Change to Accruals	1,074	-	-	-	-	-	-
Agency Total - General Fund	485,958	-	-	-	-	-	-
Personal Services	44,080,260	49,235,837	49,296,260	50,426,336	49,296,260	49,601,226	49,296,260
Other Expenses	16,143,992	16,221,347	15,897,378	15,897,378	15,897,378	15,897,378	15,397,378
Equipment	520,291	121,329	468,756	468,756	468,756	468,756	468,756
Other Current Expenses							
Real Time Online Registration System	2,401,858	(41,660)	-	-	-	-	-
Commercial Vehicle Information Systems and Networks Project	175,147	(137,202)	214,676	214,676	214,676	214,676	214,676
Nonfunctional - Change to Accruals	547,305	-	-	-	-	-	-
Agency Total - Special Transportation Fund	63,868,853	65,399,651	65,877,070	67,007,146	65,877,070	66,182,036	65,377,070
Total - Appropriated Funds	64,354,811	65,399,651	65,877,070	67,007,146	65,877,070	66,182,036	65,377,070
Additional Funds Available							
Carry Forward Transportation Fund	-	-	-	-	-	10,373,407	-
Federal Funds	-	3,684,566	8,678,329	1,551,379	1,551,379	1,551,379	1,551,379
Private Contributions & Other Restricted	-	5,057,860	7,102,854	7,102,854	7,102,854	7,102,854	7,102,854
Private Contributions	-	638,107	2,654,420	-	-	-	-
Agency Grand Total	64,354,811	74,780,184	84,312,673	75,661,379	74,531,303	85,209,676	74,031,303

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Reduce Funding for Other Expenses

Other Expenses	-	-	-	(500,000)	-	(500,000)
Total - Special Transportation Fund	-	-	-	(500,000)	-	(500,000)

Legislative

Reduce funding by \$500,000 in the Other Expenses account to achieve savings.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Current Services

Adjust Funding for the Drive-Only License Program

Personal Services	304,966	-	304,966	-	-	-
Total - Special Transportation Fund	304,966	-	304,966	-	-	-

Background

PA 13-89, effective July 1, 2015, required the Department of Motor Vehicles (DMV) to issue driver's licenses "for driving purposes only" to individuals who cannot provide DMV with proof of legal U. S. residence or a social security number. The license only allows the holder to drive; it cannot be used for federal identification purposes or as proof of identity to vote.

Governor

Provide funding of \$304,966 in FY 18 for six durational employees to provide assistance with the drive-only license program.

Legislative

Same as Governor

Adjust Funding for the National Voter Registration Act

Personal Services	825,110	-	-	-	(825,110)	-
Total - Special Transportation Fund	825,110	-	-	-	(825,110)	-

Background

The National Voter Registration Act of 1993 requires states to offer voter registration opportunities at motor vehicle agencies. Section 5 of the act requires these motor vehicle agencies to provide individuals a mechanism for voter registration for federal elections at the same time that they apply for a driver's license or seek to renew a driver's license. In April 2016, the United States Department of Justice informed the Connecticut DMV that it was not compliant with section 5 of the Motor Voter Registration Act.

Governor

Provide funding of \$825,110 in FY 18 for 22 durational employees to comply with the National Voter Registration Act.

Legislative

Do not provide funding in FY 18 for the National Voter Registration Act.

Carry Forward

Carry Forward for Real Time Registration

Real Time Online Registration System	-	-	8,693,716	-	8,693,716	-
Total - Carry Forward Transportation Fund	-	-	8,693,716	-	8,693,716	-

Background

The Department of Motor Vehicles (DMV) is currently implementing the Integrated Transaction Processing System (ITPS) which will integrate more than 40 stand-alone systems as real time online registration systems for vehicle registration, the cashing system, and the driver license system.

Legislative

Pursuant to CGS 4-89(c), funding of \$8693716 is carried forward from FY 17 into FY 18 in the Real Time Registration account for use of upgrading DMV's registration and driver license data processing system.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Carry Forward for Commercial Vehicle Registration

Commercial Vehicle Information Systems and Networks Project	-	-	973,062	-	973,062	-
Total - Carry Forward Transportation Fund	-	-	973,062	-	973,062	-

Background

The Commercial Vehicle Information System and Network Project (CVISN) is part of a national Intelligence Transportation System/Commercial Vehicle Operations effort to link commercial motor carriers, state regulatory agencies (DMV and the Department of Transportation) and roadside safety screening and inspection stations. The CVISN network allows commercial motor carriers to electronically apply for, pay and receive registration, fuel tax and oversize/overweight permits and other credentials.

Legislative

Pursuant to CGS 4-89(c) , funding of \$973,062 is carried forward from FY 17 into FY 18 for the Commercial Vehicle Information System and Network Project.

Carry Forward Funding for Personal Services

Personal Services	-	-	706,629	-	706,629	-
Total - Carry Forward Transportation Fund	-	-	706,629	-	706,629	-

Legislative

Pursuant to CGS 4-89(c) funding of \$706,629 is carried forward from FY 17 into FY 18 from the Personal Services account.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - TF	65,877,070	65,877,070	65,877,070	65,877,070	-	-
Policy Revisions	-	-	-	(500,000)	-	(500,000)
Current Services	1,130,076	-	304,966	-	(825,110)	-
Total Recommended - TF	67,007,146	65,877,070	66,182,036	65,377,070	(825,110)	(500,000)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - TF	603	603	603	603	-	-
Total Recommended - TF	603	603	603	603	-	-

Military Department

MIL36000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	42	42	42	42	42	42	42

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	2,937,354	2,799,547	2,863,407	2,711,254	2,711,254	2,711,254	2,711,254
Other Expenses	2,693,559	2,092,068	2,242,356	2,262,356	2,284,779	2,262,356	2,284,779
Other Current Expenses							
Honor Guards	476,700	451,300	326,329	515,210	515,210	525,000	525,000
Veteran's Service Bonuses	26,500	76,200	46,759	93,333	93,333	93,333	93,333
Nonfunctional - Change to Accruals	19,000	-	-	-	-	-	-
Agency Total - General Fund	6,153,113	5,419,116	5,478,851	5,582,153	5,604,576	5,591,943	5,614,366
Additional Funds Available							
Federal Funds	-	18,239,534	17,694,240	19,356,857	19,623,902	19,356,857	19,623,902
Private Contributions & Other Restricted	-	358,962	399,500	385,000	343,500	385,000	343,500
Private Contributions	-	143,304	96,500	136,000	700	136,000	700
Agency Grand Total	6,153,113	24,160,916	23,669,091	25,460,010	25,572,678	25,469,800	25,582,468

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Annualize FY 17 Savings

Personal Services	(40,469)	(40,469)	(40,469)	(40,469)	-	-
Other Expenses	(27,577)	(27,577)	(27,577)	(27,577)	-	-
Total - General Fund	(68,046)	(68,046)	(68,046)	(68,046)	-	-

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation.

Governor

Reduce funding by \$68,046 in both FY 18 and FY 19 to reflect full year savings for reduced overtime, attrition savings, and deferred maintenance.

Legislative

Same as Governor

Annualize FY 2017 Holdbacks

Personal Services	(131,684)	(131,684)	(131,684)	(131,684)	-	-
Other Expenses	(22,423)	-	(22,423)	-	-	-
Honor Guards	(9,790)	(9,790)	-	-	9,790	9,790
Veteran's Service Bonuses	(467)	(467)	(467)	(467)	-	-
Total - General Fund	(164,364)	(141,941)	(154,574)	(132,151)	9,790	9,790

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$163,364 in FY 18 and \$141,941 in FY 19 to annualize FY 17 holdbacks.

Legislative

Reduce funding by \$154,574 in FY 18 and \$132,151 in FY 19 to annualize certain FY 17 holdbacks.

Current Services**Fund Honor Guard as Defined in Statute**

Honor Guards	198,671	198,671	198,671	198,671	-	-
Total - General Fund	198,671	198,671	198,671	198,671	-	-

Background

The Honor Guard account funds three member rifle squads for veteran funerals, which is a supplemental benefit to the federally required presentation of the flag and playing of "taps." PA 16-2, the Revised FY 17 Budget, provided funding of \$326,329 in FY 17. This level of funding was insufficient to provide a full year of supplemental funeral honors.

Governor

Provide funding of \$198,697 in both FY 18 and FY 19 to ensure full year funding of supplemental funeral honors. Total funding in FY 18 and FY 19 is \$515,210.

Legislative

Same as Governor

Provide Funding for the Governor's Horse Guard Units

Personal Services	20,000	20,000	20,000	20,000	-	-
Other Expenses	70,000	70,000	70,000	70,000	-	-
Total - General Fund	90,000	90,000	90,000	90,000	-	-

Background

The Governor's Horse Guards, located in Avon and Newtown, are militia units that maintain herds of horses. Each unit has an associated nonprofit for fundraising purposes, and as of FY 17 the Military Department has been able to lease excess space in each of the horse barns.

Governor

Provide funding of \$90,000 in both FY 18 and FY 19 for support of the Governor's Horse Guard.

Legislative

Same as Governor

Provide Funding for Veterans' Service Bonuses

Veteran's Service Bonuses	47,041	47,041	47,041	47,041	-	-
Total - General Fund	47,041	47,041	47,041	47,041	-	-

Background

The Veterans' Service Bonus is a grant program awarded to Connecticut National Guard members on active duty in support of the global war on terrorism. Eligible participants in the program can receive \$50 per month up to \$500 for non-combat service and up to \$1,200 for combat service.

Governor

Provide funding of \$47,041 in FY 18 and FY 19 to reflect anticipated needs based on deployments.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	5,478,851	5,478,851	5,478,851	5,478,851	-	-
Policy Revisions	(232,410)	(209,987)	(222,620)	(200,197)	9,790	9,790
Current Services	335,712	335,712	335,712	335,712	-	-
Total Recommended - GF	5,582,153	5,604,576	5,591,943	5,614,366	9,790	9,790

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	42	42	42	42	-	-
Total Recommended - GF	42	42	42	42	-	-

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$5,968, a Labor Concessions Savings of \$97,291, a Targeted Savings of \$113,118, and a Delayed Start Savings of \$131,250. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	2,711,254	(103,259)	2,607,995	3.8%
Other Expenses	2,262,356	(113,118)	2,149,238	5.0%
Honor Guard	525,000	(131,250)	393,750	25.0%

Department of Banking

DOB37000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Banking Fund	116	120	123	119	119	119	119

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	10,316,751	10,596,822	11,025,073	10,998,922	10,984,235	10,998,922	10,984,235
Other Expenses	1,389,607	1,459,901	1,468,990	1,478,390	1,478,390	1,478,390	1,478,390
Equipment	37,154	46,768	44,900	44,900	44,900	44,900	44,900
Other Current Expenses							
Fringe Benefits	7,614,444	8,147,550	8,709,808	8,799,137	8,787,388	8,799,137	8,787,388
Indirect Overhead	129,307	167,151	86,862	291,192	291,192	291,192	291,192
Nonfunctional - Change to Accruals	84,570	-	-	-	-	-	-
Agency Total - Banking Fund	19,571,833	20,418,193	21,335,633	21,612,541	21,586,105	21,612,541	21,586,105
Additional Funds Available							
Carry Forward Banking Fund	-	-	-	-	-	1,507,000	-
Private Contributions	-	37,851	18,834	-	-	-	-
Agency Grand Total	19,571,833	20,456,044	21,354,467	21,612,541	21,586,105	23,119,541	21,586,105

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Eliminate Vacant Positions

Personal Services	(196,622)	(196,622)	(196,622)	(196,622)	-	-
Fringe Benefits	(157,297)	(157,297)	(157,297)	(157,297)	-	-
Total - Banking Fund	(353,919)	(353,919)	(353,919)	(353,919)	-	-
Positions - Banking Fund	(4)	(4)	(4)	(4)	-	-

Governor

Reduce funding by \$353,919 in both FY 18 and FY 19 to reflect the elimination of four positions that are currently vacant.

Legislative

Same as Governor

Eliminate Durational Position

Personal Services	(61,686)	(76,373)	(61,686)	(76,373)	-	-
Fringe Benefits	(49,349)	(61,098)	(49,349)	(61,098)	-	-
Total - Banking Fund	(111,035)	(137,471)	(111,035)	(137,471)	-	-

Governor

Reduce funding of \$111,035 in FY 18 and \$137,471 in FY 19 to reflect the elimination of one durational position.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Current Services

Provide Funding for Staffing

Personal Services	232,157	232,157	232,157	232,157	-	-
Other Expenses	9,400	9,400	9,400	9,400	-	-
Fringe Benefits	185,725	185,725	185,725	185,725	-	-
Total - Banking Fund	427,282	427,282	427,282	427,282	-	-

Background

The FY 16 and FY 17 Biennial Budget provided DOB with four new positions in the financial institutions and consumer credit divisions that were supported through carry forward funding.

Governor

Provide funding of \$427,282 in both FY 18 and FY 19 to support four positions that had been previously funded through carry forward funding.

Legislative

Same as Governor

Adjust Fringe Benefits and Indirect Overhead

Fringe Benefits	110,250	110,250	110,250	110,250	-	-
Indirect Overhead	204,330	204,330	204,330	204,330	-	-
Total - Banking Fund	314,580	314,580	314,580	314,580	-	-

Background

The fringe benefit costs for employees supported by funds other than the General Fund are budgeted for within their respective agencies, as opposed to the fringe benefit accounts within the Office of the State Comptroller. In addition, this agency is charged indirect overhead costs by the State Comptroller for utilizing certain centralized state agency services.

Governor

Provide funding of \$314,580 in both FY 18 and FY 19 to ensure sufficient funds for fringe benefits and indirect overhead.

Legislative

Same as Governor

Carry Forward

Carry Forward for E-Licensing and Agency Offices

Other Expenses	-	-	1,332,000	-	1,332,000	-
Equipment	-	-	175,000	-	175,000	-
Total - Carry Forward Banking Fund	-	-	1,507,000	-	1,507,000	-

Legislative

Pursuant to CGS 4-89(c) funding of \$1,507,000 is carried forward from FY 17 into FY 18 for the agency e-license system (\$1,211,000 Other Expenses) and cubical refurbishment (\$121,000 in Other Expenses. and \$75,000 in Equipment).

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - BF	21,335,633	21,335,633	21,335,633	21,335,633	-	-
Policy Revisions	(464,954)	(491,390)	(464,954)	(491,390)	-	-
Current Services	741,862	741,862	741,862	741,862	-	-
Total Recommended - BF	21,612,541	21,586,105	21,612,541	21,586,105	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - BF	123	123	123	123	-	-
Policy Revisions	(4)	(4)	(4)	(4)	-	-
Total Recommended - BF	119	119	119	119	-	-

Insurance Department DOI37500

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Insurance Fund	159	159	159	151	150	151	150

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	14,049,227	14,217,831	14,537,472	13,942,472	13,796,046	13,942,472	13,796,046
Other Expenses	2,178,860	2,228,919	1,899,807	1,727,807	1,727,807	1,727,807	1,727,807
Equipment	52,484	95,000	52,500	52,500	52,500	52,500	52,500
Other Current Expenses							
Fringe Benefits	10,348,215	10,950,982	11,510,498	11,055,498	10,938,946	11,055,498	10,938,946
Indirect Overhead	237,762	248,930	532,887	466,740	466,740	466,740	466,740
Nonfunctional - Change to Accruals	145,385	-	-	-	-	-	-
Agency Total - Insurance Fund	27,011,933	27,741,661	28,533,164	27,245,017	26,982,039	27,245,017	26,982,039
Additional Funds Available							
Private Contributions & Other Restricted	-	390,719	404,000	-	-	-	-
Private Contributions	-	4,665	5,000	-	-	-	-
Agency Grand Total	27,011,933	28,137,045	28,942,164	27,245,017	26,982,039	27,245,017	26,982,039

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Transfer Funding to the Office of Health Strategy

Personal Services	-	(146,426)	-	(146,426)	-	-
Fringe Benefits	-	(116,552)	-	(116,552)	-	-
Total - Insurance Fund	-	(262,978)	-	(262,978)	-	-
Positions - Insurance Fund	-	(1)	-	(1)	-	-

Background

The Office of Health Strategy is a new agency starting in FY 19 which combines programs from three agencies: the Department of Public Health, Department of Insurance and the Office of the Healthcare Advocate.

Governor

Transfer one position and associated funding of \$262,978 in FY 19 to the newly established Office of Health Strategy.

Legislative

Same as Governor

Reduce Funds for Information Technology Contract with UConn

Other Expenses	(150,000)	(150,000)	(150,000)	(150,000)	-	-
Total - Insurance Fund	(150,000)	(150,000)	(150,000)	(150,000)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Reduce funding for the information technology contract with UConn by \$150,000 in FY 18 and FY 19.

Legislative

Same as Governor

Reduce Funding for Lease Costs

Other Expenses	(22,000)	(22,000)	(22,000)	(22,000)	-	-
Total - Insurance Fund	(22,000)	(22,000)	(22,000)	(22,000)	-	-

Governor

Reduce funding by \$22,000 in FY 18 and FY 19 to reflect a new lease cost.

Legislative

Same as Governor

Eliminate Vacant Positions

Personal Services	(595,000)	(595,000)	(595,000)	(595,000)	-	-
Fringe Benefits	(455,000)	(455,000)	(455,000)	(455,000)	-	-
Total - Insurance Fund	(1,050,000)	(1,050,000)	(1,050,000)	(1,050,000)	-	-
Positions - Insurance Fund	(8)	(8)	(8)	(8)	-	-

Governor

Reduce funding by \$1,050,000 in FY 18 and FY 19 to reflect the elimination of eight positions that are currently vacant.

Legislative

Same as Governor

Current Services**Adjust Indirect Overhead**

Indirect Overhead	(66,147)	(66,147)	(66,147)	(66,147)	-	-
Total - Insurance Fund	(66,147)	(66,147)	(66,147)	(66,147)	-	-

Background

Non-General Fund agencies are budgeted directly for employee fringe benefits and indirect overhead.

Governor

Reduce funding by \$66,147 in FY 18 and FY 19 to reflect required funding for indirect overhead.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - IF	28,533,164	28,533,164	28,533,164	28,533,164	-	-
Policy Revisions	(1,222,000)	(1,484,978)	(1,222,000)	(1,484,978)	-	-
Current Services	(66,147)	(66,147)	(66,147)	(66,147)	-	-
Total Recommended - IF	27,245,017	26,982,039	27,245,017	26,982,039	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - IF	159	159	159	159	-	-
Policy Revisions	(8)	(9)	(8)	(9)	-	-
Total Recommended - IF	151	150	151	150	-	-

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Labor Concessions Savings of \$153,771. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	13,942,472	(153,771)	13,788,701	1.1%

Office of Consumer Counsel

DCC38100

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Consumer Counsel and Public Utility Control Fund	14	15	15	12	12	12	12

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	1,125,917	1,246,956	1,488,306	1,288,453	1,288,453	1,288,453	1,288,453
Other Expenses	283,415	489,230	502,907	332,907	332,907	332,907	332,907
Equipment	2,200	-	2,200	2,200	2,200	2,200	2,200
Other Current Expenses							
Fringe Benefits	856,484	969,551	1,221,728	1,056,988	1,056,988	1,056,988	1,056,988
Indirect Overhead	(49,789)	97,613	66,419	100	100	100	100
Nonfunctional - Change to Accruals	7,128	-	-	-	-	-	-
Agency Total - Consumer Counsel and Public Utility Control Fund	2,225,355	2,803,350	3,281,560	2,680,648	2,680,648	2,680,648	2,680,648

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Eliminate Funding for the Office of State Broadband

Personal Services	(75,000)	(75,000)	(75,000)	(75,000)	-	-
Other Expenses	(170,000)	(170,000)	(170,000)	(170,000)	-	-
Fringe Benefits	(62,250)	(62,250)	(62,250)	(62,250)	-	-
Total - Consumer Counsel and Public Utility Control Fund	(307,250)	(307,250)	(307,250)	(307,250)	-	-
Positions - Consumer Counsel and Public Utility Control Fund	(1)	(1)	(1)	(1)	-	-

Background

PA 15-5 JSS established the Office of State Broadband within the Office of Consumer Counsel (OCC).

Governor

Reduce funding by \$307,250 in both FY 18 and FY 19 and one position to reflect elimination of funding for the Office of State Broadband.

Legislative

Same as Governor

Adjust Indirect Overhead

Indirect Overhead	(66,319)	(66,319)	(66,319)	(66,319)	-	-
Total - Consumer Counsel and Public Utility Control Fund	(66,319)	(66,319)	(66,319)	(66,319)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

This agency is charged indirect overhead costs by the State Comptroller for utilizing certain centralized state agency services.

Governor

Reduce funding by \$66,319 in both FY 18 and FY 19 to reflect required funding for indirect overhead.

Legislative

Same as Governor

Reduce Funding for Vacant Positions & Fringe Benefits

Personal Services	(124,853)	(124,853)	(124,853)	(124,853)	-	-
Fringe Benefits	(102,490)	(102,490)	(102,490)	(102,490)	-	-
Total - Consumer Counsel and Public Utility Control Fund	(227,343)	(227,343)	(227,343)	(227,343)	-	-
Positions - Consumer Counsel and Public Utility Control Fund	(2)	(2)	(2)	(2)	-	-

Governor

Reduce funding by \$227,343 in both FY 18 and FY 19 to reflect the elimination of two vacant positions (\$124,853 in Personal Services) and their associated fringe benefits (\$102,490). The two vacant positions are an Assistant Rate Specialist and an Administrative Hearing Specialist.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - PF	3,281,560	3,281,560	3,281,560	3,281,560	-	-
Policy Revisions	(600,912)	(600,912)	(600,912)	(600,912)	-	-
Total Recommended - PF	2,680,648	2,680,648	2,680,648	2,680,648	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - PF	15	15	15	15	-	-
Policy Revisions	(3)	(3)	(3)	(3)	-	-
Total Recommended - PF	12	12	12	12	-	-

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Labor Concessions Savings of \$12,127. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	1,288,453	(12,127)	1,276,326	0.9%

Office of the Healthcare Advocate

MCO39400

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Insurance Fund	29	29	29	29	22	27	22

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	1,557,297	1,874,765	2,488,457	2,263,457	1,683,355	2,097,714	1,683,355
Other Expenses	2,113,527	1,342,541	2,691,767	2,691,767	164,500	2,691,767	305,000
Equipment	14,770	14,883	15,000	15,000	15,000	15,000	15,000
Other Current Expenses							
Fringe Benefits	1,150,671	1,548,749	2,256,227	1,788,131	1,329,851	1,644,481	1,329,851
Indirect Overhead	142,055	142,055	142,055	106,630	106,630	106,630	106,630
Nonfunctional - Change to Accruals	46,651	-	-	-	-	-	-
Agency Total - Insurance Fund	5,024,971	4,922,993	7,593,506	6,864,985	3,299,336	6,555,592	3,439,836
Additional Funds Available							
Federal Funds	-	3,839,769	2,770,501	2,915,750	225,750	2,915,750	225,750
Private Contributions	-	133,870	86,480	86,480	-	86,480	-
Agency Grand Total	5,024,971	8,896,632	10,450,487	9,867,215	3,525,086	9,557,822	3,665,586

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Eliminate Vacant Positions

Personal Services	-	-	(165,743)	(165,743)	(165,743)	(165,743)
Fringe Benefits	-	-	(143,650)	(143,650)	(143,650)	(143,650)
Total - Insurance Fund	-	-	(309,393)	(309,393)	(309,393)	(309,393)
Positions - Insurance Fund	-	-	(2)	(2)	(2)	(2)

Legislative

Eliminate funding of \$309,393 for two vacant positions in both FY 18 and FY 19.

Transfer SIM Program to Office of Health Strategy

Personal Services	-	(580,102)	-	(414,359)	-	165,743
Other Expenses	-	(2,527,267)	-	(2,386,767)	-	140,500
Fringe Benefits	-	(458,280)	-	(314,630)	-	143,650
Total - Insurance Fund	-	(3,565,649)	-	(3,115,756)	-	449,893
Positions - Insurance Fund	-	(7)	-	(5)	-	2

Background

The Office of Health Strategy is a new agency starting in FY 19 which combines programs from three agencies: the Department of Public Health, Department of Insurance and the Office of the Healthcare Advocate.

The State Innovation Model (SIM) Program was initiated under the federal Affordable Care Act, through the Center for Medicare and Medicaid Innovation (CMMI). The state received a planning grant in March of 2013 to develop SIM. SIM's purpose is to align all

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

health care payers in the state (e.g. Medicaid, the state employee and retiree health plan, Medicare, commercial and self-funded plans) around a value-based payment methodology, which focuses reimbursement on quality metrics, as opposed to simply volume and cost reduction measures, through various means.

Governor

Transfer funding of \$3,565,649 and seven positions in FY 19 to the new Office of Health Strategy for the SIM program.

Legislative

Transfer funding of \$3,115,756 and five positions in FY 19 to the new Office of Health Strategy for the SIM program.

Current Services

Reduce Personal Services Account

Personal Services	(225,000)	(225,000)	(225,000)	(225,000)	-	-
Total - Insurance Fund	(225,000)	(225,000)	(225,000)	(225,000)	-	-

Governor

Reduce the Personal Services account by \$225,000 in both FY 18 and FY 19 to align payroll funding with current requirements.

Legislative

Same as Governor

Adjust Fringe Benefits and Indirect Overhead

Fringe Benefits	(468,096)	(468,096)	(468,096)	(468,096)	-	-
Indirect Overhead	(35,425)	(35,425)	(35,425)	(35,425)	-	-
Total - Insurance Fund	(503,521)	(503,521)	(503,521)	(503,521)	-	-

Background

The fringe benefit costs for employees supported by funds other than the General Fund are budgeted for within their respective agencies, as opposed to the fringe benefit accounts within the Office of the State Comptroller. In addition, this agency is charged indirect overhead costs by the State Comptroller for utilizing certain centralized state agency services.

Governor

Reduce funding by \$503,521 in both FY 18 and FY 19 to reflect required funding for fringe benefits and indirect overhead.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - IF	7,593,506	7,593,506	7,593,506	7,593,506	-	-
Policy Revisions	-	(3,565,649)	(309,393)	(3,425,149)	(309,393)	140,500
Current Services	(728,521)	(728,521)	(728,521)	(728,521)	-	-
Total Recommended - IF	6,864,985	3,299,336	6,555,592	3,439,836	(309,393)	140,500

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - IF	29	29	29	29	-	-
Policy Revisions	-	(7)	(2)	(7)	(2)	-
Total Recommended - IF	29	22	27	22	(2)	-

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Labor Concessions Savings of \$18,704. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	2,097,714	(18,704)	2,079,010	0.9%

Department of Consumer Protection

DCP39500

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	235	239	241	218	218	218	218

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	14,232,639	14,359,405	14,549,545	12,872,845	12,872,845	12,749,297	12,749,297
Other Expenses	977,508	1,144,687	1,297,487	1,258,563	1,258,563	1,193,685	1,193,685
Nonfunctional - Change to Accruals	80,602	-	-	-	-	-	-
Agency Total - General Fund	15,290,749	15,504,091	15,847,032	14,131,408	14,131,408	13,942,982	13,942,982
Additional Funds Available							
Federal Funds	-	325,684	292,729	48,158	26,380	48,158	26,380
Private Contributions & Other Restricted	-	7,224,236	7,874,036	7,874,036	7,874,036	7,874,036	7,874,036
Private Contributions	-	671,036	621,288	600,565	600,565	600,565	600,565
Agency Grand Total	15,290,749	23,725,047	24,635,085	22,654,167	22,632,389	22,465,741	22,443,963

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Eliminate Regulation On Various Licenses

Personal Services	-	-	(123,548)	(123,548)	(123,548)	(123,548)
Total - General Fund	-	-	(123,548)	(123,548)	(123,548)	(123,548)

Background

Several occupational licensure, registration, and certification categories were eliminated under PA 17-75.

Legislative

Reduce the Personal Services account by \$123,548 in both FY 18 and FY 19 to reflect anticipated vacancies that will be left unfilled as agency workload reductions are expected due to the regulatory changes described above.

Eliminate Vacant Positions

Personal Services	(1,167,466)	(1,167,466)	(1,167,466)	(1,167,466)	-	-
Total - General Fund	(1,167,466)	(1,167,466)	(1,167,466)	(1,167,466)	-	-
Positions - General Fund	(23)	(23)	(23)	(23)	-	-

Governor

Reduce funding by \$1,167,466 in both FY 18 and FY 19 to reflect the elimination of 23 positions that are currently vacant.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Annualize FY 17 Holdbacks

Personal Services	(509,234)	(509,234)	(509,234)	(509,234)	-	-
Other Expenses	(38,924)	(38,924)	(38,924)	(38,924)	-	-
Total - General Fund	(548,158)	(548,158)	(548,158)	(548,158)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$548,158 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Annualize FY 17 Rescissions

Other Expenses	-	-	(64,878)	(64,878)	(64,878)	(64,878)
Total - General Fund	-	-	(64,878)	(64,878)	(64,878)	(64,878)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies.

Legislative

Reduce funding by \$64,878 in both FY 18 and FY 19 to reflect the rollout of the Governor's FY 17 rescissions.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	15,847,032	15,847,032	15,847,032	15,847,032	-	-
Policy Revisions	(1,715,624)	(1,715,624)	(1,904,050)	(1,904,050)	(188,426)	(188,426)
Total Recommended - GF	14,131,408	14,131,408	13,942,982	13,942,982	(188,426)	(188,426)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	241	241	241	241	-	-
Policy Revisions	(23)	(23)	(23)	(23)	-	-
Total Recommended - GF	218	218	218	218	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$28,062, a Labor Concessions Savings of \$498,121, and a Targeted Savings of \$59,684. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	12,749,297	(526,183)	12,223,114	4.1%
Other Expenses	1,193,685	(59,684)	1,134,001	5.0%

Labor Department

DOL40000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	191	191	191	191	191	191	191
Workers' Compensation Fund	-	2	2	2	2	2	2

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	9,115,871	9,480,620	8,836,099	8,747,739	8,747,739	8,747,739	8,747,739
Other Expenses	1,002,932	1,231,539	1,050,851	1,080,343	1,080,343	1,080,343	1,080,343
Other Current Expenses							
CETC Workforce	723,773	584,594	658,845	619,591	619,591	619,591	619,591
Workforce Investment Act	28,084,237	32,518,662	34,149,177	34,149,177	34,149,177	36,758,476	36,758,476
Job Funnels Projects	799,712	213,828	197,379	-	-	108,656	108,656
Connecticut's Youth Employment Program	5,418,718	5,149,042	5,225,000	2,500,000	2,500,000	1,000,000	4,000,000
Jobs First Employment Services	17,834,079	15,145,904	15,169,606	14,869,606	14,869,606	13,869,606	13,869,606
STRIDE	554,285	490,768	438,033	-	-	-	-
Apprenticeship Program	544,379	544,048	502,842	465,342	465,342	465,342	465,342
Spanish-American Merchants Association	541,500	474,426	423,184	400,489	400,489	400,489	400,489
Connecticut Career Resource Network	158,859	147,125	157,848	153,113	153,113	153,113	153,113
21st Century Jobs	1,983	-	-	-	-	-	-
Incumbent Worker Training	788,762	663,588	587,976	-	-	-	-
STRIVE	256,500	224,788	200,456	-	-	108,655	108,655
Customized Services	475,000	395,157	371,215	-	-	-	-
Intensive Support Services	288,800	-	-	-	-	-	-
Opportunities for Long Term Unemployed	2,427,900	3,023,025	2,370,261	1,753,994	1,753,994	1,753,994	1,753,994
Veterans' Opportunity Pilot	193,860	301,230	385,106	227,606	227,606	227,606	227,606
Second Chance Initiative	-	1,004,783	1,330,750	1,270,828	1,270,828	444,861	444,861
Cradle To Career	-	191,980	198,000	-	-	100,000	100,000
2Gen - TANF	-	739,245	1,262,252	-	-	-	-
ConnectiCorps	-	74,000	125,458	-	-	-	-
New Haven Jobs Funnel	-	406,853	444,241	344,241	344,241	344,241	344,241
Healthcare Apprenticeship Initiative	-	-	-	-	-	500,000	1,000,000
Manufacturing Pipeline Initiative	-	-	-	-	-	500,000	1,000,000
Nonfunctional - Change to Accruals	(78,223)	-	-	-	-	-	-
Agency Total - General Fund	69,132,927	73,005,206	74,084,579	66,582,069	66,582,069	67,182,712	71,182,712
Opportunity Industrial Centers	500,000	475,000	475,000	475,000	475,000	475,000	475,000
Individual Development Accounts	200,000	190,000	190,000	-	-	-	-
Customized Services	1,000,000	950,000	950,000	950,000	950,000	950,000	950,000
Agency Total - Banking Fund	1,700,000	1,615,000	1,615,000	1,425,000	1,425,000	1,425,000	1,425,000
Occupational Health Clinics	668,396	661,693	687,148	687,148	687,148	687,148	687,148

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Nonfunctional - Change to Accruals	2,134	-	-	-	-	-	-
Agency Total - Workers' Compensation Fund	670,530	661,693	687,148	687,148	687,148	687,148	687,148
Total - Appropriated Funds	71,503,457	75,281,899	76,386,727	68,694,217	68,694,217	69,294,860	73,294,860
Additional Funds Available							
Carry Forward Funding	-	-	-	-	-	11,825,723	-
Employment Security Administration	-	92,933,115	96,782,359	96,375,239	96,602,459	96,375,239	96,602,459
Federal Funds	-	221,045	127,917	124,000	124,000	124,000	124,000
Private Contributions & Other Restricted	-	1,601,171	2,332,262	2,023,421	2,024,905	2,023,421	2,024,905
Private Contributions	-	1,260,354	642,060	642,060	642,060	642,060	642,060
Agency Grand Total	71,503,457	171,297,584	176,271,325	167,858,937	168,087,641	180,285,303	172,688,284

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Eliminate Funding for Various Line Items

Job Funnels Projects	(150,000)	(150,000)	-	-	150,000	150,000
STRIDE	(414,892)	(414,892)	-	-	414,892	414,892
Incumbent Worker Training	(570,337)	(570,337)	(570,337)	(570,337)	-	-
STRIVE	(189,443)	(189,443)	-	-	189,443	189,443
Cradle To Career	(100,000)	(100,000)	-	-	100,000	100,000
2Gen - TANF	(750,000)	(750,000)	-	-	750,000	750,000
ConnectiCorps	(82,839)	(82,839)	(82,839)	(82,839)	-	-
Total - General Fund	(2,257,511)	(2,257,511)	(653,176)	(653,176)	1,604,335	1,604,335
Individual Development Accounts	(190,000)	(190,000)	(190,000)	(190,000)	-	-
Total - Banking Fund	(190,000)	(190,000)	(190,000)	(190,000)	-	-

Background

The Job Funnels Projects program works with the Workforce Investment Boards, community-based organizations, and labor unions in urban centers to place qualified individuals into careers in specific industries, such as construction.

The STRIDE program supports a reentry transitional support workforce development program for people released from the York Correctional Institution and New Haven, Corrigan, Radgowski, and Bridgeport Correctional Centers.

The Incumbent Worker Training program provides training for currently employed workers whose employers have determined that the workers require training in order to keep their skills competitive.

The STRIVE program, which is run by community-based organizations in Bridgeport, New Haven, and Hartford, is an intensive job-readiness program that includes training, orientation, case management, workplace preparation, personalized job search assistance, and subsequent support services.

The Cradle to Career program supports local educational services in Bridgeport, Stamford, Norwalk, and Waterbury to support children and youth from birth through college and career.

The 2Gen-TANF program utilizes a two-generational approach to social services that focuses on the family by, among other things, linking the employment-related services that adults need with the early-childhood assistance that their children need. The program operates within New Haven, Greater Hartford, Norwalk, Meriden, Colchester, and Bridgeport.

The ConnectiCorps program is administered by the Quinebaug Valley Community College and Three Rivers Community College in collaboration with Serve Here Connecticut.

Individual Development Accounts (IDA) assist and support low-income wage earners and their families to save money to purchase specific allowable assets.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Reduce funding by \$2,447,511 in both FY 18 and FY 19 to reflect the elimination of various programs.

Legislative

Reduce funding by \$843,176 in both FY 18 and FY 19 to reflect the elimination of various programs.

Reduce Funding for Various Line Items

Job Funnels Projects	-	-	(41,344)	(41,344)	(41,344)	(41,344)
Connecticut's Youth Employment Program	(2,672,750)	(2,672,750)	(1,172,750)	(1,172,750)	1,500,000	1,500,000
Jobs First Employment Services	(59,822)	(59,822)	(1,059,822)	(1,059,822)	(1,000,000)	(1,000,000)
STRIDE	-	-	(306,236)	(306,236)	(306,236)	(306,236)
Apprenticeship Program	(22,415)	(22,415)	(22,415)	(22,415)	-	-
STRIVE	-	-	(80,788)	(80,788)	(80,788)	(80,788)
Veterans' Opportunity Pilot	(125,947)	(125,947)	(125,947)	(125,947)	-	-
Second Chance Initiative	-	-	(825,967)	(825,967)	(825,967)	(825,967)
New Haven Jobs Funnel	(66,673)	(66,673)	(66,673)	(66,673)	-	-
Total - General Fund	(2,947,607)	(2,947,607)	(3,701,942)	(3,701,942)	(754,335)	(754,335)

Background

The Youth Employment Program provides job opportunities and work experiences for economically disadvantaged youth from ages 14-21 whose family income is below 185% of the federal poverty level.

The Jobs First Employment Services program provides employment services to time-limited recipients of Temporary Aid to Needy Families (TANF)-funded state assistance. These services assist TANF recipients in preparing for, finding, and keeping employment so that they can become independent.

The Apprenticeship Program is a long-term (1-4 years) training strategy that prepares skilled workers for Connecticut industry. The Apprenticeship Program account supports the administration of the apprenticeship system for employers and labor/management organizations.

The Veterans' Opportunity Pilot assists veterans seeking job opportunities.

The New Haven Jobs Funnel account is provided to New Haven Works in order to connect New Haven resident job applicants with employers, including for employment in construction.

Governor

Reduce funding by \$2,947,607 in both FY 18 and FY 19 to achieve savings.

Legislative

Reduce funding by \$3,701,942 in both FY 18 and FY 19 to achieve savings.

Reduce FY 18 Funding for Youth Employment

Connecticut's Youth Employment Program	-	-	(3,000,000)	-	(3,000,000)	-
Total - General Fund	-	-	(3,000,000)	-	(3,000,000)	-

Background

The Youth Employment Program provides job opportunities and work experiences for economically disadvantaged youth from ages 14-21 whose family income is below 185% of the federal poverty level.

Legislative

Reduce funding by \$3 million in FY 18 only to reflect savings due to not funding youth employment in the summer of 2017. Section 251 of PA 17-2 JSS, the biennial budget act, specifies that the remaining \$1 million in funding available for this program in FY 18 be distributed to the Wilson-Gray YMCA (\$500,000), the Capital Region Workforce Investment Board (\$350,000), and the City of Hartford Department of Families, Children, Youth and Recreation (\$150,000).

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Adjust Funding for WIA to Reflect Federal Appropriation

Workforce Investment Act	-	-	2,609,299	2,609,299	2,609,299	2,609,299
Total - General Fund	-	-	2,609,299	2,609,299	2,609,299	2,609,299

Legislative

Increase funding for the Workforce Investment Act (WIA) by \$2,609,299 in both FY 18 and FY 19 to reflect an increase in the federal WIA grant.

Provide Funding for Apprenticeship Initiative

Healthcare Apprenticeship Initiative	-	-	500,000	1,000,000	500,000	1,000,000
Total - General Fund	-	-	500,000	1,000,000	500,000	1,000,000

Background

In September 2015 the Connecticut Labor Department was awarded a \$5 million American Apprenticeship Initiative grant to be disbursed between October 2015 and September 2020 to enroll and serve 1,000 apprentices and pre-apprentices statewide in the high demand industries of advanced manufacturing, healthcare and business services.

Legislative

Provide funding of \$500,000 in FY 18 and \$1 million in FY 19 to supplement federal American Apprenticeship Initiative funding. This funding is provided to support apprenticeships and pre-apprenticeships statewide in the healthcare field.

Provide Funding for the Manufacturing Pipeline Initiative

Manufacturing Pipeline Initiative	-	-	500,000	1,000,000	500,000	1,000,000
Total - General Fund	-	-	500,000	1,000,000	500,000	1,000,000

Background

The Eastern CT Manufacturing Pipeline is a program funded by the US Department of Labor-Workforce Innovation Fund in partnership with the Connecticut Labor Department and the Eastern Connecticut Workforce Investment Board (EWIB) that provides no-cost training to address the hiring needs of Electric Boat, members of the Eastern Advanced Manufacturing Alliance, and other manufacturers.

Legislative

Provide funding of \$500,000 in FY 18 and \$1 million in FY 19 to the EWIB to supplement federal funding for the Eastern CT Manufacturing Pipeline.

Transfer Funding for 2Gen-TANF to OEC

2Gen - TANF	-	-	(750,000)	(750,000)	(750,000)	(750,000)
Total - General Fund	-	-	(750,000)	(750,000)	(750,000)	(750,000)

Background

The 2Gen-TANF program utilizes a two-generational approach to social services that focuses on the family by, among other things, linking the employment-related services that adults need with the early-childhood assistance that their children need.

Legislative

Transfer funding of \$750,000 in both FY 18 and FY 19 from the Labor Department to the Office of Early Childhood (OEC) to reflect OEC as the coordinating agency for the two-generational initiative. Section 141 of PA 17-2 JSS, the biennial budget act, implements this policy.

Transfer Funding for STRIDE to DOC

STRIDE	-	-	(108,656)	(108,656)	(108,656)	(108,656)
Total - General Fund	-	-	(108,656)	(108,656)	(108,656)	(108,656)

Background

The STRIDE program supports a reentry transitional support workforce development program for people released from the York Correctional Institution and New Haven, Corrigán, Radgowski, and Bridgeport Correctional Centers.

Legislative

Transfer funding of \$108,656 in both FY 18 and FY 19 from the Labor Department to the Department of Correction (DOC) to reflect DOC as the administrative agency for the STRIDE program.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Increase Arbitrator Compensation for Written Decisions

Other Expenses	40,000	40,000	40,000	40,000	-	-
Total - General Fund	40,000	40,000	40,000	40,000	-	-

Background

CGS Sec. 31-98 establishes the compensation paid to members of the State Board of Mediation and Arbitration (SBMA) for providing mediation and arbitration services for disputes between employers and employees.

Governor

Increase, from \$175 to \$500, the additional compensation paid to arbitrators of the SBMA for preparing a written decision. This is estimated to increase expenditures in the Other Expenses account by \$40,000 annually.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(88,360)	(88,360)	(88,360)	(88,360)	-	-
Other Expenses	(10,508)	(10,508)	(10,508)	(10,508)	-	-
CETC Workforce	(39,254)	(39,254)	(39,254)	(39,254)	-	-
Job Funnels Projects	(47,379)	(47,379)	(47,379)	(47,379)	-	-
Connecticut's Youth Employment Program	(52,250)	(52,250)	(52,250)	(52,250)	-	-
Jobs First Employment Services	(240,178)	(240,178)	(240,178)	(240,178)	-	-
STRIDE	(23,141)	(23,141)	(23,141)	(23,141)	-	-
Apprenticeship Program	(15,085)	(15,085)	(15,085)	(15,085)	-	-
Spanish-American Merchants Association	(22,695)	(22,695)	(22,695)	(22,695)	-	-
Connecticut Career Resource Network	(4,735)	(4,735)	(4,735)	(4,735)	-	-
Incumbent Worker Training	(17,639)	(17,639)	(17,639)	(17,639)	-	-
STRIVE	(11,013)	(11,013)	(11,013)	(11,013)	-	-
Customized Services	(371,215)	(371,215)	(371,215)	(371,215)	-	-
Opportunities for Long Term Unemployed	(616,267)	(616,267)	(616,267)	(616,267)	-	-
Veterans' Opportunity Pilot	(31,553)	(31,553)	(31,553)	(31,553)	-	-
Second Chance Initiative	(59,922)	(59,922)	(59,922)	(59,922)	-	-
Cradle To Career	(98,000)	(98,000)	(98,000)	(98,000)	-	-
2Gen - TANF	(512,252)	(512,252)	(512,252)	(512,252)	-	-
ConnectiCorps	(42,619)	(42,619)	(42,619)	(42,619)	-	-
New Haven Jobs Funnel	(33,327)	(33,327)	(33,327)	(33,327)	-	-
Total - General Fund	(2,337,392)	(2,337,392)	(2,337,392)	(2,337,392)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$2,337,392 in FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Carry Forward

Carry Forward Workforce Investment Act Funds

Workforce Investment Act	-	-	11,825,723	-	11,825,723	-
Total - Carry Forward Funding	-	-	11,825,723	-	11,825,723	-

Legislative

Pursuant to CGS Sec. 4-89(h) funding of \$11,825,723 is carried forward from FY 17 into FY 18 in the Workforce Investment Act (WIA) account. This amount represents the portion of federal funds provided under the WIA grant that were appropriated but unspent in FY 17; CGS Sec. 4-89(h) specifies that unspent WIA grant funds are automatically carried forward into subsequent fiscal years.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	74,084,579	74,084,579	74,084,579	74,084,579	-	-
Policy Revisions	(7,502,510)	(7,502,510)	(6,901,867)	(2,901,867)	600,643	4,600,643
Total Recommended - GF	66,582,069	66,582,069	67,182,712	71,182,712	600,643	4,600,643
FY 17 Appropriation - BF	1,615,000	1,615,000	1,615,000	1,615,000	-	-
Policy Revisions	(190,000)	(190,000)	(190,000)	(190,000)	-	-
Total Recommended - BF	1,425,000	1,425,000	1,425,000	1,425,000	-	-
FY 17 Appropriation - WF	687,148	687,148	687,148	687,148	-	-
Total Recommended - WF	687,148	687,148	687,148	687,148	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	191	191	191	191	-	-
Total Recommended - GF	191	191	191	191	-	-
FY 17 Appropriation - WF	2	2	2	2	-	-
Total Recommended - WF	2	2	2	2	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Delayed Start Savings of \$1,796,434. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	8,747,739	(329,709)	8,418,030	3.8%
Other Expenses	1,080,343	(54,017)	1,026,326	5.0%
CETC Workforce	619,591	(62,791)	556,800	10.1%
Workforce Investment Act	36,758,476	(132,129)	36,626,347	0.4%
Job Funnels Projects	108,656	(35,314)	73,342	32.5%
Connecticut's Youth Employment Program	1,000,000	(1,000,000)	-	100.0%
Jobs First Employment Services	13,869,606	(1,392,383)	12,477,223	10.0%
Apprenticeship Program	465,342	(6,894)	458,448	1.5%
Spanish-American Merchants Association	400,489	(100,122)	300,367	25.0%
Connecticut Career Resource Network	153,113	(2,050)	151,063	1.3%
STRIVE	108,655	(32,597)	76,058	30.0%
Opportunities for Long Term Unemployed	1,753,994	(438,499)	1,315,495	25.0%
Veterans' Opportunity Pilot	227,606	(3,699)	223,907	1.6%
Second Chance Initiative	444,861	(133,458)	311,403	30.0%
Cradle To Career	100,000	(100,000)	-	100.0%
New Haven Jobs Funnel	344,241	(142,310)	201,931	41.3%
Healthcare Apprenticeship Initiative	500,000	(500,000)	-	100.0%
Manufacturing Pipeline Initiative	500,000	(500,000)	-	100.0%
Occupational Health Clinics	687,148	(848)	686,300	0.1%

Commission on Human Rights and Opportunities

HRO41100

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	79	85	85	74	74	82	82

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	5,614,357	6,154,994	6,409,092	5,629,364	5,497,637	5,916,770	5,880,844
Other Expenses	309,808	318,292	352,640	302,061	302,061	302,061	302,061
Other Current Expenses							
Martin Luther King, Jr. Commission	4,365	4,582	6,161	5,977	5,977	5,977	5,977
Nonfunctional - Change to Accruals	26,087	-	-	-	-	-	-
Agency Total - General Fund	5,954,617	6,477,869	6,767,893	5,937,402	5,805,675	6,224,808	6,188,882
Additional Funds Available							
Federal Funds	-	35,760	56,348	37,364	38,410	37,364	38,410
Private Contributions	-	6,194	6,380	6,571	6,768	6,571	6,768
Agency Grand Total	5,954,617	6,519,823	6,830,621	5,981,337	5,850,853	6,268,743	6,234,060

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Adjust Funding for the Municipal Set-Aside Program

Personal Services	(395,183)	(526,910)	(107,777)	(143,703)	287,406	383,207
Total - General Fund	(395,183)	(526,910)	(107,777)	(143,703)	287,406	383,207
Positions - General Fund	(11)	(11)	(3)	(3)	8	8

Background

PA 15-5 JSS established contract set-aside requirements for certain municipal and quasi-public agency contracts funded at least partially by the state. The Commission on Human Rights and Opportunities (CHRO) is the administering agency for this program.

Governor

Reduce funding by \$395,183 in FY 18 (nine months) and \$526,910 in FY 19 and eliminate 11 positions to reflect the suspension of the Municipal Set-Aside Program

Legislative

Reduce funding by \$107,777 in FY 18 (nine months) and \$143,703 in FY 19 to reflect the elimination of three vacant positions.

Annualize FY 17 Holdbacks

Personal Services	(384,545)	(384,545)	(384,545)	(384,545)	-	-
Other Expenses	(10,579)	(10,579)	(10,579)	(10,579)	-	-
Martin Luther King, Jr. Commission	(184)	(184)	(184)	(184)	-	-
Total - General Fund	(395,308)	(395,308)	(395,308)	(395,308)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$395,308 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Reduce Funding for Various Accounts

Other Expenses	(40,000)	(40,000)	(40,000)	(40,000)	-	-
Total - General Fund	(40,000)	(40,000)	(40,000)	(40,000)	-	-

Governor

Reduce funding by \$40,000 in both FY 18 and FY 19 to achieve savings.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	6,767,893	6,767,893	6,767,893	6,767,893	-	-
Policy Revisions	(830,491)	(962,218)	(543,085)	(579,011)	287,406	383,207
Total Recommended - GF	5,937,402	5,805,675	6,224,808	6,188,882	287,406	383,207

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	85	85	85	85	-	-
Policy Revisions	(11)	(11)	(3)	(3)	8	8
Total Recommended - GF	74	74	82	82	8	8

Other Significant Legislation**PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019**

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	5,916,770	(239,016)	5,677,754	4.0%
Other Expenses	302,061	(15,103)	286,958	5.0%

Protection and Advocacy for Persons with Disabilities

OPA41200

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	31	31	31	-	-	-	-

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	2,207,844	2,264,067	2,047,881	-	-	-	-
Other Expenses	178,461	177,684	178,760	-	-	-	-
Nonfunctional - Change to Accruals	4,657	-	-	-	-	-	-
Agency Total - General Fund	2,390,962	2,441,751	2,226,641	-	-	-	-
Additional Funds Available							
Carry Forward Funding	-	-	-	-	-	255,722	-
Federal Funds	-	1,689,259	1,743,655	-	-	-	-
Agency Grand Total	2,390,962	4,131,010	3,970,296	-	-	255,722	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Current Services

Reduce Funding for Privatization of Protection & Advocacy

Personal Services	(1,086,044)	(1,086,044)	(1,086,044)	(1,086,044)	-	-
Other Expenses	(131,419)	(131,419)	(131,419)	(131,419)	-	-
Total - General Fund	(1,217,463)	(1,217,463)	(1,217,463)	(1,217,463)	-	-
Positions - General Fund	(19)	(19)	(19)	(19)	-	-

Background

PA 16-66, "AAC Various Revisions to the Public Health Statutes," eliminates the Office of Protection and Advocacy for Persons with Disabilities (OPA) effective July 1, 2017. The protection and advocacy ("P&A") functions of the agency will be re-designated as a non-profit entity, using federal funds.

Governor

Reduce funding by \$1,217,463 (\$1,086,044 in Personal Services and \$131,419 in Other Expenses) and 19 positions in both FY 18 and FY 19 to reflect the privatization of the protection and advocacy ("P&A") function of OPA.

Legislative

Same as Governor

Transfer Abuse Investigation Division to DORS

Personal Services	(961,837)	(961,837)	(961,837)	(961,837)	-	-
Other Expenses	(47,341)	(47,341)	(47,341)	(47,341)	-	-
Total - General Fund	(1,009,178)	(1,009,178)	(1,009,178)	(1,009,178)	-	-
Positions - General Fund	(12)	(12)	(12)	(12)	-	-

Background

PA 16-66 includes provisions to transfer OPA's Abuse Investigation Division (AID) to the Department of Rehabilitation Services (DORS).

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Transfer funding of \$1,009,178 (\$961,837 in Personal Services and \$47,341 in Other Expenses) in both FY 18 and FY 19 to reflect the transfer of AID and its 12 positions from OPA to DORS.

Legislative

Same as Governor

Carry Forward**Carry Forward Funds into FY 18**

Personal Services	-	-	248,244	-	248,244	-
Other Expenses	-	-	7,478	-	7,478	-
Total - Carry Forward Funding	-	-	255,722	-	255,722	-

Legislative

Carry forward funding of \$255,722 from FY 17 into FY 18.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	2,226,641	2,226,641	2,226,641	2,226,641	-	-
Current Services	(2,226,641)	(2,226,641)	(2,226,641)	(2,226,641)	-	-
Total Recommended - GF	-	-	-	-	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	31	31	31	31	-	-
Current Services	(31)	(31)	(31)	(31)	-	-
Total Recommended - GF	-	-	-	-	-	-

Workers' Compensation Commission

WCC42000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Workers' Compensation Fund	117	117	117	109	109	117	117

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	9,338,005	9,313,544	10,240,361	9,905,669	9,905,669	10,268,099	10,240,361
Other Expenses	2,183,416	2,922,910	3,819,747	2,111,669	2,449,666	2,321,765	2,659,765
Equipment	124,891	-	41,000	1	1	1	1
Other Current Expenses							
Fringe Benefits	6,944,247	7,209,830	8,192,289	7,931,229	7,931,229	8,214,479	8,192,289
Indirect Overhead	244,904	464,028	398,322	291,637	291,637	291,637	291,637
Nonfunctional - Change to Accruals	65,038	-	-	-	-	-	-
Agency Total - Workers' Compensation Fund	18,900,501	19,910,312	22,691,719	20,240,205	20,578,202	21,095,981	21,384,053
Additional Funds Available							
Carry Forward Workers' Compensation Fund	-	-	-	-	-	1,040,770	-
Private Contributions	-	102,963	103,072	103,072	103,072	103,072	103,072
Agency Grand Total	18,900,501	20,013,275	22,794,791	20,343,277	20,681,274	22,239,823	21,487,125

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Close the Stamford District Office

Other Expenses	(210,096)	(210,099)	-	-	210,096	210,099
Total - Workers' Compensation Fund	(210,096)	(210,099)	-	-	210,096	210,099

Background

The Workers' Compensation Commission currently operates eight district offices in addition to the Central Office in Hartford. The eight district offices are located in Hartford, Norwich, New Haven, Bridgeport, Waterbury, New Britain, Middletown and Stamford. The Stamford office currently has the lowest caseload of any district office.

Governor

Eliminate funding of approximately \$210,100 in both FY 18 and FY 19 in the Other Expenses account to reflect the closure of the Stamford District Office effective July 1, 2017. The funding reflects the cost of rent and utilities. Employees of the office will refill vacancies within one of the remaining seven district offices.

Legislative

Do not eliminate funding for the Stamford District Office.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Eliminate Funding for Commissioners' Salary increases

Personal Services	(110,950)	(110,950)	(83,212)	(110,950)	27,738	-
Fringe Benefits	(88,760)	(88,760)	(66,570)	(88,760)	22,190	-
Total - Workers' Compensation Fund	(199,710)	(199,710)	(149,782)	(199,710)	49,928	-

Governor

Eliminate funding of \$199,710 in both FY 18 and FY 19 to reflect delaying the 3% Workers' Compensation Commissioners' salary increases for the biennium. The increases were effective July 1, 2017 (FY 18) and will be delayed until July 1, 2019 (FY 20).

Legislative

Eliminate funding of \$149,782 in FY 18 and \$199,710 in FY 19 to reflect delaying the 3% Workers' Compensation Commissioners' salary increases for the biennium. The increases were effective July 1, 2017 (FY 18) and will be delayed until July 1, 2019 (FY 20). Funding is provided for the period July through October FY 18, when the final budget was passed. Sections 254 - 257 of PA 17-2 JSS, the biennial budget act implements the delay.

Reduce Funding for eCourt to Reflect Use of Carryforward

Other Expenses	(1,040,770)	-	(1,040,770)	-	-	-
Total - Workers' Compensation Fund	(1,040,770)	-	(1,040,770)	-	-	-

Background

Funding was provided in PA 13-184 to facilitate the implementation of E-File at the Workers' Compensation Commission (WCC) and to complete the commission's computer data conversion project. The project has been delayed due to vendor changes. The WCC is in the process of implementing the eCourt system currently utilized by the Division of Criminal Justice.

Governor

Reduce funding by \$1,040,770 in FY 18 to reflect the use of carryforward funds for the eCourt Migration Project in FY 18.

Legislative

Same as Governor

Eliminate Vacant Positions

Personal Services	(334,692)	(334,692)	-	-	334,692	334,692
Fringe Benefits	(261,060)	(261,060)	-	-	261,060	261,060
Total - Workers' Compensation Fund	(595,752)	(595,752)	-	-	595,752	595,752
Positions - Workers' Compensation Fund	(8)	(8)	-	-	8	8

Governor

Reduce funding by \$595,752 in both FY 18 and FY 19 to reflect the elimination of eight positions that are currently vacant.

Legislative

Same as Governor

Current Services

Provide Funding for Commissioners' Salary Increases

Personal Services	110,950	110,950	110,950	110,950	-	-
Fringe Benefits	88,760	88,760	88,760	88,760	-	-
Total - Workers' Compensation Fund	199,710	199,710	199,710	199,710	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Provide funding of \$199,710 in both FY 18 and FY 19 for Workers' Compensation Commissioners' salary increases. The salary increases are delayed for both FY 18 and FY 19 in a separate policy write-up.

Legislative

Same as Governor

Adjust Funding for eCourt Migration Project

Other Expenses	(502,212)	(1,262,982)	(502,212)	(1,262,982)	-	-
Total - Workers' Compensation Fund	(502,212)	(1,262,982)	(502,212)	(1,262,982)	-	-

Background

Funding was provided in PA 13-184 to facilitate the implementation of E-File at the Workers' Compensation Commission (WCC) and to complete the commission's computer data conversion project. The project has been delayed due to vendor changes. The WCC is in the process of implementing the eCourt system currently utilized by the Division of Criminal Justice.

Governor

Reduce funding by \$502,212 in FY 18 and \$1,262,982 in FY 19 for the eCourt project to reflect an updated cost estimate and delayed implementation. Total program costs for FY 18 of \$1,040,770 will be funded out of carryforward originally appropriated for the eCourt project. This adjustment is reflected in a separate policy write-up. Total project funding for FY 19 is \$280,000.

Legislative

Same as Governor

Adjust Funding for Other Expenses and Equipment

Other Expenses	45,000	103,000	45,000	103,000	-	-
Equipment	(40,999)	(40,999)	(40,999)	(40,999)	-	-
Total - Workers' Compensation Fund	4,001	62,001	4,001	62,001	-	-

Governor

Eliminate funding of \$40,999 in both FY 18 and FY 19 in the Equipment account to reflect the agency not requiring any small equipment funding for the biennium. Provide funding of \$45,000 in FY 18 and \$103,000 in FY 19 in the Other Expenses account for replacement and new equipment. To support the eCourt project, the WCC will need to purchase ten production scanners in FY 18 which have the capacity to scan and catalogue large volumes of documents (each scanner is approximately \$4,200). The WCC computers are scheduled for their five year upgrade at a cost of \$103,000 in FY 19.

Legislative

Same as Governor

Adjust Indirect Overhead

Indirect Overhead	(106,685)	(106,685)	(106,685)	(106,685)	-	-
Total - Workers' Compensation Fund	(106,685)	(106,685)	(106,685)	(106,685)	-	-

Background

The fringe benefit costs for employees supported by funds other than the General Fund are budgeted for within their respective agencies, as opposed to the fringe benefit accounts within the Office of the State Comptroller. In addition, this agency is charged indirect overhead costs by the State Comptroller for utilizing certain centralized state agency services.

Governor

Reduce funding by \$106,685 in both FY 18 and FY 19 to reflect required funding for indirect overhead.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Carry Forward

Carry Forward Funding for IT Project Expenses

Other Expenses	-	-	1,040,770	-	1,040,770	-
Total - Carry Forward Workers' Compensation Fund	-	-	1,040,770	-	1,040,770	-

Legislative

Pursuant to CGS 4-89(c), funding of \$1,040,770 is carried forward in the Other Expenses account for the IT conversion project, whose implementation has been delayed due to a change in vendor.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - WF	22,691,719	22,691,719	22,691,719	22,691,719	-	-
Policy Revisions	(2,046,328)	(1,005,561)	(1,190,552)	(199,710)	855,776	805,851
Current Services	(405,186)	(1,107,956)	(405,186)	(1,107,956)	-	-
Total Recommended - WF	20,240,205	20,578,202	21,095,981	21,384,053	855,776	805,851

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - WF	117	117	117	117	-	-
Policy Revisions	(8)	(8)	-	-	8	8
Total Recommended - WF	109	109	117	117	8	8

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Labor Concessions Savings of \$109,289. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	10,268,099	(109,289)	10,158,810	1.1%

Department of Agriculture

DAG42500

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	49	50	50	50	50	50	50
Regional Market Operation Fund	7	7	7	7	7	7	7

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	3,778,637	3,647,578	3,742,495	3,610,221	3,610,221	3,610,221	3,610,221
Other Expenses	848,477	811,457	687,038	637,038	637,038	845,038	845,038
Other Current Expenses							
Senior Food Vouchers	363,014	361,037	361,280	350,442	350,442	350,442	350,442
Other Than Payments to Local Governments							
Tuberculosis and Brucellosis Indemnity	-	-	100	97	97	97	97
WIC Coupon Program for Fresh Produce	174,886	135,209	173,132	167,938	167,938	167,938	167,938
Nonfunctional - Change to Accruals	(13,830)	-	-	-	-	-	-
Agency Total - General Fund	5,151,184	4,955,281	4,964,045	4,765,736	4,765,736	4,973,736	4,973,736
Personal Services	365,636	408,192	430,138	430,138	430,138	430,138	430,138
Other Expenses	408,873	310,825	273,007	273,007	273,007	273,007	273,007
Fringe Benefits	294,466	323,957	361,316	361,316	361,316	361,316	361,316
Nonfunctional - Change to Accruals	3,549	-	-	-	-	-	-
Agency Total - Regional Market Operation Fund	1,072,524	1,042,974	1,064,461	1,064,461	1,064,461	1,064,461	1,064,461
Total - Appropriated Funds	6,223,708	5,998,255	6,028,506	5,830,197	5,830,197	6,038,197	6,038,197
Additional Funds Available							
Federal Funds	-	1,327,590	1,703,159	1,068,500	1,068,500	1,068,500	1,068,500
Private Contributions & Other Restricted	-	901,236	1,053,000	1,053,000	1,053,000	1,053,000	1,053,000
Private Contributions	-	9,806,712	3,146,750	3,296,750	3,496,750	3,296,750	3,496,750
Agency Grand Total	6,223,708	18,033,793	11,931,415	11,248,447	11,448,447	11,456,447	11,656,447

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Provide Funding for Shellfish Testing at Avery Point

Other Expenses	-	-	138,000	138,000	138,000	138,000
Total - General Fund	-	-	138,000	138,000	138,000	138,000

Legislative

Provide funding of \$138,000 in both FY 18 and FY 19 for shellfish testing at Avery Point.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Provide Funding for Franklin 4H Camp

Other Expenses	-	-	40,000	40,000	40,000	40,000
Total - General Fund	-	-	40,000	40,000	40,000	40,000

Legislative

Provide funding of \$40,000 in both FY 18 and FY 19 for military children to attend a 4H camp in Franklin.

Provide Funding for CT 4H Development Fund

Other Expenses	-	-	30,000	30,000	30,000	30,000
Total - General Fund	-	-	30,000	30,000	30,000	30,000

Legislative

Provide funding of \$30,000 in both FY 18 and FY 19 for the Connecticut 4H Development Fund.

Reduce Funding for Second Chance Large Animal Rehab.

Other Expenses	(29,389)	(29,389)	(29,389)	(29,389)	-	-
Total - General Fund	(29,389)	(29,389)	(29,389)	(29,389)	-	-

Background

Located at York Correctional Facility in Niantic, "Second Chance" is a collaboration between the Department of Agriculture (DoAg) and the Department of Corrections where inmates can volunteer to rehabilitate large animals such as horses, goats, pigs that have been seized by DoAg for abuse and neglect.

Governor

Reduce funding by \$29,389 in both FY 18 and FY 19 to reflect the actual costs associated with the "Second Chance" Large Animal Rescue and Rehabilitation program.

Legislative

Same as Governor

Reduce Funding for Personal Services

Personal Services	(20,000)	(20,000)	(20,000)	(20,000)	-	-
Total - General Fund	(20,000)	(20,000)	(20,000)	(20,000)	-	-

Governor

Reduce funding by \$20,000 in Personal Services in both FY 18 and FY 19 to achieve savings.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(112,274)	(112,274)	(112,274)	(112,274)	-	-
Other Expenses	(20,611)	(20,611)	(20,611)	(20,611)	-	-
Senior Food Vouchers	(10,838)	(10,838)	(10,838)	(10,838)	-	-
Tuberculosis and Brucellosis Indemnity	(3)	(3)	(3)	(3)	-	-
WIC Coupon Program for Fresh Produce	(5,194)	(5,194)	(5,194)	(5,194)	-	-
Total - General Fund	(148,920)	(148,920)	(148,920)	(148,920)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$148,920 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	4,964,045	4,964,045	4,964,045	4,964,045	-	-
Policy Revisions	(198,309)	(198,309)	9,691	9,691	208,000	208,000
Total Recommended - GF	4,765,736	4,765,736	4,973,736	4,973,736	208,000	208,000
FY 17 Appropriation - RF	1,064,461	1,064,461	1,064,461	1,064,461	-	-
Total Recommended - RF	1,064,461	1,064,461	1,064,461	1,064,461	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	50	50	50	50	-	-
Total Recommended - GF	50	50	50	50	-	-
FY 17 Appropriation - RF	7	7	7	7	-	-
Total Recommended - RF	7	7	7	7	-	-

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$7,946, a Labor Concessions Savings of \$128,188, a Targeted Savings of \$42,349, and a Delayed Start Savings of \$87,611. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	4,040,359	(136,134)	3,904,225	4.2%
Other Expenses	845,038	(42,252)	802,786	5.0%
Senior Food Vouchers	350,442	(87,611)	262,831	25.0%
Tuberculosis and Brucellosis Indemnity	97	(97)	-	100.0%

Department of Energy and Environmental Protection

DEP43000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	670	644	642	618	618	618	618
Special Transportation Fund	-	28	29	29	29	29	29
Consumer Counsel and Public Utility Control Fund	127	127	127	122	122	122	122

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	30,812,314	29,688,841	28,697,939	25,884,099	25,884,099	23,162,728	22,144,784
Other Expenses	4,543,254	3,685,187	2,957,606	2,340,478	2,340,478	1,408,267	527,266
Other Current Expenses							
Mosquito Control	262,547	235,969	239,671	237,275	237,275	224,243	221,097
State Superfund Site Maintenance	418,544	404,599	411,935	399,577	399,577	399,577	399,577
Laboratory Fees	153,705	140,073	133,005	129,015	129,015	129,015	129,015
Dam Maintenance	138,760	157,906	123,974	122,735	122,735	120,486	113,740
Emergency Spill Response	6,631,772	6,409,311	6,006,921	6,481,921	6,481,921	6,481,921	6,481,921
Solid Waste Management	3,144,936	3,853,407	3,164,792	3,613,792	3,613,792	3,613,792	3,613,792
Underground Storage Tank	942,501	803,418	910,471	901,367	901,367	855,844	855,844
Clean Air	4,322,700	3,964,671	3,965,552	3,925,897	3,925,897	3,925,897	3,925,897
Environmental Conservation	8,947,121	8,461,462	8,261,232	8,089,569	8,089,569	5,263,481	4,950,803
Environmental Quality	9,516,336	9,508,772	8,845,938	8,692,700	8,692,700	8,434,764	8,410,957
Pheasant Stocking Account	152,000	-	-	-	-	-	-
Greenways Account	-	-	2	2	2	2	2
Conservation Districts & Soil and Water Councils	285,000	252,938	-	-	-	-	-
Fish Hatcheries	-	-	-	-	-	2,079,562	2,079,562
Other Than Payments to Local Governments							
Interstate Environmental Commission	48,783	48,052	44,937	44,937	44,937	44,937	44,937
New England Interstate Water Pollution Commission	28,827	28,395	26,554	26,554	26,554	26,554	26,554
Northeast Interstate Forest Fire Compact	3,295	3,295	3,082	3,082	3,082	3,082	3,082
Connecticut River Valley Flood Control Commission	32,395	32,395	30,295	30,295	30,295	30,295	30,295
Thames River Valley Flood Control Commission	48,281	48,281	45,151	45,151	45,151	45,151	45,151
Nonfunctional - Change to Accruals	410,722	-	-	-	-	-	-
Agency Total - General Fund	70,843,793	67,726,973	63,869,057	60,968,446	60,968,446	56,249,598	54,004,276
Personal Services	-	1,869,322	2,060,488	2,060,488	2,060,488	2,060,488	2,060,488
Other Expenses	-	680,411	738,920	738,920	738,920	701,974	701,974
Agency Total - Special Transportation Fund	-	2,549,733	2,799,408	2,799,408	2,799,408	2,762,462	2,762,462
Personal Services	10,716,316	11,683,195	12,110,378	11,834,823	11,834,823	11,834,823	11,834,823
Other Expenses	1,697,461	1,592,850	1,479,367	1,479,367	1,479,367	1,479,367	1,479,367

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Equipment	276,937	359,381	19,500	19,500	19,500	19,500	19,500
Fringe Benefits	7,926,274	8,992,349	9,688,302	9,467,858	9,467,858	9,467,858	9,467,858
Indirect Overhead	261,986	392,736	639,720	100	100	100	100
Nonfunctional - Change to Accruals	69,215	-	-	-	-	-	-
Agency Total - Consumer Counsel and Public Utility Control Fund	20,948,189	23,020,512	23,937,267	22,801,648	22,801,648	22,801,648	22,801,648
Total - Appropriated Funds	91,791,982	93,297,217	90,605,732	86,569,502	86,569,502	81,813,708	79,568,386
Additional Funds Available							
Siting Council	-	-	-	2,141,011	2,295,542	2,141,011	2,295,542
Passport to Parks Fund	-	-	-	-	-	6,084,067	11,515,132
Federal Funds	-	38,558,137	47,394,904	42,122,197	39,090,370	42,122,197	39,090,370
Private Contributions & Other Restricted	-	47,444,527	48,427,516	46,792,360	47,686,207	46,792,360	47,686,207
Private Contributions	-	202,722,243	207,122,460	211,084,409	215,230,652	211,084,409	215,230,652
Agency Grand Total	91,791,982	382,022,124	393,550,612	388,709,479	390,872,273	390,037,752	395,386,289

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Establish Passport to Parks Program

Personal Services	-	-	(1,710,384)	(2,728,328)	(1,710,384)	(2,728,328)
Other Expenses	-	-	(928,820)	(1,809,821)	(928,820)	(1,809,821)
Mosquito Control	-	-	(1,049)	(4,195)	(1,049)	(4,195)
Dam Maintenance	-	-	(2,249)	(8,995)	(2,249)	(8,995)
Environmental Conservation	-	-	(1,290,336)	(1,603,014)	(1,290,336)	(1,603,014)
Environmental Quality	-	-	(7,936)	(31,743)	(7,936)	(31,743)
Total - General Fund	-	-	(3,940,774)	(6,186,096)	(3,940,774)	(6,186,096)
Personal Services	-	-	2,050,962	4,101,924	2,050,962	4,101,924
Other Expenses	-	-	2,057,439	4,114,877	2,057,439	4,114,877
Fringe Benefits	-	-	1,322,666	2,645,331	1,322,666	2,645,331
Conservation Districts & Soil and Water Councils	-	-	653,000	653,000	653,000	653,000
Total - Passport to Parks Fund	-	-	6,084,067	11,515,132	6,084,067	11,515,132

Background

The Passport to Parks program establishes a \$10 biennial surcharge on certain registrations (passenger, motorcycle, motor home, combination, and antique), and \$5 for individuals over age 65, effective January 1, 2018, resulting in annualized revenue of approximately \$16 million. The Passport to Parks program allows in-state registered vehicles to enter state parks free of charge. Out-of-state park visitors would continue to pay for parking and camping.

Legislative

Reduce the General Fund by \$3,940,774 in FY 18 and \$6,186,096 in FY 19 to transfer resources in various accounts from the General Fund to the Passport to Parks account. Provide funding of \$6,084,067 in FY 18 and \$11,515,132 in FY 19 in the Passport to Parks account to provide for the care, maintenance, operation, and improvement of state parks and campgrounds.

Sections 325-331 of PA 17-2, JSS, the FY 18 and FY 19 biennial budget, establish the surcharge and separate non-lapsing account of the General Fund to be used for state parks and campgrounds; funding soil and water conservation districts and environmental review teams (ERT's); and, beginning with FY 19, paying the expenses of the Council on Environmental Quality (CEQ). Section 557 of PA 17-2, JSS, specifies that \$400,000 is provided for soil and water conservation districts, and \$253,000 is provided for environmental review teams (ERT's) coordinated by the CT Council on Soil and Water Conservation, from the Passport to Parks account in both FY 18 and FY 19.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Transfer Old State House to Office of Legislative Management

Other Expenses	(400,000)	(400,000)	(400,000)	(400,000)	-	-
Total - General Fund	(400,000)	(400,000)	(400,000)	(400,000)	-	-

Background

PA 16-3 MSS, the FY 17 budget implementer, transferred care and control of the Old State House from the Office of Legislative Management (OLM) to the Department of Energy and Environmental Protection (DEEP).

Governor

Reduce funding by \$400,000 in both FY 18 and FY 19 to reflect the transfer of care and control of the Old State House from DEEP back to OLM.

Legislative

Same as Governor

Reduce Funding for Automobiles and Other Expenses

Other Expenses	(187,552)	(187,552)	(187,552)	(187,552)	-	-
Environmental Conservation	(89,051)	(89,051)	(89,051)	(89,051)	-	-
Environmental Quality	(115,455)	(115,455)	(115,455)	(115,455)	-	-
Total - General Fund	(392,058)	(392,058)	(392,058)	(392,058)	-	-

Governor

Reduce funding by \$392,058 in various accounts in both FY 18 and FY 19 to achieve savings. Of this amount, approximately 65% is associated with savings from reduced motor vehicle rentals, repairs, fuel, and vehicle maintenance. The balance of the savings is associated with reductions to general office operations, such as cellular communication services, general office supplies, and printing.

Legislative

Same as Governor

Reduce Funding for Personal Services

Personal Services	-	-	(570,568)	(570,568)	(570,568)	(570,568)
Total - General Fund	-	-	(570,568)	(570,568)	(570,568)	(570,568)

Legislative

Reduce funding by \$570,568 in Personal Services to achieve savings.

Annualize Rescissions

Mosquito Control	-	-	(11,983)	(11,983)	(11,983)	(11,983)
Underground Storage Tank	-	-	(45,523)	(45,523)	(45,523)	(45,523)
Environmental Quality	-	-	(250,000)	(250,000)	(250,000)	(250,000)
Total - General Fund	-	-	(307,506)	(307,506)	(307,506)	(307,506)
Other Expenses	-	-	(36,946)	(36,946)	(36,946)	(36,946)
Total - Special Transportation Fund	-	-	(36,946)	(36,946)	(36,946)	(36,946)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies.

Legislative

Reduce funding by \$344,452 in both FY 18 and FY 19 to reflect the rollout of the Governor's FY 17 rescissions. Of this amount, \$307,506 is General Fund, and \$36,946 is Special Transportation Fund.

Establish Fish Hatcheries as a Non-Lapsing Account

Personal Services	-	-	(440,419)	(440,419)	(440,419)	(440,419)
Other Expenses	-	-	(103,391)	(103,391)	(103,391)	(103,391)
Environmental Conservation	-	-	(1,535,752)	(1,535,752)	(1,535,752)	(1,535,752)
Fish Hatcheries	-	-	2,079,562	2,079,562	2,079,562	2,079,562
Total - General Fund	-	-	-	-	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Reduce funding by \$2,079,562 in various accounts and provide funding of \$2,079,562 in a newly established account for fish hatcheries in both FY 18 and FY 19.

Eliminate General Fund Vacant Positions

Personal Services	(1,276,000)	(1,276,000)	(1,276,000)	(1,276,000)	-	-
Total - General Fund	(1,276,000)	(1,276,000)	(1,276,000)	(1,276,000)	-	-
Positions - General Fund	(24)	(24)	(24)	(24)	-	-

Governor

Reduce funding by \$1,276,000 in both FY 18 and FY 19 to reflect the elimination of 24 positions that are currently vacant in the General Fund.

Legislative

Same as Governor

Eliminate Public Utility Control Vacant Positions

Personal Services	(275,555)	(275,555)	(275,555)	(275,555)	-	-
Fringe Benefits	(220,444)	(220,444)	(220,444)	(220,444)	-	-
Total - Consumer Counsel and Public Utility Control Fund	(495,999)	(495,999)	(495,999)	(495,999)	-	-
Positions - Consumer Counsel and Public Utility Control Fund	(5)	(5)	(5)	(5)	-	-

Governor

Reduce funding by \$495,999 in both FY 18 and FY 19 to reflect the elimination of five vacant positions (\$275,555 in Personal Services) and their associated fringe benefits (\$220,444) in the Public Utility Control (PUC) Fund.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(1,537,840)	(1,537,840)	(1,537,840)	(1,537,840)	-	-
Other Expenses	(29,576)	(29,576)	(29,576)	(29,576)	-	-
Mosquito Control	(2,396)	(2,396)	(2,396)	(2,396)	-	-
State Superfund Site Maintenance	(12,358)	(12,358)	(12,358)	(12,358)	-	-
Laboratory Fees	(3,990)	(3,990)	(3,990)	(3,990)	-	-
Dam Maintenance	(1,239)	(1,239)	(1,239)	(1,239)	-	-
Emergency Spill Response	(60,069)	(60,069)	(60,069)	(60,069)	-	-
Solid Waste Management	(31,647)	(31,647)	(31,647)	(31,647)	-	-
Underground Storage Tank	(9,104)	(9,104)	(9,104)	(9,104)	-	-
Clean Air	(39,655)	(39,655)	(39,655)	(39,655)	-	-
Environmental Conservation	(82,612)	(82,612)	(82,612)	(82,612)	-	-
Environmental Quality	(37,783)	(37,783)	(37,783)	(37,783)	-	-
Interstate Environmental Commission	(1,348)	(1,348)	(1,348)	(1,348)	-	-
New England Interstate Water Pollution Commission	(796)	(796)	(796)	(796)	-	-
Northeast Interstate Forest Fire Compact	(92)	(92)	(92)	(92)	-	-
Connecticut River Valley Flood Control Commission	(908)	(908)	(908)	(908)	-	-
Thames River Valley Flood Control Commission	(1,354)	(1,354)	(1,354)	(1,354)	-	-
Total - General Fund	(1,852,767)	(1,852,767)	(1,852,767)	(1,852,767)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Reduce funding by \$1,852,767 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Provide Funding for West River Watershed

Other Expenses	-	-	100,000	100,000	100,000	100,000
Total - General Fund	-	-	100,000	100,000	100,000	100,000

Legislative

Provide funding of \$100,000 in both FY 18 and FY 19 for the West River Watershed. The Connecticut Fund for the Environment (CFE) and its program "Save the Sound" will carry out projects focused around youth involvement and restoration in the West River Watershed, including education and implementation of projects identified through the Watershed Management Plan, with the help of various partners.

Current Services**Provide Funding to Reflect FY 17 Estimated Level**

Emergency Spill Response	535,069	535,069	535,069	535,069	-	-
Solid Waste Management	480,647	480,647	480,647	480,647	-	-
Total - General Fund	1,015,716	1,015,716	1,015,716	1,015,716	-	-

Background

PA 13-247, requires DEEP to enter into a memorandum of understanding (MOU) with CRRA, now called the Materials Innovation and Recycling Authority, to assume the legal obligation of the state's landfills, primarily ongoing maintenance and monitoring. Additionally, PA 13-247, transferred \$31 million in FY 14 from CRRA to the General Fund for this purpose.

Governor

Provide total funding of \$1,015,716 in both FY 18 and FY 19 to reflect the estimated FY 17 expenditure level in the Emergency Spill Response and Solid Waste Management accounts. Of this amount, \$535,069 is provided for the Emergency Spill Response account and \$480,647 is provided for the Solid Waste Management account in both FY 18 and FY 19.

Legislative

Same as Governor

Adjust Indirect Overhead

Indirect Overhead	(639,620)	(639,620)	(639,620)	(639,620)	-	-
Total - Consumer Counsel and Public Utility Control Fund	(639,620)	(639,620)	(639,620)	(639,620)	-	-

Background

This agency is charged indirect overhead costs by the State Comptroller for utilizing certain centralized state agency services.

Governor

Reduce funding by \$639,620 in both FY 18 and FY 19 to reflect required funding for Indirect Overhead.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Adjust Funding for Various Dues

Interstate Environmental Commission	1,348	1,348	1,348	1,348	-	-
New England Interstate Water Pollution Commission	796	796	796	796	-	-
Northeast Interstate Forest Fire Compact	92	92	92	92	-	-
Connecticut River Valley Flood Control Commission	908	908	908	908	-	-
Thames River Valley Flood Control Commission	1,354	1,354	1,354	1,354	-	-
Total - General Fund	4,498	4,498	4,498	4,498	-	-

Governor

Provide funding of \$4,498 in both FY 18 and FY 19 for various compacts and commissions.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	63,869,057	63,869,057	63,869,057	63,869,057	-	-
Policy Revisions	(3,920,825)	(3,920,825)	(8,639,673)	(10,884,995)	(4,718,848)	(6,964,170)
Current Services	1,020,214	1,020,214	1,020,214	1,020,214	-	-
Total Recommended - GF	60,968,446	60,968,446	56,249,598	54,004,276	(4,718,848)	(6,964,170)
FY 17 Appropriation - TF	2,799,408	2,799,408	2,799,408	2,799,408	-	-
Policy Revisions	-	-	(36,946)	(36,946)	(36,946)	(36,946)
Total Recommended - TF	2,799,408	2,799,408	2,762,462	2,762,462	(36,946)	(36,946)
FY 17 Appropriation - PF	23,937,267	23,937,267	23,937,267	23,937,267	-	-
Policy Revisions	(495,999)	(495,999)	(495,999)	(495,999)	-	-
Current Services	(639,620)	(639,620)	(639,620)	(639,620)	-	-
Total Recommended - PF	22,801,648	22,801,648	22,801,648	22,801,648	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	642	642	642	642	-	-
Policy Revisions	(24)	(24)	(24)	(24)	-	-
Total Recommended - GF	618	618	618	618	-	-
FY 17 Appropriation - TF	29	29	29	29	-	-
Total Recommended - TF	29	29	29	29	-	-
FY 17 Appropriation - PF	127	127	127	127	-	-
Policy Revisions	(5)	(5)	(5)	(5)	-	-
Total Recommended - PF	122	122	122	122	-	-

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$96,062, a Labor Concessions Savings of \$1,753,719, and a Targeted Savings of \$270,415. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	37,058,039	(973,124)	36,084,915	5.4%
Other Expenses	1,408,267	(70,413)	1,337,854	5.0%
Mosquito Control	224,243	(1,807)	222,436	0.8%
Dam Maintenance	120,486	(302)	120,184	0.3%
Emergency Spill Response	6,481,921	(227,894)	6,254,027	3.5%
Solid Waste Management	3,613,792	(85,785)	3,528,007	2.4%
Underground Storage Tank	855,844	(11,260)	844,584	1.3%
Clean Air	3,925,897	(113,398)	3,812,499	2.9%
Environmental Conservation	5,263,481	(142,272)	5,121,209	2.7%
Environmental Quality	8,434,764	(293,939)	8,140,825	3.5%
Greenways Account	2	(2)	-	100.0%
Fish Hatcheries	2,079,562	(200,000)	1,879,562	9.6%

Council on Environmental Quality

CEQ45000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	2	2	2	-	-	2	-
Passport to Parks Fund	-	-	-	-	-	-	2

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	171,064	171,987	171,781	-	-	173,190	-
Other Expenses	1,712	739	632	-	-	613	-
Nonfunctional - Change to Accruals	988	-	-	-	-	-	-
Agency Total - General Fund	173,764	172,725	172,413	-	-	173,803	-
Additional Funds Available							
Passport to Parks Fund	-	-	-	-	-	-	327,942
Agency Grand Total	173,764	172,725	172,413	-	-	173,803	327,942

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Adjust Funding for the Council on Environmental Quality

Personal Services	(173,190)	(173,190)	-	(173,190)	173,190	-
Other Expenses	(613)	(613)	-	(613)	613	-
Total - General Fund	(173,803)	(173,803)	-	(173,803)	173,803	-
Positions - General Fund	(2)	(2)	-	(2)	2	-
Personal Services	-	-	-	173,190	-	173,190
Other Expenses	-	-	-	613	-	613
Fringe Benefits	-	-	-	154,139	-	154,139
Total - Passport to Parks Fund	-	-	-	327,942	-	327,942
Positions - Passport to Parks Fund	-	-	-	2	-	2

Background

Passport to Parks is a program that establishes a new \$10 biennial fee on certain motor vehicle registrations to be used for the care, maintenance, operation, and improvement of state parks and campgrounds; funding soil and water conservation districts and environmental review teams; and, beginning with FY 19, paying the expenses of the Council on Environmental Quality.

Governor

Reduce funding by \$173,803 (\$173,190 in Personal Services and \$613 in Other Expenses) and two positions in both FY 18 and FY 19 to reflect the elimination of the Council on Environmental Quality (CEQ).

Legislative

Maintain funding for CEQ in FY 18 in the General Fund. In FY 19, CEQ funding of \$173,803 and two positions will be provided by the Passport to Parks account.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Annualize FY 2017 Holdbacks

Personal Services	(1,717)	(1,717)	(1,717)	(1,717)	-	-
Other Expenses	(19)	(19)	(19)	(19)	-	-
Total - General Fund	(1,736)	(1,736)	(1,736)	(1,736)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$1,736 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Current Services

Annualize FY 17 Funding for Current Payroll

Personal Services	3,126	3,126	3,126	3,126	-	-
Total - General Fund	3,126	3,126	3,126	3,126	-	-

Governor

Provide funding of \$3,126 to annualize current year funding for two positions through June 30, 2017.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	172,413	172,413	172,413	172,413	-	-
Policy Revisions	(175,539)	(175,539)	(1,736)	(175,539)	173,803	-
Current Services	3,126	3,126	3,126	3,126	-	-
Total Recommended - GF	-	-	173,803	-	173,803	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	2	2	2	2	-	-
Policy Revisions	(2)	(2)	-	(2)	2	-
Total Recommended - GF	-	-	2	-	2	-

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Labor Concessions Savings of \$789 and a Targeted Savings of \$31. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	173,190	(789)	172,401	0.5%
Other Expenses	613	(31)	582	5.1%

Department of Economic and Community Development

ECD46000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	91	89	89	89	89	89	89

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	7,781,562	7,156,252	7,792,889	7,145,317	7,145,317	7,145,317	7,145,317
Other Expenses	1,524,012	800,345	543,644	527,335	527,335	527,335	527,335
Other Current Expenses							
Statewide Marketing	11,286,656	6,576,068	6,500,000	8,300,000	8,300,000	6,435,000	-
Small Business Incubator Program	367,739	320,918	310,810	-	-	-	-
Hartford Urban Arts Grant	380,000	374,578	358,386	-	-	242,371	-
New Britain Arts Council	68,359	59,429	58,230	-	-	39,380	-
Main Street Initiatives	153,700	143,816	138,278	-	-	100,000	-
Office of Military Affairs	218,620	191,804	193,376	187,575	187,575	187,575	187,575
Hydrogen/Fuel Cell Economy	166,250	145,010	150,254	-	-	-	-
CCAT-CT Manufacturing Supply Chain	695,644	777,103	715,634	347,082	173,541	497,082	-
Capital Region Development Authority	8,364,370	6,899,291	6,413,253	6,149,121	6,149,121	6,261,621	6,299,121
Neighborhood Music School	142,500	119,842	114,921	-	-	80,540	-
Arts and Historic Preservation Grants	-	-	-	3,085,264	2,849,378	-	-
Tourism Grants	-	-	-	1,525,100	1,343,976	-	-
Municipal Regional Development Authority	-	-	-	-	-	-	610,500
Other Than Payments to Local Governments							
Nutmeg Games	70,300	60,763	58,244	-	-	40,000	-
Discovery Museum	341,788	299,597	291,141	-	-	196,895	-
National Theatre of the Deaf	136,715	119,585	116,456	-	-	78,758	-
CONNSTEP	558,963	466,218	447,275	390,471	390,471	390,471	-
Development Research and Economic Assistance	-	-	112,591	-	-	-	-
CT Trust for Historic Preservation	189,883	-	-	-	-	-	-
Connecticut Science Center	569,120	514,456	492,810	-	-	446,626	-
CT Flagship Producing Theaters Grant	451,248	395,544	384,382	-	-	259,951	-
Women's Business Center	475,000	275,627	358,445	173,846	86,923	-	-
Performing Arts Centers	1,367,148	1,198,377	1,164,559	-	-	787,571	-
Performing Theaters Grant	506,215	467,187	453,586	-	-	306,753	-
Arts Commission	1,675,741	1,490,691	1,543,606	2,097,823	2,097,823	1,497,298	-
Art Museum Consortium	498,750	425,867	424,842	-	-	287,313	-
CT Invention Convention	23,750	18,671	17,924	-	-	-	-
Litchfield Jazz Festival	47,500	44,452	42,560	-	-	29,000	-
Connecticut River Museum	-	23,707	22,384	-	-	-	-
Arte Inc.	-	23,707	22,384	-	-	20,735	-
CT Virtuosi Orchestra	-	19,500	22,384	-	-	15,250	-
Barnum Museum	-	23,707	22,384	-	-	20,735	-

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Various Grants	-	-	-	-	-	130,000	-
Grant Payments to Local Governments							
Greater Hartford Arts Council	85,446	84,090	81,739	-	-	74,079	-
Stepping Stones Museum for Children	39,976	35,041	34,053	-	-	30,863	-
Maritime Center Authority	527,202	462,121	449,079	-	-	303,705	-
Tourism Districts	1,363,984	1,165,348	1,133,345	-	-	-	-
Connecticut Humanities Council	-	-	-	-	-	850,000	-
Amistad Committee for the Freedom Trail	42,750	37,471	36,414	-	-	36,414	-
Amistad Vessel	326,788	299,535	291,140	-	-	263,856	-
New Haven Festival of Arts and Ideas	719,552	630,725	612,926	-	-	414,511	-
New Haven Arts Council	85,446	74,900	72,786	-	-	52,000	-
Beardsley Zoo	353,913	310,224	301,469	-	-	253,879	-
Mystic Aquarium	559,651	490,564	476,719	-	-	322,397	-
Quinebaug Tourism	37,485	32,825	31,931	-	-	-	-
Northwestern Tourism	37,485	32,825	31,931	-	-	400,000	-
Eastern Tourism	37,485	32,825	31,931	-	-	400,000	-
Central Tourism	37,485	32,825	31,931	-	-	400,000	-
Twain/Stowe Homes	86,346	93,367	89,591	-	-	81,196	-
Cultural Alliance of Fairfield	85,446	61,607	72,786	-	-	52,000	-
Nonfunctional - Change to Accruals	3,528	-	-	-	-	-	-
Agency Total - General Fund	42,491,501	33,308,404	33,067,403	29,928,934	29,251,460	29,958,477	14,769,848
Statewide Marketing	-	-	-	-	-	-	4,130,912
Hartford Urban Arts Grant	-	-	-	-	-	-	242,371
New Britain Arts Council	-	-	-	-	-	-	39,380
Main Street Initiatives	-	-	-	-	-	-	100,000
Neighborhood Music School	-	-	-	-	-	-	80,540
Nutmeg Games	-	-	-	-	-	-	40,000
Discovery Museum	-	-	-	-	-	-	196,895
National Theatre of the Deaf	-	-	-	-	-	-	78,758
Connecticut Science Center	-	-	-	-	-	-	446,626
CT Flagship Producing Theaters Grant	-	-	-	-	-	-	259,951
Performing Arts Centers	-	-	-	-	-	-	787,571
Performing Theaters Grant	-	-	-	-	-	-	306,753
Arts Commission	-	-	-	-	-	-	1,497,298
Art Museum Consortium	-	-	-	-	-	-	287,313
Litchfield Jazz Festival	-	-	-	-	-	-	29,000
Arte Inc.	-	-	-	-	-	-	20,735
CT Virtuosi Orchestra	-	-	-	-	-	-	15,250
Barnum Museum	-	-	-	-	-	-	20,735
Various Grants	-	-	-	-	-	-	393,856
Greater Hartford Arts Council	-	-	-	-	-	-	74,079
Stepping Stones Museum for Children	-	-	-	-	-	-	30,863
Maritime Center Authority	-	-	-	-	-	-	303,705
Connecticut Humanities Council	-	-	-	-	-	-	850,000
Amistad Committee for the Freedom Trail	-	-	-	-	-	-	36,414
New Haven Festival of Arts and Ideas	-	-	-	-	-	-	414,511
New Haven Arts Council	-	-	-	-	-	-	52,000
Beardsley Zoo	-	-	-	-	-	-	253,879
Mystic Aquarium	-	-	-	-	-	-	322,397

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Northwestern Tourism	-	-	-	-	-	-	400,000
Eastern Tourism	-	-	-	-	-	-	400,000
Central Tourism	-	-	-	-	-	-	400,000
Twain/Stowe Homes	-	-	-	-	-	-	81,196
Cultural Alliance of Fairfield	-	-	-	-	-	-	52,000
Agency Total - Tourism Fund	-	-	-	-	-	-	12,644,988
Total - Appropriated Funds	42,491,501	33,308,404	33,067,403	29,928,934	29,251,460	29,958,477	27,414,836
Additional Funds Available							
Federal Funds	-	9,977,847	10,136,026	2,185,328	1,485,328	2,185,328	1,485,328
Private Contributions & Other Restricted	-	71,886,577	129,369,132	52,407,000	51,841,739	52,407,000	51,841,739
Private Contributions	-	5,196,407	4,090,000	4,100,000	4,100,000	4,100,000	4,100,000
Agency Grand Total	42,491,501	120,369,235	176,662,561	88,621,262	86,678,527	88,650,805	84,841,903

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Transfer Arts, Culture, Tourism Accounts from General Fund

Statewide Marketing	-	-	-	(6,435,000)	-	(6,435,000)
Hartford Urban Arts Grant	-	-	-	(242,371)	-	(242,371)
New Britain Arts Council	-	-	-	(39,380)	-	(39,380)
Main Street Initiatives	-	-	-	(102,326)	-	(102,326)
Neighborhood Music School	-	-	-	(80,540)	-	(80,540)
Discovery Museum	-	-	-	(196,895)	-	(196,895)
National Theatre of the Deaf	-	-	-	(78,758)	-	(78,758)
Connecticut Science Center	-	-	-	(446,626)	-	(446,626)
CT Flagship Producing Theaters Grant	-	-	-	(259,951)	-	(259,951)
Performing Arts Centers	-	-	-	(787,571)	-	(787,571)
Performing Theaters Grant	-	-	-	(306,753)	-	(306,753)
Arts Commission	-	-	-	(1,497,298)	-	(1,497,298)
Art Museum Consortium	-	-	-	(287,313)	-	(287,313)
Litchfield Jazz Festival	-	-	-	(29,000)	-	(29,000)
Arte Inc.	-	-	-	(20,735)	-	(20,735)
CT Virtuosi Orchestra	-	-	-	(15,250)	-	(15,250)
Barnum Museum	-	-	-	(20,735)	-	(20,735)
Greater Hartford Arts Council	-	-	-	(74,079)	-	(74,079)
Stepping Stones Museum for Children	-	-	-	(30,863)	-	(30,863)
Maritime Center Authority	-	-	-	(303,705)	-	(303,705)
Amistad Vessel	-	-	-	(263,856)	-	(263,856)
New Haven Festival of Arts and Ideas	-	-	-	(414,511)	-	(414,511)
New Haven Arts Council	-	-	-	(52,000)	-	(52,000)
Beardsley Zoo	-	-	-	(203,879)	-	(203,879)
Mystic Aquarium	-	-	-	(322,397)	-	(322,397)
Twain/Stowe Homes	-	-	-	(81,196)	-	(81,196)
Cultural Alliance of Fairfield	-	-	-	(52,000)	-	(52,000)
Total - General Fund	-	-	-	(12,644,988)	-	(12,644,988)

Background

Sections 637 and 639 of PA 17-2 JSS, the biennial budget, establish the Tourism Fund as a new appropriated fund and capitalize it with 10% of the revenue generated by the room occupancy tax beginning in FY 19.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Transfer all marketing, arts, culture, and tourism accounts from the General Fund into the Tourism Fund in FY 19.

Transfer Arts, Culture, Tourism Accounts to Tourism Fund

Statewide Marketing	-	-	-	4,130,912	-	4,130,912
Hartford Urban Arts Grant	-	-	-	242,371	-	242,371
New Britain Arts Council	-	-	-	39,380	-	39,380
Main Street Initiatives	-	-	-	100,000	-	100,000
Neighborhood Music School	-	-	-	80,540	-	80,540
Nutmeg Games	-	-	-	40,000	-	40,000
Discovery Museum	-	-	-	196,895	-	196,895
National Theatre of the Deaf	-	-	-	78,758	-	78,758
Connecticut Science Center	-	-	-	446,626	-	446,626
CT Flagship Producing Theaters Grant	-	-	-	259,951	-	259,951
Performing Arts Centers	-	-	-	787,571	-	787,571
Performing Theaters Grant	-	-	-	306,753	-	306,753
Arts Commission	-	-	-	1,497,298	-	1,497,298
Art Museum Consortium	-	-	-	287,313	-	287,313
Litchfield Jazz Festival	-	-	-	29,000	-	29,000
Arte Inc.	-	-	-	20,735	-	20,735
CT Virtuosi Orchestra	-	-	-	15,250	-	15,250
Barnum Museum	-	-	-	20,735	-	20,735
Various Grants	-	-	-	393,856	-	393,856
Greater Hartford Arts Council	-	-	-	74,079	-	74,079
Stepping Stones Museum for Children	-	-	-	30,863	-	30,863
Maritime Center Authority	-	-	-	303,705	-	303,705
Connecticut Humanities Council	-	-	-	850,000	-	850,000
Amistad Committee for the Freedom Trail	-	-	-	36,414	-	36,414
New Haven Festival of Arts and Ideas	-	-	-	414,511	-	414,511
New Haven Arts Council	-	-	-	52,000	-	52,000
Beardsley Zoo	-	-	-	253,879	-	253,879
Mystic Aquarium	-	-	-	322,397	-	322,397
Northwestern Tourism	-	-	-	400,000	-	400,000
Eastern Tourism	-	-	-	400,000	-	400,000
Central Tourism	-	-	-	400,000	-	400,000
Twain/Stowe Homes	-	-	-	81,196	-	81,196
Cultural Alliance of Fairfield	-	-	-	52,000	-	52,000
Total - Tourism Fund	-	-	-	12,644,988	-	12,644,988

Background

Sections 637 and 639 of PA 17-2 JSS, the biennial budget, establish the Tourism Fund as a new appropriated fund and capitalize it with 10% of the revenue generated by the room occupancy tax beginning in FY 19.

Legislative

Transfer all marketing, arts, culture, and tourism accounts from the General Fund into the Tourism Fund in FY 19.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Increase Funding for Certain Arts/Culture/Tourism Grants

Nutmeg Games	-	-	40,000	-	40,000	-
Connecticut Humanities Council	-	-	850,000	-	850,000	-
Amistad Committee for the Freedom Trail	-	-	36,414	-	36,414	-
Beardsley Zoo	-	-	50,000	-	50,000	-
Northwestern Tourism	-	-	400,000	-	400,000	-
Eastern Tourism	-	-	400,000	-	400,000	-
Central Tourism	-	-	400,000	-	400,000	-
Total - General Fund	-	-	2,176,414	-	2,176,414	-

Background

As required by PA 16-2, the revised FY 17 budget, the Office of Policy and Management applied targeted lapses against the regional tourism district accounts that effectively eliminated funding for the three regional tourism districts. Pursuant to Section 14 of PA 17-2 JSS, the biennial budget, which requires the Office of Policy and Management to achieve targeted savings of \$111.8 million in FY 18, the appropriations for the three regional tourism districts are eliminated for FY 18.

Legislative

Provide funding of \$2,176,414 in both FY 18 and FY 19 for the three regional districts, CT Humanities Council, Beardsley Zoo, Amistad Committee for the Freedom Trail, Nutmeg Games and the regional tourism districts.

Provide Funding for OpSail and New Haven Symphony

Various Grants	-	-	130,000	-	130,000	-
Total - General Fund	-	-	130,000	-	130,000	-

Background

Operation Sail (also known as OpSail) is a national non-profit organization whose mission is to advance sail training and promote goodwill among nations. OpSail has received a direct state grant appropriation of \$100,000 in FY 15 and FY 16 and a \$60,000 in FY 17. The New Haven Symphony received a direct state grant appropriation of \$10,000 in FY 15 and \$27,500 in FY 16.

Legislative

Provide funding of \$130,000 to support the following grants: \$80,000 for OpSail and \$50,000 for the New Haven Symphony.

Provide Funding for CCAT-CT Manufacturing

CCAT-CT Manufacturing Supply Chain	-	-	150,000	-	150,000	-
Total - General Fund	-	-	150,000	-	150,000	-

Legislative

Provide additional funding of \$150,000 in FY 18 for the Connecticut Center for Advanced Technology, Inc. (CCAT).

Reduce Funding for Economic Development Grants

Main Street Initiatives	(51,163)	(76,745)	(2,326)	-	48,837	76,745
CCAT-CT Manufacturing Supply Chain	(347,083)	(520,624)	(347,083)	(520,624)	-	-
Capital Region Development Authority	(200,000)	(200,000)	(200,000)	(200,000)	-	-
CONNSTEP	(43,386)	(43,386)	(43,386)	(43,386)	-	-
Women's Business Center	(173,846)	(260,769)	(173,846)	(260,769)	-	-
Total - General Fund	(815,478)	(1,101,524)	(766,641)	(1,024,779)	48,837	76,745

Governor

Reduce funding by \$815,478 in FY 18 and \$1,101,524 in FY 19 for the various economic development grants to achieve savings.

Legislative

Reduce funding by \$766,641 in FY 18 and \$1,024,779 in FY 19 for the various economic development grants to achieve savings.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Eliminate Economic Development Grants in FY 19

CCAT-CT Manufacturing Supply Chain	-	-	-	(173,541)	-	(173,541)
CONNSTEP	-	-	-	(390,471)	-	(390,471)
Total - General Fund	-	-	-	(564,012)	-	(564,012)

Background

The Connecticut Center for Advanced Technology (CCAT) assist at-risk small and medium-sized manufacturers in the state that are suppliers for defense and aerospace manufacturers.

CONNSTEP provides technical services that enhance the operational efficiency and competitiveness of Connecticut's small and medium-size manufacturing companies.

Legislative

Eliminate funding for CCAT and CONNSTEP in FY 19 to achieve savings. It should be noted that PA 17-2 JSS, the biennial budget, provides \$3.5 million in FY 18 and \$1.5 million in FY 19 in bond funds to CCAT.

Shift Women's Business Dev. Center Grant to CT Innovations

Women's Business Center	-	-	(173,846)	(86,923)	(173,846)	(86,923)
Total - General Fund	-	-	(173,846)	(86,923)	(173,846)	(86,923)

Background

The mission of the Women's Business Development Council, Inc.'s (WBDC) Women's Business Centers is to help women achieve economic self-reliance by educating and counseling them to start and grow businesses, resulting in job creation and community vitality. Through their services that promote microenterprise as a viable option for personal economic stability, especially for low/moderate income women in Connecticut, WBDC's Women's Business Center programs provide resources for business development training and counseling services in Connecticut.

Since FY 14, the budget provided a state appropriated grant to the WBDC to support its operations.

Legislative

Eliminate funding of \$173,846 in FY 18 and \$86,923 in FY 19 for a grant to the WBDC to achieve savings. In lieu of a General Fund appropriation, require Connecticut Innovations, Inc., a quasi-public state agency, to provide \$350,000 in FY 18 and FY 19 to the WBDC. Section 130 of PA 17-2 JSS, the biennial budget, implements this requirement.

Provide Funding for Municipal Regional Development Authority

Capital Region Development Authority	-	-	112,500	150,000	112,500	150,000
Municipal Regional Development Authority	-	-	-	610,500	-	610,500
Total - General Fund	-	-	112,500	760,500	112,500	760,500

Legislative

Provide funding of \$112,500 in FY 18 and \$760,000 in FY 19 to support a Municipal Regional Development Authority. It should be noted that PA 17-2 JSS, the biennial budget, does not provide implementing provisions for the Municipal Regional Development Authority.

Adjust Funding for Main Street Initiatives

Main Street Initiatives	(51,163)	(25,581)	-	-	51,163	25,581
Total - General Fund	(51,163)	(25,581)	-	-	51,163	25,581

Background

The Main Street Initiatives account provides operating grants to the Westville Village Renaissance Alliance and the Ansonia Nature Center.

Governor

Eliminate funding of \$51,163 in FY 18 and \$25,581 in FY 19 to achieve savings.

Legislative

Maintain funding for the Main Street Initiatives account at \$100,000 in FY 18 (under the General Fund) and FY 19 (under the new Tourism Fund). Dedicate 100% of these appropriations to the Westville Village Renaissance Alliance.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reduce Funding for Personal Services

Personal Services	(180,000)	(180,000)	(180,000)	(180,000)	-	-
Total - General Fund	(180,000)	(180,000)	(180,000)	(180,000)	-	-

Governor

Reduce funding by \$180,000 in both FY 18 and in FY 19 to achieve savings.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(467,572)	(467,572)	(467,572)	(467,572)	-	-
Other Expenses	(16,309)	(16,309)	(16,309)	(16,309)	-	-
Statewide Marketing	(65,000)	(65,000)	(65,000)	(65,000)	-	-
Small Business Incubator Program	(310,810)	(310,810)	(310,810)	(310,810)	-	-
Hartford Urban Arts Grant	(116,015)	(116,015)	(116,015)	(116,015)	-	-
New Britain Arts Council	(18,850)	(18,850)	(18,850)	(18,850)	-	-
Main Street Initiatives	(35,952)	(35,952)	(35,952)	(35,952)	-	-
Office of Military Affairs	(5,801)	(5,801)	(5,801)	(5,801)	-	-
Hydrogen/Fuel Cell Economy	(150,254)	(150,254)	(150,254)	(150,254)	-	-
CCAT-CT Manufacturing Supply Chain	(21,469)	(21,469)	(21,469)	(21,469)	-	-
Capital Region Development Authority	(64,132)	(64,132)	(64,132)	(64,132)	-	-
Neighborhood Music School	(34,381)	(34,381)	(34,381)	(34,381)	-	-
Nutmeg Games	(58,244)	(58,244)	(58,244)	(58,244)	-	-
Discovery Museum	(94,246)	(94,246)	(94,246)	(94,246)	-	-
National Theatre of the Deaf	(37,698)	(37,698)	(37,698)	(37,698)	-	-
CONNSTEP	(13,418)	(13,418)	(13,418)	(13,418)	-	-
Development Research and Economic Assistance	(112,591)	(112,591)	(112,591)	(112,591)	-	-
Connecticut Science Center	(46,184)	(46,184)	(46,184)	(46,184)	-	-
CT Flagship Producing Theaters Grant	(124,431)	(124,431)	(124,431)	(124,431)	-	-
Women's Business Center	(10,753)	(10,753)	(10,753)	(10,753)	-	-
Performing Arts Centers	(376,988)	(376,988)	(376,988)	(376,988)	-	-
Performing Theaters Grant	(146,833)	(146,833)	(146,833)	(146,833)	-	-
Arts Commission	(46,308)	(46,308)	(46,308)	(46,308)	-	-
Art Museum Consortium	(137,529)	(137,529)	(137,529)	(137,529)	-	-
CT Invention Convention	(17,924)	(17,924)	(17,924)	(17,924)	-	-
Litchfield Jazz Festival	(13,560)	(13,560)	(13,560)	(13,560)	-	-
Connecticut River Museum	(22,384)	(22,384)	(22,384)	(22,384)	-	-
Arte Inc.	(1,649)	(1,649)	(1,649)	(1,649)	-	-
CT Virtuosi Orchestra	(7,134)	(7,134)	(7,134)	(7,134)	-	-
Barnum Museum	(1,649)	(1,649)	(1,649)	(1,649)	-	-
Greater Hartford Arts Council	(7,660)	(7,660)	(7,660)	(7,660)	-	-
Stepping Stones Museum for Children	(3,190)	(3,190)	(3,190)	(3,190)	-	-
Maritime Center Authority	(145,374)	(145,374)	(145,374)	(145,374)	-	-
Tourism Districts	(1,133,345)	(1,133,345)	(1,133,345)	(1,133,345)	-	-
Amistad Committee for the Freedom Trail	(36,414)	(36,414)	(36,414)	(36,414)	-	-
Amistad Vessel	(27,284)	(27,284)	(27,284)	(27,284)	-	-
New Haven Festival of Arts and Ideas	(198,415)	(198,415)	(198,415)	(198,415)	-	-
New Haven Arts Council	(20,786)	(20,786)	(20,786)	(20,786)	-	-
Beardsley Zoo	(97,590)	(97,590)	(97,590)	(97,590)	-	-
Mystic Aquarium	(154,322)	(154,322)	(154,322)	(154,322)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
Quinebaug Tourism	(31,931)	(31,931)	(31,931)	(31,931)	-	-
Northwestern Tourism	(31,931)	(31,931)	(31,931)	(31,931)	-	-
Eastern Tourism	(31,931)	(31,931)	(31,931)	(31,931)	-	-
Central Tourism	(31,931)	(31,931)	(31,931)	(31,931)	-	-
Twain/Stowe Homes	(8,395)	(8,395)	(8,395)	(8,395)	-	-
Cultural Alliance of Fairfield	(20,786)	(20,786)	(20,786)	(20,786)	-	-
Total - General Fund	(4,557,353)	(4,557,353)	(4,557,353)	(4,557,353)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$4,557,353 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Adjust Funding for Statewide Marketing

Statewide Marketing	1,865,000	1,865,000	-	-	(1,865,000)	(1,865,000)
Total - General Fund	1,865,000	1,865,000	-	-	(1,865,000)	(1,865,000)

Background

The Statewide Marketing account funds the state's tourism marketing activities including the "Still Revolutionary" campaign and marketing challenge grants available to local organizations to promote tourism.

Governor

Provide additional funding of \$1,865,000 in both FY 18 and FY 19 to the Statewide Marketing account.

Legislative

Do not provide additional funding to the Statewide Marketing account.

Consolidate Funding for Arts/Historic Preservation Grants

Hartford Urban Arts Grant	(242,371)	(242,371)	-	-	242,371	242,371
New Britain Arts Council	(39,380)	(39,380)	-	-	39,380	39,380
Neighborhood Music School	(80,540)	(80,540)	-	-	80,540	80,540
Arts and Historic Preservation Grants	3,085,264	3,085,264	-	-	(3,085,264)	(3,085,264)
National Theatre of the Deaf	(78,758)	(78,758)	-	-	78,758	78,758
CT Flagship Producing Theaters Grant	(259,951)	(259,951)	-	-	259,951	259,951
Performing Arts Centers	(787,571)	(787,571)	-	-	787,571	787,571
Performing Theaters Grant	(306,753)	(306,753)	-	-	306,753	306,753
Art Museum Consortium	(287,313)	(287,313)	-	-	287,313	287,313
Litchfield Jazz Festival	(29,000)	(29,000)	-	-	29,000	29,000
Arte Inc.	(20,735)	(20,735)	-	-	20,735	20,735
CT Virtuosi Orchestra	(15,250)	(15,250)	-	-	15,250	15,250
Greater Hartford Arts Council	(74,079)	(74,079)	-	-	74,079	74,079
Amistad Vessel	(263,856)	(263,856)	-	-	263,856	263,856
New Haven Festival of Arts and Ideas	(414,511)	(414,511)	-	-	414,511	414,511
New Haven Arts Council	(52,000)	(52,000)	-	-	52,000	52,000
Twain/Stowe Homes	(81,196)	(81,196)	-	-	81,196	81,196
Cultural Alliance of Fairfield	(52,000)	(52,000)	-	-	52,000	52,000
Total - General Fund	-	-	-	-	-	-

Governor

Consolidate funding for direct line-item arts and historic preservation accounts into the new Arts and Historic Preservation Grants account. The distribution of this funding is unspecified.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Maintain existing appropriated accounts.

Reduce Funding for Arts/Historic Preserv. Grants in FY 19

Arts and Historic Preservation Grants	-	(235,886)	-	-	-	235,886
Total - General Fund	-	(235,886)	-	-	-	235,886

Governor

Reduce funding by \$235,886 in FY 19 for the Arts and Historic Preservation Grants account to achieve savings.

Legislative

Do not establish the Arts and Historic Preservation Grants account; therefore, no reduction is included in FY 19.

Adjust Funding for Arts Commission

Arts Commission	600,525	600,525	-	-	(600,525)	(600,525)
Total - General Fund	600,525	600,525	-	-	(600,525)	(600,525)

Background

The Arts Commission account funds competitive grants available to arts and cultural institutions in the state in conjunction with federal funding provided through the National Endowment of the Arts and other private funding sources.

Governor

Provide additional funding of \$600,525 in both FY 18 and FY 19 to support competitive arts grants.

Legislative

Do not provide additional funds to the Arts Commission account.

Consolidate Funding for Tourism Grants

Tourism Grants	1,525,100	1,525,100	-	-	(1,525,100)	(1,525,100)
Discovery Museum	(196,895)	(196,895)	-	-	196,895	196,895
Connecticut Science Center	(446,626)	(446,626)	-	-	446,626	446,626
Barnum Museum	(20,735)	(20,735)	-	-	20,735	20,735
Stepping Stones Museum for Children	(30,863)	(30,863)	-	-	30,863	30,863
Maritime Center Authority	(303,705)	(303,705)	-	-	303,705	303,705
Beardsley Zoo	(203,879)	(203,879)	-	-	203,879	203,879
Mystic Aquarium	(322,397)	(322,397)	-	-	322,397	322,397
Total - General Fund	-	-	-	-	-	-

Governor

Consolidate funding for direct line-item tourism accounts into the new "Tourism Grants" account. The distribution of this funding is unspecified.

Legislative

Maintain existing appropriated accounts.

Reduce Funding for Tourism Grants in FY 19

Tourism Grants	-	(181,124)	-	-	-	181,124
Total - General Fund	-	(181,124)	-	-	-	181,124

Governor

Reduce funding by \$181,124 in FY 19 for the Tourism Grants account to achieve savings.

Legislative

Do not establish Tourism Grants account; therefore, no reduction is included in FY 19.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	33,067,403	33,067,403	33,067,403	33,067,403	-	-
Policy Revisions	(3,138,469)	(3,815,943)	(3,108,926)	(18,297,555)	29,543	(14,481,612)
Total Recommended - GF	29,928,934	29,251,460	29,958,477	14,769,848	29,543	(14,481,612)
FY 17 Appropriation - ED	-	-	-	-	-	-
Policy Revisions	-	-	-	12,644,988	-	12,644,988
Total Recommended - ED	-	-	-	12,644,988	-	12,644,988

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	89	89	89	89	-	-
Total Recommended - GF	89	89	89	89	-	-

Other Significant Legislation**PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019**

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$15,727, a Labor Concessions Savings of \$259,671, a Targeted Savings of \$926,367, and a Delayed Start Savings of \$1,754,619. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	7,145,317	(275,398)	6,869,919	3.9%
Other Expenses	527,335	(26,367)	500,968	5.0%
Hartford Urban Arts Grant	242,371	(48,474)	193,897	20.0%
New Britain Arts Council	39,380	(7,876)	31,504	20.0%
Main Street Initiatives	100,000	(20,000)	80,000	20.0%
CCAT-CT Manufacturing Supply Chain	497,082	(99,416)	397,666	20.0%
Capital Region Development Authority	6,261,621	(50,000)	6,211,621	0.8%
Neighborhood Music School	80,540	(16,108)	64,432	20.0%
Nutmeg Games	40,000	(8,000)	32,000	20.0%
Discovery Museum	196,895	(39,379)	157,516	20.0%
National Theatre of the Deaf	78,758	(15,752)	63,006	20.0%
CONNSTEP	390,471	(78,094)	312,377	20.0%
Connecticut Science Center	446,626	(89,325)	357,301	20.0%
CT Flagship Producing Theaters Grant	259,951	(51,990)	207,961	20.0%
Performing Arts Centers	787,571	(157,514)	630,057	20.0%
Performing Theaters Grant	306,753	(61,351)	245,402	20.0%
Arts Commission	1,497,298	(74,865)	1,422,433	5.0%
Art Museum Consortium	287,313	(57,463)	229,850	20.0%
Litchfield Jazz Festival	29,000	(5,800)	23,200	20.0%
Arte Inc.	20,735	(4,147)	16,588	20.0%
CT Virtuosi Orchestra	15,250	(3,050)	12,200	20.0%
Barnum Museum	20,735	(4,147)	16,588	20.0%

Various Grants	130,000	(26,000)	104,000	20.0%
Greater Hartford Arts Council	74,079	(3,704)	70,375	5.0%
Stepping Stones Museum for Children	30,863	(6,173)	24,690	20.0%
Maritime Center Authority	303,705	(60,741)	242,964	20.0%
Connecticut Humanities Council	850,000	(170,000)	680,000	20.0%
Amistad Committee for the Freedom Trail	36,414	(7,283)	29,131	20.0%
Amistad Vessel	263,856	(52,771)	211,085	20.0%
New Haven Festival of Arts and Ideas	414,511	(82,902)	331,609	20.0%
New Haven Arts Council	52,000	(10,400)	41,600	20.0%
Beardsley Zoo	253,879	(50,776)	203,103	20.0%
Mystic Aquarium	322,397	(64,479)	257,918	20.0%
Northwestern Tourism	400,000	(400,000)	-	100.0%
Eastern Tourism	400,000	(400,000)	-	100.0%
Central Tourism	400,000	(400,000)	-	100.0%
Twain/Stowe Homes	81,196	(16,239)	64,957	20.0%
Cultural Alliance of Fairfield	52,000	(10,400)	41,600	20.0%

Department of Housing

DOH46900

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	21	23	23	23	23	23	23
Insurance Fund	-	-	-	-	-	1	1

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	1,870,549	2,002,589	2,003,013	1,853,013	1,853,013	1,853,013	1,853,013
Other Expenses	173,266	171,794	180,052	162,047	162,047	162,047	162,047
Other Current Expenses							
Elderly Rental Registry and Counselors	1,188,638	1,107,398	1,045,889	1,035,431	1,035,431	1,035,431	1,035,431
Homeless Youth	-	-	-	2,329,087	2,329,087	2,329,087	2,329,087
Other Than Payments to Local Governments							
Subsidized Assisted Living Demonstration	2,345,000	2,251,114	2,181,051	2,325,370	2,534,220	2,084,241	2,084,241
Congregate Facilities Operation Costs	7,517,398	7,681,166	7,359,331	7,336,204	7,336,204	7,336,204	7,336,204
Housing Assistance and Counseling Program	304,560	384,123	366,503	-	-	-	-
Elderly Congregate Rent Subsidy	1,732,854	2,043,242	2,002,085	1,982,065	1,982,065	1,982,065	1,982,065
Housing/Homeless Services	60,636,303	65,090,466	66,995,503	73,731,471	78,336,053	74,024,210	78,628,792
Grant Payments to Local Governments							
Tax Abatement	1,372,414	-	1,078,993	-	-	-	-
Payment In Lieu Of Taxes	1,779,730	-	-	-	-	-	-
Housing/Homeless Services - Municipality	640,398	632,458	592,893	586,965	586,965	586,965	586,965
Nonfunctional - Change to Accruals	16,986	-	-	-	-	-	-
Agency Total - General Fund	79,578,096	81,364,350	83,805,313	91,341,653	96,155,085	91,393,263	95,997,845
Fair Housing	500,000	670,000	670,000	603,000	603,000	670,000	670,000
Crumbling Foundations	-	-	-	2,700,000	2,700,000	-	-
Agency Total - Banking Fund	500,000	670,000	670,000	3,303,000	3,303,000	670,000	670,000
Crumbling Foundations	-	-	-	-	-	110,844	110,844
Agency Total - Insurance Fund	-	-	-	-	-	110,844	110,844
Total - Appropriated Funds	80,078,096	82,034,350	84,475,313	94,644,653	99,458,085	92,174,107	96,778,689
Additional Funds Available							
Federal Funds	-	189,286,052	174,223,266	169,400,920	154,529,325	169,400,920	154,529,325
Private Contributions & Other Restricted	-	5,204,514	1,312,000	1,500,000	1,500,000	1,500,000	1,500,000
Private Contributions	-	50,914,871	80,773,850	122,822,925	107,622,925	122,822,925	107,622,925
Agency Grand Total	80,078,096	327,439,787	340,784,429	388,368,498	363,110,335	385,897,952	360,430,939

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Provide Funding to Support Crumbling Foundations

Crumbling Foundations	2,700,000	2,700,000	-	-	(2,700,000)	(2,700,000)
Total - Banking Fund	2,700,000	2,700,000	-	-	(2,700,000)	(2,700,000)
Crumbling Foundations	-	-	110,844	110,844	110,844	110,844
Total - Insurance Fund	-	-	110,844	110,844	110,844	110,844
Positions - Insurance Fund	-	-	1	1	1	1

Background

Crumbling foundations resulting from the presence of pyrrhotite have impacted homes in more than thirty towns in northcentral and northeastern Connecticut.

Governor

Provide funding of \$2.7 million in both FY 18 and FY 19 for a new program that will subsidize interest rates paid by impacted homeowners on loans that support the remediation of crumbling foundation issues.

Legislative

Provide funding of \$110,844 in FY 18 and FY 19 to support a special homeowner advocate position within the department to provide advice and assistance and coordinate state programs related to the crumbling foundations issue.

Provide TANF/SSBG Funding to CCDF

Housing/Homeless Services	3,495,579	4,660,772	3,495,579	4,660,772	-	-
Total - General Fund	3,495,579	4,660,772	3,495,579	4,660,772	-	-

Background

Connecticut receives \$266.8 million per year under the Temporary Assistance for Needy Families (TANF) block grant and transfers 10% of this amount to the Social Services Block Grant (SSBG). Currently, TANF/SSBG funding is granted to the Departments of Social Services (DSS), Housing (DOH), and Children and Families (DCF), as well as the Office of Early Childhood (OEC). The accounting period for the federal government begins on October 1 and ends on September 30.

Governor

Shift funding of \$7,735,567 in FY 18 and \$10,314,089 in FY 19 from the current TANF/SSBG recipient agencies (DSS, DOH and DCF) to the Child Care and Development Fund (CCDF) under OEC. This shift will have no net impact on revenue, or General Fund appropriations, and will not result in any reduction in services. Provide General Fund support to the former TANF/SSBG recipient agencies of \$7,735,567 in FY 18 and \$10,314,089 in FY 19 and decrease OEC General Fund support by equal amounts. This includes funding of \$2,407,211 (partial year due to federal accounting period) and \$3,209,614 (full-year) to DCF. (See the table below for further details.) The purpose of this shift is to simplify administrative activities related to provision of block grant-funded services for all agencies involved.

General Fund Appropriations Related to TANF/SSBG Shift

Agency	FY 18	FY 19
Department of Housing	3,495,579	4,660,772
Department of Social Services	1,832,777	2,443,703
Department of Children and Families	2,407,211	3,209,614
Office of Early Childhood	(7,735,567)	(10,314,089)
TOTAL	-	-

Legislative

Same as Governor

Reduce Funding for Residences for Persons with AIDS

Housing/Homeless Services	(526,930)	(526,930)	(234,191)	(234,191)	292,739	292,739
Total - General Fund	(526,930)	(526,930)	(234,191)	(234,191)	292,739	292,739

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

The Department of Housing provides grants for housing and services to low income households that have a member diagnosed with HIV or AIDS.

Governor

Reduce funding by \$526,930 in both FY 18 and FY 19 for the Residences for Persons with AIDS program to achieve savings.

Legislative

Reduce funding by \$234,191 in both FY 18 and FY 19 for the Residences for Persons with AIDS program to achieve savings.

Reduce Funding for Various Line Items

Personal Services	(129,970)	(129,970)	(129,970)	(129,970)	-	-
Other Expenses	(16,205)	(16,205)	(16,205)	(16,205)	-	-
Total - General Fund	(146,175)	(146,175)	(146,175)	(146,175)	-	-

Governor

Reduce funding by \$146,175 in both FY 18 and FY 19 to achieve savings in the Personal Services and Other Expenses accounts.

Legislative

Same as Governor

Dedicate Funding for the Katie Blair House**Background**

The Katie Blair House offers a supportive home environment for homeless women with no children for up to two years. On-site staff provide assistance with personal goal development and linkage to community services while residents prepare for independent living.

Legislative

Dedicate \$145,000 in FY 18 and FY 19 from the Housing/Homeless Services line item for a grant-in-aid to Bethsaida Community, Inc. for the Katie Blair House in Norwich.

Reduce Funding for Assisted Living Demonstration Program

Subsidized Assisted Living Demonstration	-	-	(75,000)	(75,000)	(75,000)	(75,000)
Total - General Fund	-	-	(75,000)	(75,000)	(75,000)	(75,000)

Background

The Assisted Living Demonstration program provides grants to owners/managers of affordable housing units in the program which help offset the cost of rent for the low or very-low income elderly residents. Pursuant to CGS 17b-347e, the Department of Economic and Community Development (as the predecessor agency to the Department of Housing) joined a Memorandum of Agreement with the Office of Policy and Management, the Department of Public Health, and the Connecticut Housing Finance Authority to fund the Subsidized Assisted Living Demonstration program.

Legislative

Reduce funding by \$75,000 in both FY 18 and FY 19 to achieve savings.

Adjust Funding for Fair Housing

Fair Housing	(67,000)	(67,000)	-	-	67,000	67,000
Total - Banking Fund	(67,000)	(67,000)	-	-	67,000	67,000

Background

The Fair Housing Center works to ensure that all people have equal access to housing opportunities in Connecticut. The state provides a grant to the Fair Housing Center to support fair housing and foreclosure prevention activities.

Governor

Reduce funding by \$67,000 in both FY 18 and FY 19 for the grant to the CT Fair Housing Center.

Legislative

Maintain funding for the grant to the CT Fair Housing Center.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reduce Funding for the Security Deposit Guarantee Program

Housing/Homeless Services	(60,000)	(60,000)	(60,000)	(60,000)	-	-
Total - General Fund	(60,000)	(60,000)	(60,000)	(60,000)	-	-

Background

The Security Deposit Guarantee Program provides a guarantee to landlords of up to two month's rent instead of an actual payment.

Governor

Reduce funding by \$60,000 in both FY 18 and FY 19 to achieve savings.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(20,030)	(20,030)	(20,030)	(20,030)	-	-
Other Expenses	(1,800)	(1,800)	(1,800)	(1,800)	-	-
Elderly Rental Registry and Counselors	(10,458)	(10,458)	(10,458)	(10,458)	-	-
Subsidized Assisted Living Demonstration	(21,810)	(21,810)	(21,810)	(21,810)	-	-
Congregate Facilities Operation Costs	(73,593)	(73,593)	(73,593)	(73,593)	-	-
Elderly Congregate Rent Subsidy	(20,020)	(20,020)	(20,020)	(20,020)	-	-
Tax Abatement	(1,078,993)	(1,078,993)	(1,078,993)	(1,078,993)	-	-
Housing/Homeless Services - Municipality	(5,928)	(5,928)	(5,928)	(5,928)	-	-
Total - General Fund	(1,232,632)	(1,232,632)	(1,232,632)	(1,232,632)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$1,232,632 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Current Services

Transfer Homeless Youth Program to Department of Housing

Homeless Youth	2,329,087	2,329,087	2,329,087	2,329,087	-	-
Total - General Fund	2,329,087	2,329,087	2,329,087	2,329,087	-	-

Background

The Start program, currently funded under DCF's Homeless Youth account, is run by a non-profit provider, The Connection, Inc., to provide an array of outreach and survival support services for homeless youth, or youth who have unstable housing, between the ages of 16 and 24 in the Hartford area. Sections 418 and 419 of PA 15-5 JSS transfer the homeless youth program under DCF to DOH.

Governor

Transfer funding of \$2,329,087 in both FY 18 and FY 19 for homeless youth from DCF to DOH to reflect the transfer outlined in PA 15-5 JSS.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Provide Funding for Caseload for Money Follows the Person

Housing/Homeless Services	1,779,951	5,219,340	1,779,951	5,219,340	-	-
Total - General Fund	1,779,951	5,219,340	1,779,951	5,219,340	-	-

Background

The federal Money Follows the Person (MFP) Rebalancing Demonstration Grant encourages states to reduce their reliance on institutional care for Medicaid recipients by transitioning individuals out of institutional settings and into community settings with appropriate supports.

Governor

Provide funding of \$1,779,951 in FY 18 and \$5,219,340 in FY 19 to support rental assistance for new MFP transitions that are projected to occur in FY 18 and FY 19.

Legislative

Same as Governor

Annualize FY 17 Funding for Money Follows the Person

Housing/Homeless Services	2,047,368	2,047,368	2,047,368	2,047,368	-	-
Total - General Fund	2,047,368	2,047,368	2,047,368	2,047,368	-	-

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation.

Governor

Provide funding of \$2,047,368 in both FY 18 and FY 19 to reflect full year funding for new transitions to the MFP program occurring in the current fiscal year.

Legislative

Same as Governor

Eliminate Funding for Housing Assistance and Counseling

Housing Assistance and Counseling Program	(366,503)	(366,503)	(366,503)	(366,503)	-	-
Total - General Fund	(366,503)	(366,503)	(366,503)	(366,503)	-	-

Background

The Departments of Housing and Social Services with the Office of Policy and Management developed and implemented a demonstration program to bring assisted living services to residents of two federally-funded facilities and encourage participation in the state's Connecticut Home Care Program for Elders. The state began a phase down of the program in FY 17 due to budget constraints.

Governor

Eliminate funding of \$366,503 in both FY 18 and FY 19 to complete the phase out of the demonstration program.

Legislative

Same as Governor

Provide Funding for Assisted Living Demonstration Program

Subsidized Assisted Living Demonstration	166,129	374,979	-	-	(166,129)	(374,979)
Total - General Fund	166,129	374,979	-	-	(166,129)	(374,979)

Background

The Assisted Living Demonstration program provides grants to owners/managers of affordable housing units in the program which help offset the cost of rent for the low or very-low income elderly residents. Pursuant to CGS 17b-347e, DECD (as the predecessor agency to the Department of Housing) joined a Memorandum of Agreement with the Office of Policy and Management, the Department of Public Health, and the Connecticut Housing Finance Authority to fund the Subsidized Assisted Living Demonstration program.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Provide funding of \$166,129 in FY 18 and \$374,979 in FY 19 for the Connecticut Housing Finance Authority to finance the payment of debt service on mortgage loans and bonds in support of the Assisted Living Demonstration program.

Legislative

Do not provide funding of \$166,129 in FY 18 and \$374,979 in FY 18 and FY 19 in order to achieve savings.

Annualize Funding for Congregate Program

Congregate Facilities Operation Costs	50,466	50,466	50,466	50,466	-	-
Total - General Fund	50,466	50,466	50,466	50,466	-	-

Background

The Congregate Housing for the Elderly program provides grants, interim loans, permanent loans, deferred loans or any combination thereof for the development of congregate housing for frail elderly persons.

Governor

Provide funding of \$50,466 in both FY 18 and FY 19 to annualize the cost of the Greenwich congregate facility that expanded in FY 17.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	83,805,313	83,805,313	83,805,313	83,805,313	-	-
Policy Revisions	1,529,842	2,695,035	1,747,581	2,912,774	217,739	217,739
Current Services	6,006,498	9,654,737	5,840,369	9,279,758	(166,129)	(374,979)
Total Recommended - GF	91,341,653	96,155,085	91,393,263	95,997,845	51,610	(157,240)
FY 17 Appropriation - BF	670,000	670,000	670,000	670,000	-	-
Policy Revisions	2,633,000	2,633,000	-	-	(2,633,000)	(2,633,000)
Total Recommended - BF	3,303,000	3,303,000	670,000	670,000	(2,633,000)	(2,633,000)
FY 17 Appropriation - IF	-	-	-	-	-	-
Policy Revisions	-	-	110,844	110,844	110,844	110,844
Total Recommended - IF	-	-	110,844	110,844	110,844	110,844

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	23	23	23	23	-	-
Total Recommended - GF	23	23	23	23	-	-
FY 17 Appropriation - IF	-	-	-	-	-	-
Policy Revisions	-	-	1	1	1	1
Total Recommended - IF	-	-	1	1	1	1

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$4,079, a Labor Concessions Savings of \$66,627, and a Targeted Savings of \$1,753,981. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	1,853,013	(70,706)	1,782,307	3.8%
Other Expenses	162,047	(8,102)	153,945	5.0%
Elderly Rental Registry and Counselors	1,035,431	(20,709)	1,014,722	2.0%
Homeless Youth	2,329,087	(46,582)	2,282,505	2.0%
Congregate Facilities Operation Costs	7,336,204	(146,724)	7,189,480	2.0%
Elderly Congregate Rent Subsidy	1,982,065	(39,641)	1,942,424	2.0%
Housing/Homeless Services	74,024,210	(1,480,484)	72,543,726	2.0%
Housing/Homeless Services - Municipality	586,965	(11,739)	575,226	2.0%

Agricultural Experiment Station

AES48000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	70	69	69	69	69	69	69

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	5,995,609	5,829,498	5,888,047	5,636,399	5,636,399	5,636,399	5,636,399
Other Expenses	996,484	943,146	779,858	910,560	910,560	910,560	910,560
Equipment	-	8,787	8,238	-	-	-	-
Other Current Expenses							
Mosquito Control	462,030	475,004	446,779	502,312	502,312	502,312	502,312
Wildlife Disease Prevention	92,965	94,318	89,724	92,701	92,701	92,701	92,701
Nonfunctional - Change to Accruals	25,337	-	-	-	-	-	-
Agency Total - General Fund	7,572,425	7,350,753	7,212,646	7,141,972	7,141,972	7,141,972	7,141,972
Additional Funds Available							
Federal Funds	-	3,781,019	4,003,000	4,018,000	4,018,000	4,018,000	4,018,000
Private Contributions & Other Restricted	-	74,821	55,000	55,000	55,000	55,000	55,000
Private Contributions	-	631,634	790,000	800,000	800,000	800,000	800,000
Agency Grand Total	7,572,425	11,838,227	12,060,646	12,014,972	12,014,972	12,014,972	12,014,972

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Provide Funding for a Nursery Inspector

Personal Services	45,055	45,055	45,055	45,055	-	-
Total - General Fund	45,055	45,055	45,055	45,055	-	-

Background

The Agricultural Experiment Station (AES) registers and issues certifications of various plant material to all sellers of nursery stock hardy trees, shrubs, and vines grown outdoors.

Governor

Provide funding of \$45,055 in both FY 18 and FY 19 for a Nursery Inspector (Technician II) position.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reduce Funding for Vacant Position

Personal Services	(117,323)	(117,323)	(117,323)	(117,323)	-	-
Total - General Fund	(117,323)	(117,323)	(117,323)	(117,323)	-	-

Governor

Reduce funding by \$117,323 in both FY 18 and FY 19 for a vacant position (an Associate Agricultural Scientist in the Entomology Department). While funding for the position is removed, the agency position count is unchanged.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(179,380)	(179,380)	(179,380)	(179,380)	-	-
Other Expenses	(7,798)	(7,798)	(7,798)	(7,798)	-	-
Equipment	(8,238)	(8,238)	(8,238)	(8,238)	-	-
Mosquito Control	(4,467)	(4,467)	(4,467)	(4,467)	-	-
Wildlife Disease Prevention	(897)	(897)	(897)	(897)	-	-
Total - General Fund	(200,780)	(200,780)	(200,780)	(200,780)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$200,780 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Current Services

Provide Funding for Mosquito Surveillance & Virus Testing

Mosquito Control	60,000	60,000	60,000	60,000	-	-
Total - General Fund	60,000	60,000	60,000	60,000	-	-

Background

The Agricultural Experiment Station (AES) maintains mosquito trapping sites at 91 sites statewide to test for encephalitis, West Nile, and the newly emerging Zika virus.

Governor

Provide funding of \$60,000 for mosquito testing.

Legislative

Same as Governor

Provide Funding for Laboratory Utility & Operating Costs

Other Expenses	138,500	138,500	138,500	138,500	-	-
Total - General Fund	138,500	138,500	138,500	138,500	-	-

Governor

Provide funding of \$138,500 in both FY 18 and FY 19 to meet current requirements for utility and operating expenses of various agency laboratories, including the newly established Jenkins Laboratory.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Annualize FY 17 Funding for Wildlife Disease Prevention

Wildlife Disease Prevention	3,874	3,874	3,874	3,874	-	-
Total - General Fund	3,874	3,874	3,874	3,874	-	-

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation.

Governor

Provide funding of \$3,874 in both FY 18 and FY 19 to reflect full year funding for salaries within the Wildlife Disease Prevention Program.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	7,212,646	7,212,646	7,212,646	7,212,646	-	-
Policy Revisions	(273,048)	(273,048)	(273,048)	(273,048)	-	-
Current Services	202,374	202,374	202,374	202,374	-	-
Total Recommended - GF	7,141,972	7,141,972	7,141,972	7,141,972	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	69	69	69	69	-	-
Total Recommended - GF	69	69	69	69	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$12,406, a Labor Concessions Savings of \$211,989, and a Targeted Savings of \$45,528. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	5,636,399	(218,365)	5,418,034	3.9%
Other Expenses	910,560	(45,528)	865,032	5.0%
Mosquito Control	502,312	(4,635)	497,677	0.9%
Wildlife Disease Prevention	92,701	(1,395)	91,306	1.5%

Department of Public Health

DPH48500

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	481	479	481	495	480	495	480
Insurance Fund	3	5	5	5	5	5	5

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	33,342,266	34,814,486	35,367,382	36,079,225	34,805,177	35,454,225	34,180,177
Other Expenses	6,592,083	6,682,899	6,741,702	7,649,552	7,758,041	7,799,552	7,908,041
Other Current Expenses							
Needle and Syringe Exchange Program	436,446	-	-	-	-	-	-
Children's Health Initiatives	2,432,012	2,228,871	-	3,058,748	3,058,748	-	-
Childhood Lead Poisoning	18,908	63,655	-	-	-	-	-
AIDS Services	4,917,558	-	-	-	-	-	-
Breast and Cervical Cancer Detection and Treatment	2,052,096	-	-	-	-	-	-
Children with Special Health Care Needs	1,159,480	978,884	-	-	-	-	-
Medicaid Administration	2,669,673	-	-	-	-	-	-
Maternal Mortality Review	93,253	-	1	-	-	-	-
Other Than Payments to Local Governments							
Community Health Services	5,902,672	1,801,585	2,008,515	1,478,104	1,478,104	1,689,268	1,900,431
Rape Crisis	622,008	610,838	558,104	539,966	539,966	558,104	558,104
X-Ray Screening and Tuberculosis Care	998,449	-	-	-	-	-	-
Genetic Diseases Programs	795,219	235,516	-	-	-	-	-
Grant Payments to Local Governments							
Local and District Departments of Health	4,685,778	4,367,839	4,083,916	3,684,078	3,684,078	4,144,588	4,144,588
Venereal Disease Control	187,313	-	-	-	-	-	-
School Based Health Clinics	11,446,280	11,597,078	11,280,633	10,152,570	10,152,570	11,039,012	11,039,012
Nonfunctional - Change to Accruals	(202,865)	-	-	-	-	-	-
Agency Total - General Fund	78,148,629	63,381,650	60,040,253	62,642,243	61,476,684	60,684,749	59,730,353
Needle and Syringe Exchange Program	-	455,105	459,416	459,416	459,416	459,416	459,416
Children's Health Initiatives	-	-	-	-	-	2,935,769	2,935,769
AIDS Services	-	4,857,414	4,975,686	4,975,686	4,975,686	4,975,686	4,975,686
Breast and Cervical Cancer Detection and Treatment	-	2,111,168	2,150,565	2,150,565	2,150,565	2,150,565	2,150,565
Immunization Services	31,507,574	32,728,049	34,000,718	45,382,653	46,508,326	43,216,992	48,018,326
X-Ray Screening and Tuberculosis Care	-	803,047	1,115,148	1,115,148	1,115,148	965,148	965,148
Venereal Disease Control	-	197,171	197,171	197,171	197,171	197,171	197,171
Nonfunctional - Change to Accruals	75,603	-	-	-	-	-	-
Agency Total - Insurance Fund	31,583,177	41,151,954	42,898,704	54,280,639	55,406,312	54,900,747	59,702,081
Total - Appropriated Funds	109,731,806	104,533,604	102,938,957	116,922,882	116,882,996	115,585,496	119,432,434

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Additional Funds Available							
Federal Funds	-	111,153,593	123,001,182	121,021,504	118,347,231	121,021,504	118,347,231
Private Contributions & Other Restricted	-	4,615,029	4,810,194	1,327,000	1,327,000	1,327,000	1,327,000
Private Contributions	-	42,571,436	43,299,023	43,251,805	43,256,047	43,251,805	43,256,047
Agency Grand Total	109,731,806	262,873,662	274,049,356	282,523,191	279,813,274	281,185,805	282,362,712

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Provide Funding for Children's HPV Vaccination

Immunization Services	9,617,802	9,517,802	7,452,141	11,027,802	(2,165,661)	1,510,000
Total - Insurance Fund	9,617,802	9,517,802	7,452,141	11,027,802	(2,165,661)	1,510,000

Background

A **Health and Welfare Fee** is imposed on domestic health insurance entities to fully fund DPH's **Immunization Services** account. The assessment is calculated based on the number of insured/enrolled lives in Connecticut for which health insurance was provided during the previous year by each entity, multiplied by a factor necessary to recoup the entirety of the Immunization Services account's appropriation.

The Centers for Disease Control and Prevention recommend that all children who are 11 or 12 years old get two shots of the human papillomavirus (HPV) vaccine six to twelve months apart.

Governor

Provide funding of \$9,617,802 in FY 18 and \$9,517,802 in FY 19 to make the HPV vaccine universally available to privately insured children. Included in the FY 18 funding total is \$100,000 to support a related educational campaign.

Legislative

Provide funding of \$7,452,141 in FY 18 and \$11,027,802 in FY 19 to make the HPV vaccine universally available to privately insured children. Included in the FY 18 funding total is \$100,000 to support a related educational campaign.

Transfer Children's Health Initiatives to Insurance Fund

Children's Health Initiatives	-	-	(2,935,769)	(2,935,769)	(2,935,769)	(2,935,769)
Total - General Fund	-	-	(2,935,769)	(2,935,769)	(2,935,769)	(2,935,769)
Children's Health Initiatives	-	-	2,935,769	2,935,769	2,935,769	2,935,769
Total - Insurance Fund	-	-	2,935,769	2,935,769	2,935,769	2,935,769

Background

The Children's Health Initiatives account supports a variety of programs and staff (a combined 4.15 FTEs in FY 17) working to improve children's health in the state:

- 1. Local health departments for lead poisoning prevention and control** - Formula grants are paid to local health departments and districts per CGS 19a-111j to help finance lead poisoning prevention and control activities. Grants are based on the local health departments'/districts' confirmed childhood lead poisoning cases in the prior calendar year.
- 2. Regional Childhood Lead Treatment Centers** - Hospital-based regional treatment centers in New Haven (Yale-New Haven Hospital) and Hartford (Connecticut Children's Medical Center or CCMC) provide lead screening, clinical case management, and medical follow-up for lead poisoned children who are underinsured statewide.
- 3. Child Sexual Abuse Clinics** - Hospital based clinics in New Haven (Yale-New Haven) and Hartford (Saint Francis) provide medical evaluations, interviews, referrals and other support services for children suspected of being victims of sexual abuse and their families.
- 4. Case Management to Pregnant and Parenting Women** (provided through the Waterbury Health Department) - Serves women at risk for use of illegal drugs or alcohol, domestic violence (including coercion or intimate partner violence), and child welfare system involvement or history.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

5. **Asthma Programs** - CCMC's Easy Breathing program provides community-based support to children, families, and physicians in the management of childhood asthma. Bridgeport Hospital operates an Easy Breathing program for adults, which is a professional education program that trains internal medicine residents in evidenced-based as well as systems-based medicine.

6. **Treatment of Newborns** - Grants for regional and sickle cell disease treatment centers for newborns.

7. **Children with Special Health Care Needs** - Supports regional medical homes that provide coordinated health care services for children with special health care needs and their families, as well as respite care.

Legislative

Transfer support totaling \$2,935,769 in both FY 18 and FY 19 for the Children's Health Initiatives account from the General Fund to the Insurance Fund (IF).

The **Public Health Fee** will be increased in concert with this change. Currently, six DPH accounts are funded under the IF. One, the Immunization Services account, is funded under a Health and Welfare Fee. The rest are funded through the Public Health Fee: (1) Needle and Syringe Exchange, (2) AIDS Services, (3) Breast and Cervical Cancer Detection, (4) X-ray Screening and Tuberculosis Care, and (5) Venereal Disease Control. The Public Health Fee is imposed on domestic health insurance entities, with the exception of third-party administrators and exempt insurers, to fully fund the appropriations of the accounts listed above. The fee is calculated based on the number of insured/enrolled lives in Connecticut for which health insurance was provided during the previous year by each entity, multiplied by a factor necessary to recoup the entirety of the appropriations.

Provide General Fund Support for Newborn Screening

Personal Services	1,056,304	1,056,304	1,056,304	1,056,304	-	-
Other Expenses	1,188,417	1,188,417	1,188,417	1,188,417	-	-
Children's Health Initiatives	599,177	599,177	599,177	599,177	-	-
Total - General Fund	2,843,898	2,843,898	2,843,898	2,843,898	-	-
Positions - General Fund	5	5	5	5	-	-

Background

CGS Sec. 19a-55 requires that all newborns delivered in Connecticut are screened for selected genetic and metabolic disorders. Section 346 of PA 15-5 JSS increased the fee per infant screened, starting in FY 16, from \$56 to \$98. In 2017 the fee was increased from \$98 to \$110 under the Governor's Executive Order Budget. Revenue generated from this fee is deposited into a separate, non-lapsing account, which is made available to DPH for newborn screening expenditures.

Governor

Provide funding of \$2,843,898 and five positions in both FY 18 and FY 19 to support newborn screening and treatment. This reflects Personal Services account funding of \$1,056,304 and Other Expenses account funding of \$1,188,417 to cover the costs of screening, and \$599,177 in the Children's Health Initiatives account for grants to newborn regional and sickle cell disease treatment centers. Section 678 of PA 17-2 JSS redirects newborn screening revenue to the General Fund to be made available to DPH for newborn screening expenditures.

Legislative

Same as Governor

Provide General Fund Support for the CHI Account

Children's Health Initiatives	2,459,571	2,459,571	2,336,592	2,336,592	(122,979)	(122,979)
Total - General Fund	2,459,571	2,459,571	2,336,592	2,336,592	(122,979)	(122,979)

Background

The Children's Health Initiatives (CHI) account was provided \$2,339,428 in FY 17 from the Biomedical Research Trust Fund. Historically, the majority of funding for this account has been provided from the General Fund.

Governor

Provide funding of \$2,459,571 in both FY 18 and FY 19 to support children's health initiatives.

Legislative

Provide funding of \$2,336,592 in both FY 18 and FY 19 to support children's health initiatives.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Transfer OHCA to the New Office of Health Strategy

Personal Services	-	(1,937,390)	-	(1,937,390)	-	-
Other Expenses	-	(38,042)	-	(38,042)	-	-
Total - General Fund	-	(1,975,432)	-	(1,975,432)	-	-
Positions - General Fund	-	(23)	-	(23)	-	-

Background

The Governor proposes to enhance coordination and consolidate accountability for the implementation of the state's health care reform strategies through the Office of Health Strategy. The Office is created through the transfer of funds totaling \$5,353,896 and 31 positions from across three agencies and two appropriated funds as follows:

1. **DPH - General Fund** - \$1,975,432 and 23 positions,
2. **Insurance Department** - Insurance Fund - \$262,978 (including fringe benefits) and one position, and
3. **Office of the Healthcare Advocate** - Insurance Fund - \$3,565,649 (including fringe benefits) and seven positions.

Governor

Transfer funding of \$1,975,432 and 23 positions in FY 19 from DPH to the Office of Health Strategy.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(709,065)	(709,065)	(709,065)	(709,065)	-	-
Other Expenses	(413,182)	(413,182)	(413,182)	(413,182)	-	-
Community Health Services	(108,084)	(108,084)	(108,084)	(108,084)	-	-
Rape Crisis	(18,138)	(18,138)	-	-	18,138	18,138
School Based Health Clinics	(366,621)	(366,621)	(366,621)	(366,621)	-	-
Total - General Fund	(1,615,090)	(1,615,090)	(1,596,952)	(1,596,952)	18,138	18,138

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$1,615,090 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Reduce funding by \$1,596,952 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Reduce Funding for Local and District Health Departments

Local and District Departments of Health	(921,020)	(921,020)	(460,510)	(460,510)	460,510	460,510
Total - General Fund	(921,020)	(921,020)	(460,510)	(460,510)	460,510	460,510

Background

Pursuant to CGS Sec. 19a-207a, each district department of health and municipal health department shall provide a basic health program that includes, but is not limited to, the provision of ten services for each community served. Services include the monitoring of health status to identify and solve community health problems and investigating and diagnosing health problems and health hazards in the community. PA 09-3 SSS restructured the DPH per capita subsidy for local and district health departments by: (1) eliminating the per capita subsidy for part-time health departments, (2) providing a \$1.18 per capita subsidy for full-time health departments that serve at least 50,000 people (CGS Sec. 19a-245), and (3) providing a \$1.85 per capita subsidy for district health departments that serve at least 50,000 people and/or at least three municipalities (CGS Sec. 19a-202).

Governor

Reduce funding by \$921,020 in both FY 18 and FY 19 for local and district health departments.

Legislative

Reduce funding by \$460,510 in both FY 18 and FY 19 for local and district health departments.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Maintain Funding for School Based Health Centers

School Based Health Clinics	(761,442)	(761,442)	-	-	761,442	761,442
Total - General Fund	(761,442)	(761,442)	-	-	761,442	761,442

Background

School Based Health Centers (SBHCs) are comprehensive primary healthcare facilities located within or on the grounds of schools. They are licensed as outpatient facilities or hospital satellite clinics. Services they offer address medical, mental, and oral health needs of students in grades pre-K through grade 12.

Governor

Reduce funding by \$761,442 in both FY 18 and FY 19 for SBHCs, which is a decrease in support of approximately 6.8% from FY 17 funding levels.

Legislative

Maintain funding of \$761,442 in both FY 18 and FY 19 to support School Based Health Centers.

Rollout of FY 17 Rescissions

Personal Services	-	-	(625,000)	(625,000)	(625,000)	(625,000)
Other Expenses	-	-	(100,000)	(100,000)	(100,000)	(100,000)
Total - General Fund	-	-	(725,000)	(725,000)	(725,000)	(725,000)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies.

Legislative

Reduce funding by \$725,000 in both FY 18 and FY 19 to reflect the rollout of the Governor's FY 17 rescissions.

Adjust Funding for Community Health Centers

Community Health Services	(422,327)	(422,327)	(211,163)	-	211,164	422,327
Total - General Fund	(422,327)	(422,327)	(211,163)	-	211,164	422,327

Background

The FY 16 and FY 17 Biennial Budget transferred Community Health Center (CHC) funding of \$3,894,157 in both FY 16 and FY 17 from DPH's Community Health Services account to the Department of Social Services' Medicaid account. Due to net budgeting, \$1,550,000 was appropriated to DSS in each fiscal year to reflect this transfer, which assumed a federal reimbursement rate of approximately 60%. Pursuant to Section 402(b) of PA 15-5 JSS, \$422,327 in each fiscal year remained with DPH, so that the agency could continue to provide grants to CHCs. Other entities funded under DPH's Community Health Services account are Planned Parenthood of Southern New England, Inc., the Waterbury Health Access Program, and the New Haven Health Access Program.

Governor

Reduce funding by \$422,327 in both FY 18 and FY 19 for CHCs.

Legislative

Reduce funding by \$211,163 in FY 18 and maintain funding in FY 19 for CHCs.

Provide Support to the Drinking Water Section

Personal Services	254,350	896,004	254,350	896,004	-	-
Other Expenses	62,018	206,432	62,018	206,432	-	-
Total - General Fund	316,368	1,102,436	316,368	1,102,436	-	-
Positions - General Fund	6	14	6	14	-	-

Background

DPH's Drinking Water Section (DWS) is responsible for ensuring the adequacy and purity of Connecticut's public drinking water statewide through the administration and enforcement of state and federal laws, including the Safe Drinking Water Act. In addition to other responsibilities, it oversees and regulates over 2,500 public water systems, inspects approximately 600 public water systems annually, processes over 500,000 drinking water quality tests results annually, reviews and approves engineering plans for public water system infrastructure, and provides technical assistance to the public water systems and the communities they serve. The staff of the DWS is comprised of sanitary engineers, environmental analysts, and health program personnel. In 1995, the DWS had 63 full-time equivalent positions (FTEs) filled. Of these, 45 FTEs were funded by the state and 18 were federally funded. In 2017, there were 57 FTEs in the DWS comprised of 19 state-funded FTEs and 38 federally-funded FTEs.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Provide funding of \$316,368 and six positions in FY 18 and funding of \$1,102,436 and 14 positions in FY 19 to support the DWS.

Legislative

Same as Governor

Provide Funding for Easy Breathing

Other Expenses	-	-	250,000	250,000	250,000	250,000
Total - General Fund	-	-	250,000	250,000	250,000	250,000

Background

Connecticut Children's Medical Center's Easy Breathing program provides community-based support to children, families, and physicians in the management of childhood asthma.

Legislative

Provide funding of \$250,000 in both FY 18 and FY 19 to support CCMC's Easy Breathing program.

Provide Funding for a SBHC in East Hartford

School Based Health Clinics	-	-	125,000	125,000	125,000	125,000
Total - General Fund	-	-	125,000	125,000	125,000	125,000

Legislative

Provide funding of \$125,000 in both FY 18 and FY 19 to support a School Based Health Center in East Hartford.

Provide Two Health Care Analysts for OHCA

Personal Services	133,299	144,407	133,299	144,407	-	-
Total - General Fund	133,299	144,407	133,299	144,407	-	-
Positions - General Fund	2	2	2	2	-	-

Background

The major functions of the Office of Health Care Access (OHCA), within DPH, are the administration of the Certificate of Need (CON) program, the *Statewide Health Care Facilities and Services Plan*, health care data collection, and hospital financial review and reporting. Each hospital annually pays to DPH, for deposit in the General Fund, an amount equal to its share of the actual expenditures made by OHCA during each fiscal year, including the cost of fringe benefits for office personnel as estimated by the Comptroller, pursuant to CGS Sec. 19a-631 and 632.

Governor

Provide funding of \$133,299 in FY 18 (partial year) and \$144,407 in FY 19 (annualized) to support two Health Care Analyst positions within OHCA to accommodate the expansion of monitoring and oversight over health care mergers and acquisitions (including enhanced post-transfer compliance) and to emphasize increased access and health equity. These changes implement findings of the CON task force.

Legislative

Same as Governor

Provide Funding for the Licensure of Urgent Care Centers

Personal Services	126,955	137,535	126,955	137,535	-	-
Total - General Fund	126,955	137,535	126,955	137,535	-	-
Positions - General Fund	1	1	1	1	-	-

Governor

Provide funding of \$126,995 (partial year) in FY 18 and \$137,534 (annualized) in FY 19 to support one full-time and two half-time positions to establish a licensure category for urgent care centers. This reflects funding for a full-time Health Program Associate, a half-time Supervising Nurse Consultant and a half-time Processing Technician.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Eliminate Funding for Maternal Mortality Review

Maternal Mortality Review	(1)	(1)	(1)	(1)	-	-
Total - General Fund	(1)	(1)	(1)	(1)	-	-

Governor

Reduce funding by \$1 in both FY 18 and FY 19 to reflect the elimination of the Maternal Mortality Review account.

Legislative

Same as Governor

Current Services

Adjust Funding to Reflect Current Requirements

Personal Services	(150,000)	(150,000)	(150,000)	(150,000)	-	-
Other Expenses	70,597	72,714	70,597	72,714	-	-
Local and District Departments of Health	521,182	521,182	521,182	521,182	-	-
Total - General Fund	441,779	443,896	441,779	443,896	-	-
Immunization Services	1,764,133	2,989,806	1,764,133	2,989,806	-	-
X-Ray Screening and Tuberculosis Care	-	-	(150,000)	(150,000)	(150,000)	(150,000)
Total - Insurance Fund	1,764,133	2,989,806	1,614,133	2,839,806	(150,000)	(150,000)

Governor

Provide net funding of \$441,779 in FY 18 and \$443,896 in FY 19 from the General Fund, which includes:

1. Increase funding by \$521,182 in both FY 18 and FY 19 for the Local and District Departments of Health account to reflect updated population estimates,
2. Increase funding by \$70,597 in FY 18 and \$72,714 in FY 19 for the Other Expenses account to reflect anticipated on-going maintenance expenses for the Katherine A. Kelley State Public Health Laboratory, and
3. Reduce funding by \$150,000 in both FY 18 and FY 19 for Personal Services to reflect anticipated current requirements in the account.

Provide funding from the Insurance Fund of 1,764,133 in FY 18 and \$2,989,806 in FY 19 to reflect anticipated vaccine price increases.

Legislative

Same as Governor, with the addition of a reduction of \$150,000 in both FY 18 and FY 19 in the X-Ray Screening and Tuberculosis Care account to reflect current requirements.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	60,040,253	60,040,253	60,040,253	60,040,253	-	-
Policy Revisions	2,160,211	992,535	202,717	(753,796)	(1,957,494)	(1,746,331)
Current Services	441,779	443,896	441,779	443,896	-	-
Total Recommended - GF	62,642,243	61,476,684	60,684,749	59,730,353	(1,957,494)	(1,746,331)
FY 17 Appropriation - IF	42,898,704	42,898,704	42,898,704	42,898,704	-	-
Policy Revisions	9,617,802	9,517,802	10,387,910	13,963,571	770,108	4,445,769
Current Services	1,764,133	2,989,806	1,614,133	2,839,806	(150,000)	(150,000)
Total Recommended - IF	54,280,639	55,406,312	54,900,747	59,702,081	620,108	4,295,769

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	481	481	481	481	-	-
Policy Revisions	14	(1)	14	(1)	-	-
Total Recommended - GF	495	480	495	480	-	-
FY 17 Appropriation - IF	5	5	5	5	-	-
Total Recommended - IF	5	5	5	5	-	-

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$78,037, a Labor Concessions Savings of \$1,341,669, and a Targeted Savings of \$855,705. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	35,454,225	(1,415,402)	34,038,823	4.0%
Other Expenses	7,799,552	(389,978)	7,409,574	5.0%
Community Health Services	1,689,268	(33,785)	1,655,483	2.0%
Rape Crisis	558,104	(11,162)	546,942	2.0%
School Based Health Clinics	11,039,012	(420,780)	10,618,232	3.8%
Breast and Cervical Cancer Detection and Treatment	2,150,565	(2,207)	2,148,358	0.1%
Immunization Services	43,216,992	(2,097)	43,214,895	0.0%

Office of Health Strategy

OHS49100

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	-	-	-	-	23	-	23
Insurance Fund	-	-	-	-	8	-	6

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	-	-	-	-	1,937,390	-	1,937,390
Other Expenses	-	-	-	-	38,042	-	38,042
Agency Total - General Fund	-	-	-	-	1,975,432	-	1,975,432
Personal Services	-	-	-	-	729,528	-	560,785
Other Expenses	-	-	-	-	2,527,267	-	2,386,767
Other Current Expenses							
Fringe Benefits	-	-	-	-	574,832	-	430,912
Agency Total - Insurance Fund	-	-	-	-	3,831,627	-	3,378,464
Total - Appropriated Funds	-	-	-	-	5,807,059	-	5,353,896
Additional Funds Available							
Federal Funds	-	-	-	-	2,690,000	-	2,690,000
Private Contributions	-	-	-	-	86,400	-	86,400
Agency Grand Total	-	-	-	-	8,583,459	-	8,130,296

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Transfer Funding & Positions from OHA

Personal Services	-	580,102	-	414,359	-	(165,743)
Other Expenses	-	2,527,267	-	2,386,767	-	(140,500)
Fringe Benefits	-	458,280	-	314,360	-	(143,920)
Total - Insurance Fund	-	3,565,649	-	3,115,486	-	(450,163)
Positions - Insurance Fund	-	7	-	5	-	(2)

Background

The Governor proposes to enhance coordination and consolidate accountability for the implementation of the state's health care reform strategies through the creation of a new Office of Health Strategy (OHS). He recommends the transfer of \$5,807,059 and 31 positions from across three agencies and two appropriated funds as follows to establish OHS:

1. **Department of Public Health (DPH)** - General Fund - \$1,975,432 and 23 positions,
2. **Department of Insurance (DOI)** - Insurance Fund - \$265,978 (including fringe benefits) and one position, and
3. **Office of the Healthcare Advocate (OHA)** - Insurance Fund - \$3,565,649 (including fringe benefits) and seven positions.

Governor

Transfer seven positions and associated funding of \$3,565,649, including fringe benefits, from OHA to OHS in FY 19.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Transfer five positions and associated funding of \$3,115,486, including fringe benefits, from OHA to OHS in FY 19.

Transfer Funding & Positions from DPH

Personal Services	-	1,937,390	-	1,937,390	-	-
Other Expenses	-	38,042	-	38,042	-	-
Total - General Fund	-	1,975,432	-	1,975,432	-	-
Positions - General Fund	-	23	-	23	-	-

Background

The major functions of the Office of Health Care Access (OHCA), within DPH, are the administration of the Certificate of Need (CON) program, the *Statewide Health Care Facilities and Services Plan*, health care data collection, and hospital financial review and reporting. The CON program strives to ensure accessibility for needed services while limiting duplication or excess capacity of facilities and services.

Governor

Transfer OHCA funding of \$1,975,432 and 23 positions from DPH to OHS in FY 19.

Legislative

Same as Governor

Transfer Funding & Positions from DOI

Personal Services	-	149,426	-	146,426	-	(3,000)
Fringe Benefits	-	116,552	-	116,552	-	-
Total - Insurance Fund	-	265,978	-	262,978	-	(3,000)
Positions - Insurance Fund	-	1	-	1	-	-

Governor

Transfer funding of \$265,978, including fringe benefits, and one position from DOI to OHS in FY 19.

Legislative

Transfer funding of \$262,978, including fringe benefits, and one position from DOI to OHS in FY 19.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	-	-	-	-	-	-
Policy Revisions	-	1,975,432	-	1,975,432	-	-
Total Recommended - GF	-	1,975,432	-	1,975,432	-	-
FY 17 Appropriation - IF	-	-	-	-	-	-
Policy Revisions	-	3,831,627	-	3,378,464	-	(453,163)
Total Recommended - IF	-	3,831,627	-	3,378,464	-	(453,163)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	-	-	-	-	-	-
Policy Revisions	-	23	-	23	-	-
Total Recommended - GF	-	23	-	23	-	-
FY 17 Appropriation - IF	-	-	-	-	-	-
Policy Revisions	-	8	-	6	-	(2)
Total Recommended - IF	-	8	-	6	-	(2)

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$66,743, a Labor Concessions Savings of \$978,213, and a Targeted Savings of \$48,445. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	30,323,304	(1,044,956)	29,278,348	3.4%
Other Expenses	968,906	(48,445)	920,461	5.0%

Office of the Chief Medical Examiner

CME49500

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	50	50	50	50	50	50	50

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	4,319,977	4,924,396	4,601,690	4,736,809	4,736,809	4,926,809	4,926,809
Other Expenses	1,227,516	1,526,104	1,263,167	1,435,536	1,435,536	1,435,536	1,435,536
Equipment	18,272	18,938	16,824	26,400	23,310	26,400	23,310
Other Current Expenses							
Medicolegal Investigations	23,700	23,528	22,835	22,150	22,150	22,150	22,150
Nonfunctional - Change to Accruals	114,910	-	-	-	-	-	-
Agency Total - General Fund	5,704,375	6,492,967	5,904,516	6,220,895	6,217,805	6,410,895	6,407,805

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Annualize FY 17 Holdbacks

Personal Services	(46,016)	(46,016)	(46,016)	(46,016)	-	-
Other Expenses	(12,631)	(12,631)	(12,631)	(12,631)	-	-
Equipment	(504)	(504)	(504)	(504)	-	-
Medicolegal Investigations	(685)	(685)	(685)	(685)	-	-
Total - General Fund	(59,836)	(59,836)	(59,836)	(59,836)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$59,836 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Current Services

Adjust Funding to Reflect the FY 16 Deficiency

Personal Services	181,135	181,135	181,135	181,135	-	-
Other Expenses	175,000	175,000	175,000	175,000	-	-
Total - General Fund	356,135	356,135	356,135	356,135	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Provide funding of \$356,135 (\$181,135 in Personal Services and \$175,000 in Other Expenses) in both FY 18 and FY 19 for the annualization of the agency's FY 16 deficiency.

Legislative

Same as Governor

Provide Funding to Reflect Anticipated Requirements

Personal Services	-	-	190,000	190,000	190,000	190,000
Equipment	10,080	6,990	10,080	6,990	-	-
Total - General Fund	10,080	6,990	200,080	196,990	190,000	190,000

Governor

Provide funding of \$10,080 in FY 18 and \$6,990 in FY 19 to reflect anticipated equipment requirements.

Legislative

Provide funding of \$200,080 in FY 18 and \$196,990 in FY 19 to reflect anticipated agency requirements, which includes \$190,000 in both FY 18 and FY 19 in the Personal Services account and \$10,080 in FY 18 and \$6,990 in FY 19 in the Equipment account.

Provide Funding for Lodox X-Ray Service Costs

Other Expenses	10,000	10,000	10,000	10,000	-	-
Total - General Fund	10,000	10,000	10,000	10,000	-	-

Governor

Provide funding of \$10,000 in both FY 18 and FY 19 to support service costs associated with the Lodox full-body X-ray system.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	5,904,516	5,904,516	5,904,516	5,904,516	-	-
Policy Revisions	(59,836)	(59,836)	(59,836)	(59,836)	-	-
Current Services	376,215	373,125	566,215	563,125	190,000	190,000
Total Recommended - GF	6,220,895	6,217,805	6,410,895	6,407,805	190,000	190,000

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	50	50	50	50	-	-
Total Recommended - GF	50	50	50	50	-	-

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$10,844 and a Labor Concessions Savings of \$173,217. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	4,926,809	(184,061)	4,742,748	3.7%

Department of Developmental Services

DDS50000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	3,327	3,318	3,098	2,948	2,948	2,980	2,980

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	250,746,378	244,132,052	214,679,415	193,424,946	193,424,946	207,943,136	206,888,083
Other Expenses	20,464,974	19,590,283	17,335,354	15,744,113	15,744,113	16,665,111	16,590,769
Other Current Expenses							
Human Resource Development	188,443	-	-	-	-	-	-
Housing Supports and Services	-	-	-	-	350,000	-	350,000
Family Support Grants	3,459,364	3,700,808	3,738,222	3,330,756	3,330,756	3,700,840	3,700,840
Cooperative Placements Program	23,296,100	23,925,741	-	-	-	-	-
Clinical Services	3,729,678	3,397,700	2,630,408	2,298,934	2,298,934	2,372,737	2,365,359
Birth to Three	42,086,804	-	-	-	-	-	-
Community Temporary Support Services	57,716	-	-	-	-	-	-
Community Respite Care Programs	558,135	-	-	-	-	-	-
Workers' Compensation Claims	15,099,162	14,646,756	14,508,429	13,823,176	13,823,176	13,823,176	13,823,176
Autism Services	1,737,787	3,100,244	-	-	-	-	-
Behavioral Services Program	31,083,304	30,980,166	25,303,421	21,126,656	21,126,656	22,478,496	22,478,496
Supplemental Payments for Medical Services	4,849,481	4,365,926	4,262,613	3,881,425	3,881,425	3,761,425	3,761,425
ID Partnership Initiatives	-	-	-	3,300,000	3,800,000	1,400,000	1,900,000
Other Than Payments to Local Governments							
Rent Subsidy Program	5,130,212	4,854,494	5,030,212	4,979,910	4,979,910	4,879,910	4,879,910
Family Reunion Program	78,232	-	-	-	-	-	-
Employment Opportunities and Day Services	215,982,341	225,349,898	237,650,362	238,439,275	239,987,753	242,551,827	251,900,305
Community Residential Services	463,611,013	481,171,677	-	-	-	-	-
Nonfunctional - Change to Accruals	15,428,249	-	-	-	-	-	-
Agency Total - General Fund	1,097,587,373	1,059,215,744	525,138,436	500,349,191	502,747,669	519,576,658	528,638,363
Additional Funds Available							
Federal Funds	-	955,721	800,000	2,800,000	2,800,000	2,800,000	2,800,000
Private Contributions	-	2,016,828	40,000	40,000	40,000	40,000	40,000
Agency Grand Total	1,097,587,373	1,062,188,293	525,978,436	503,189,191	505,587,669	522,416,658	531,478,363

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Fully Fund Employment and Day Service for High School Grads

Employment Opportunities and Day Services	-	-	6,300,000	14,100,000	6,300,000	14,100,000
Total - General Fund	-	-	6,300,000	14,100,000	6,300,000	14,100,000

Background

DDS funds programs in community-based settings that give individuals an opportunity to perform work, or pursue skill-building and community activities. Each year individuals graduating from special education programs are in need of day programs supported by the Department.

Legislative

Provide funding of \$6.3 million in FY 18 and \$14.1 million in FY 19 to fund day programs for new high school graduates. Funding supports 335 high school graduates in FY 18 and 355 high school graduates in FY 19. FY 19 funding includes \$6.6 million for new graduates and the fully annualized cost (\$7.5 million) of placements started in FY 18. The state receives 50% federal reimbursement for this Medicaid waived program.

Provide Funding for ID Partnership

ID Partnership Initiatives	3,300,000	3,800,000	1,400,000	1,900,000	(1,900,000)	(1,900,000)
Total - General Fund	3,300,000	3,800,000	1,400,000	1,900,000	(1,900,000)	(1,900,000)

Background

The new Intellectual Disability (ID) Partnership - a collaboration between DDS, Department of Social Services (DSS), and the Office of Policy and Management (OPM) met during the past year to develop a methodology to convert payments to providers from DDS grants to Medicaid fee-for-service payments. Additionally, the ID Partnership plans to undertake the following actions: (1) examine regulations in terms of consumer choice and independence, (2) study group home capacity, and (3) provide family education to support long term family support through the recently established ABLE (Achieving a Better Life Experience Act) savings account and special needs trust options.

Governor

Provide funding of \$3.3 million in FY 18 and \$3.8 million in FY 19 for the ID Partnership Initiative with the following distribution: (1) \$750,000 in FY 18 and \$1 million in FY 19 to reduce the waiting list with support for placements in vacancies in Community Companion Homes, (2) \$750,000 in FY 18 and \$1 million in FY 19 for pilot programs to explore best practices, and (3) \$1.8 in both FY 18 and FY 19 to support rate equalization for lower rate providers.

Legislative

Provide funding of \$1.4 million in FY 18 and \$1.9 million in FY 19 for the ID Partnership Initiative with the following distribution: (1) \$750,000 in FY 18 and \$1 million in FY 19 to reduce the waiting list with support for placements in vacancies in Community Companion Homes, with preference given to individuals with high levels of need, and (2) \$650,000 in FY 18 and \$900,000 in FY 19 to support rate equalization for lower rate providers.

Maintain Funds for Behavioral Services Program Age Outs

Behavioral Services Program	(1,451,840)	(1,451,840)	-	-	1,451,840	1,451,840
Total - General Fund	(1,451,840)	(1,451,840)	-	-	1,451,840	1,451,840

Background

The Behavioral Services Program (BSP) supports children and adolescents who are eligible for DDS services and have emotional, behavioral, or mental health needs that substantially interfere with or limit the child's functioning in the family or in community activities. DDS BSP has been primarily designed as an in-home support program that assists families to receive the support they need to raise their children at home. This program was formerly called the Voluntary Services Program.

Governor

Reduce funding by \$1,451,840 in both FY 18 and FY 19 to reflect individuals aging out of the BSP.

Legislative

Maintain funding for the BSP, which will allow for new BSP participants as individuals age out of the program.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Transfer Abuse Investigations Division from DORS

Personal Services	961,837	961,837	961,837	961,837	-	-
Other Expenses	47,341	47,341	47,341	47,341	-	-
Total - General Fund	1,009,178	1,009,178	1,009,178	1,009,178	-	-
Positions - General Fund	12	12	12	12	-	-

Background

PA 16-66 includes provisions to transfer the Office of Protection and Advocacy's (OPA) Abuse Investigation Division to the Department of Rehabilitation Services (DORS).

Governor

Transfer funding of \$1,009,178 and 12 positions in both FY 18 and FY 19 from DORS to DDS to reflect the transfer of the Abuse Investigation Division.

Legislative

Same as Governor

Maintain Southbury Training School Fire Department

Personal Services	(1,577,491)	(1,577,491)	-	-	1,577,491	1,577,491
Other Expenses	(57,288)	(57,288)	-	-	57,288	57,288
Total - General Fund	(1,634,779)	(1,634,779)	-	-	1,634,779	1,634,779
Positions - General Fund	(13)	(13)	-	-	13	13

Background

The Southbury Training School (STS) Fire Department provides both emergency services and non-emergency transportation for the residents of STS and assists Southbury and neighboring towns. STS officials have been working with town of Southbury officials to transition the responsibility for STS to the town.

Governor

Reduce funding by \$1,634,779 and eliminate 13 positions in both FY 18 and FY 19 to reflect the closure of the STS Fire Department.

Legislative

Funding and positions are maintained to reflect the no layoff provisions of the 2017 SEBAC agreement.

Maintain Transitional Unit on Meriden Regional Center Campus

Personal Services	(1,463,829)	(1,463,829)	-	-	1,463,829	1,463,829
Other Expenses	(33,971)	(33,971)	-	-	33,971	33,971
Clinical Services	(7,396)	(7,396)	-	-	7,396	7,396
Total - General Fund	(1,505,196)	(1,505,196)	-	-	1,505,196	1,505,196
Positions - General Fund	(19)	(19)	-	-	19	19

Background

The Transitional Unit on the Meriden Regional Center Campus currently serves two individuals under court-ordered placements. The Governor's FY 18 and FY 19 Budget includes funding in the DDS Community Residential Services account to support current consumers through private providers when the Unit is closed.

Governor

Reduce funding by \$1,505,196 and eliminate 19 positions in both FY 18 and FY 19 to reflect the closure of the Transitional Unit on the Meriden Regional Center Campus.

Legislative

Maintain funding and positions to reflect the no layoff provisions of the 2017 SEBAC agreement.

Transfer Funding for Specialized Services to DSS

Employment Opportunities and Day Services	(1,812,731)	(2,719,097)	(1,812,731)	(2,719,097)	-	-
Total - General Fund	(1,812,731)	(2,719,097)	(1,812,731)	(2,719,097)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Transfer funding of \$1,812,731 in FY 18 and \$2,719,097 in FY 19 to the Department of Social Services (DSS) Medicaid account in order to claim federal reimbursement for day services provided to DDS consumers in nursing home settings, which currently receive no federal reimbursement.

Legislative

Same as Governor

Provide Funding for Housing Supports

Housing Supports and Services	-	350,000	-	350,000	-	-
Total - General Fund	-	350,000	-	350,000	-	-

Background

The Department of Housing (DOH), DDS and DSS issued a notice of funding availability to owners of either existing affordable rental developments, or developers of proposed new affordable multifamily rental developments, seeking funding from DOH that are also interested in creating housing for individuals with intellectual disabilities or individuals with an autism. This multi-agency effort is called the Intellectual Disabilities and Autism Spectrum Disorder Housing (IDASH) Program.

Approximately \$20 million in capital funding is anticipated to be made available for IDASH. Capital funding available may, at DOH's discretion, include bond proceeds authorized through PA16-4, the Housing Trust Fund Program funds, Affordable Housing Program funds, federal HOME Investment Partnership Program funds, and/or other available sources.

DDS funding may provide case management to individuals with developmental disabilities on one of three ID/DD Waivers. DOH, DDS, and DSS expect applicants to partner with social service agencies with experience serving this population to provide the proper support for tenants in units created by this program.

Governor

Provide partial year funding of \$350,000 (\$1.4 million annualized) in FY 19 for wrap-around services for 70 individuals with intellectual disability or an autism diagnosis residing in new supportive housing units anticipated to open in late FY 19.

Legislative

Same as Governor

Annualize FY 17 Rescissions

Behavioral Services Program	-	-	(100,000)	(100,000)	(100,000)	(100,000)
Supplemental Payments for Medical Services	-	-	(120,000)	(120,000)	(120,000)	(120,000)
Rent Subsidy Program	-	-	(100,000)	(100,000)	(100,000)	(100,000)
Employment Opportunities and Day Services	-	-	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Total - General Fund	-	-	(1,320,000)	(1,320,000)	(1,320,000)	(1,320,000)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies

Legislative

Reduce funding by \$1,320,000 in both FY 18 and FY 19 to annualize FY 17 rescissions.

Reduce Funding for Various Line Items

Personal Services	-	-	-	-	-	-
Family Support Grants	(370,084)	(370,084)	-	-	370,084	370,084
Workers' Compensation Claims	(250,000)	(250,000)	(250,000)	(250,000)	-	-
Total - General Fund	(620,084)	(620,084)	(250,000)	(250,000)	370,084	370,084

Governor

Reduce funding by \$620,084 in both FY 18 and FY 19 to achieve savings.

Legislative

Reduce funding by \$250,000 for Workers' Compensation Claims in both FY 18 and FY 19 to achieve savings.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Annualize FY 17 Holdbacks

Personal Services	(2,668,869)	(2,668,869)	(2,668,869)	(2,668,869)	-	-
Other Expenses	(173,353)	(173,353)	(173,353)	(173,353)	-	-
Family Support Grants	(37,382)	(37,382)	(37,382)	(37,382)	-	-
Clinical Services	(78,912)	(78,912)	(78,912)	(78,912)	-	-
Workers' Compensation Claims	(435,253)	(435,253)	(435,253)	(435,253)	-	-
Behavioral Services Program	(759,102)	(759,102)	(759,102)	(759,102)	-	-
Supplemental Payments for Medical Services	(127,878)	(127,878)	(127,878)	(127,878)	-	-
Rent Subsidy Program	(50,302)	(50,302)	(50,302)	(50,302)	-	-
Employment Opportunities and Day Services	(2,376,503)	(2,376,503)	(2,376,503)	(2,376,503)	-	-
Total - General Fund	(6,707,554)	(6,707,554)	(6,707,554)	(6,707,554)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$6,707,554 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Annualize FY 17 Privatization of Day Services & Home Support

Personal Services	-	-	1,981,392	1,981,392	1,981,392	1,981,392
Other Expenses	-	-	160,672	160,672	160,672	160,672
Employment Opportunities and Day Services	-	-	(1,187,448)	(1,187,448)	(1,187,448)	(1,187,448)
Total - General Fund	-	-	954,616	954,616	954,616	954,616

Background

DDS employees provide day service and in-home support to a small number of DDS clients. The FY 17 Agency Spending Plan calls for the privatization of these services. Funding for private providers is appropriated in the Employment and Day Services account.

Governor

Reduce funding by \$945,616 and eliminate 92 positions in both FY 18 and FY 19 to reflect the net DDS savings from privatization of DDS day services and in-home supports. This includes savings in Personal Services of \$1,981,392 and Other Expenses of \$160,672 and a cost in Employment and Day Services of \$1,187,448 in both FY 18 and FY 19.

Legislative

Same as Governor

Current Services

Provide Employment and Day Service Funding for Age Outs

Employment Opportunities and Day Services	2,023,900	4,478,744	2,023,900	4,478,744	-	-
Total - General Fund	2,023,900	4,478,744	2,023,900	4,478,744	-	-

Background

In accordance with interagency agreements, DDS is responsible for developing residential placements and day services for individuals with developmental disabilities who are aging out of the Department of Children and Families (DCF) and residential schools. The state receives 50% federal reimbursement for these Medicaid waived programs.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Provide funding of \$2,023,900 in FY 18 and \$4,478,744 in FY 19 to fund day programs for individuals aging out of DCF and residential schools. Funding will support day programs for 93 individuals in FY 18 and an additional 99 individuals in FY 19.

Legislative

Same as Governor

Annualize FY 17 Funding for Employment and Day Services

Employment Opportunities and Day Services	1,766,799	1,766,799	1,766,799	1,766,799	-	-
Total - General Fund	1,766,799	1,766,799	1,766,799	1,766,799	-	-

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation.

Governor

Provide funding of \$1,766,799 in both FY 18 and FY 19 to reflect full-year funding for employment and day services that were initiated in FY 17 for age outs and high school graduates.

Legislative

Same as Governor

Annualize FY 17 Residential Closures and Conversions

Personal Services	(13,452,475)	(13,452,475)	(3,956,997)	(5,012,050)	9,495,478	8,440,425
Other Expenses	(1,213,298)	(1,213,298)	(544,231)	(618,573)	669,067	594,725
Clinical Services	(245,166)	(245,166)	(178,759)	(186,137)	66,407	59,029
Total - General Fund	(14,910,939)	(14,910,939)	(4,679,987)	(5,816,760)	10,230,952	9,094,179
Positions - General Fund	(8)	(8)	(8)	(8)	-	-

Background

The FY 17 Agency Spending Plan included the closure of Ella Grasso Regional Center in Stratford and the Meriden Regional Center and the conversion of 40 DDS run group homes to private provider group homes. The Ella Grasso Regional Center and the Meriden Regional Center residential units have been closed and residents transferred to other settings. Additionally, in FY 17 ten DDS group homes were converted to private providers and two DDS homes were closed, while the remaining 28 were placed on hold. The agency plans to proceed with the conversion of 10 homes in FY 18. The state receives a 50% federal reimbursement for Medicaid waived programs and ICF/IID beds.

Governor

Reduced funding by \$14.9 million and eliminate eight positions in both FY 18 and FY 19 to reflect savings anticipated from Regional Center closures and group home conversions in FY 17.

Legislative

Reduced funding by \$4.7 million in FY 18 and \$5.8 million in FY 19 to reflect the revised savings anticipated from Regional Center closures and group home conversions initiated in FY 17.

Annualize FY 17 Privatization of Day Services & Home Support

Personal Services	(1,981,392)	(1,981,392)	(1,981,392)	(1,981,392)	-	-
Other Expenses	(160,672)	(160,672)	(160,672)	(160,672)	-	-
Employment Opportunities and Day Services	1,187,448	1,187,448	1,187,448	1,187,448	-	-
Total - General Fund	(954,616)	(954,616)	(954,616)	(954,616)	-	-
Positions - General Fund	(92)	(92)	(92)	(92)	-	-

Background

DDS employees provide day service and in-home support to a small number of DDS clients. The FY 17 Agency Spending Plan calls for the privatization of these services. Funding for private providers is appropriated in the Employment and Day Services account.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Reduce funding by \$945,616 and eliminate 92 positions in both FY 18 and FY 19 to reflect the net DDS savings from privatization of DDS day services and in-home supports. This includes savings in Personal Services of \$1,981,392 and Other Expenses of \$160,672 and a cost in Employment and Day Services of \$1,187,448 in both FY 18 and FY 19.

Legislative

Same as Governor

Reduce BSP Funding to Reflect Current Requirement

Behavioral Services Program	(1,965,823)	(1,965,823)	(1,965,823)	(1,965,823)	-	-
Total - General Fund	(1,965,823)	(1,965,823)	(1,965,823)	(1,965,823)	-	-

Background

The Behavioral Services Program (BSP) supports children and adolescents who are eligible for DDS services and have emotional, behavioral, or mental health needs. (See Policy Revision write-up.) In FY 17, BSP funding for individuals enrolled in the Autism Waiver was transferred to DSS. Subsequently, several individuals were determined to be DDS consumers and therefore should be funded in DDS.

Governor

Reduce funding by \$1,965,823 to reflect the net result of a \$2,180,223 reduction to reflect FY 17 age outs and an increase of \$214,400 to reflect individuals who transferred back to BSP from DSS Autism Waiver.

Legislative

Same as Governor

Reduce Personal Service to Reflect Retirements

Personal Services	(572,250)	(572,250)	(572,250)	(572,250)	-	-
Total - General Fund	(572,250)	(572,250)	(572,250)	(572,250)	-	-
Positions - General Fund	(30)	(30)	(30)	(30)	-	-

Governor

Reduce funding by \$572,250 and eliminate 30 positions in both FY 18 and FY 19 to reflect anticipated retirements.

Legislative

Same as Governor

Close Southbury Training School (STS) Cottage

Personal Services	(500,000)	(500,000)	(500,000)	(500,000)	-	-
Total - General Fund	(500,000)	(500,000)	(500,000)	(500,000)	-	-

Governor

Reduce funding by \$500,000 in both FY 18 and FY 19 to reflect lower Personal Services costs from the consolidation of residential settings at STS due to the declining residential census.

Legislative

Same as Governor

Reduce Funding to Reflect Current Requirement for Payments

Supplemental Payments for Medical Services	(253,310)	(253,310)	(253,310)	(253,310)	-	-
Total - General Fund	(253,310)	(253,310)	(253,310)	(253,310)	-	-

Background

Since FY 12 the Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID) User Fee is assessed by, and paid to, the Department of Revenue Services from the DDS Supplemental Payments for Medical Services account. DSS claims revenue on the DDS payments. The agency's Campus ICF/IID setting are comprised of Southbury Training School (STS) and the regional centers. The total cost of the fee is lower due to the declining residential census at DDS operated institutional settings.

Governor

Reduce funding by \$253,310 in both FY 18 and FY19 due to a declining residential census at STS and the Regional Centers.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	525,138,436	525,138,436	525,138,436	525,138,436	-	-
Policy Revisions	(9,423,006)	(9,479,372)	(426,491)	7,317,143	8,996,515	16,796,515
Current Services	(15,366,239)	(12,911,395)	(5,135,287)	(3,817,216)	10,230,952	9,094,179
Total Recommended - GF	500,349,191	502,747,669	519,576,658	528,638,363	19,227,467	25,890,694

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	3,098	3,098	3,098	3,098	-	-
Policy Revisions	(20)	(20)	12	12	32	32
Current Services	(130)	(130)	(130)	(130)	-	-
Total Recommended - GF	2,948	2,948	2,980	2,980	32	32

Holdbacks**PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019**

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$457,695, a Labor Concessions Savings of \$8,228,453, a Targeted Savings of \$5,053,712, and a Delayed Start Savings of \$343,000. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	207,943,136	(8,686,148)	199,256,988	4.2%
Other Expenses	16,665,111	(833,256)	15,831,855	5.0%
Behavioral Services Program	22,478,496	(449,570)	22,028,926	2.0%
Supplemental Payments for Medical Services	3,761,425	(75,229)	3,686,196	2.0%
ID Partnership Initiatives	1,400,000	(371,000)	1,029,000	26.5%
Rent Subsidy Program	4,879,910	(97,598)	4,782,312	2.0%
Employment Opportunities and Day Services	242,551,827	(3,570,059)	238,981,768	1.5%

Department of Mental Health and Addiction Services

MHA53000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	3,309	3,438	3,438	3,438	3,438	3,438	3,438

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	192,293,361	198,059,084	186,945,340	179,564,867	174,661,310	185,075,887	185,075,887
Other Expenses	29,052,504	29,846,720	25,130,571	23,856,850	23,301,328	24,412,372	24,412,372
Other Current Expenses							
Housing Supports and Services	20,701,987	22,933,817	23,989,361	23,269,681	23,269,681	23,269,681	23,269,681
Managed Service System	57,994,136	61,561,999	58,186,901	62,254,697	67,004,362	56,505,032	56,505,032
Legal Services	946,029	983,886	921,947	505,999	505,999	700,144	700,144
Connecticut Mental Health Center	8,422,435	8,314,230	8,140,204	6,949,153	6,949,153	7,848,323	7,848,323
Professional Services	12,371,335	12,193,072	10,636,632	11,200,697	11,200,697	11,200,697	11,200,697
General Assistance Managed Care	40,404,814	40,938,498	41,270,499	41,804,966	42,515,958	41,449,129	42,160,121
Workers' Compensation Claims	12,386,901	11,628,890	10,752,101	11,405,512	11,405,512	11,405,512	11,405,512
Nursing Home Screening	591,645	584,618	547,757	636,352	636,352	636,352	636,352
Young Adult Services	74,235,304	75,992,269	80,902,861	76,868,024	74,876,079	76,859,968	76,859,968
TBI Community Services	10,197,099	8,289,788	9,611,291	-	-	8,779,723	8,779,723
Jail Diversion	4,438,632	4,435,863	4,260,411	-	-	95,000	190,000
Behavioral Health Medications	5,553,779	6,894,318	5,785,488	6,720,754	6,720,754	6,720,754	6,720,754
Prison Overcrowding	6,519,080	6,171,404	5,860,963	-	-	-	-
Medicaid Adult Rehabilitation Option	4,803,175	4,687,974	4,401,704	4,269,653	4,269,653	4,269,653	4,269,653
Discharge and Diversion Services	20,025,903	22,907,487	25,346,328	25,128,181	25,128,181	24,533,818	24,533,818
Home and Community Based Services	12,216,653	15,016,225	24,021,880	-	-	22,168,382	24,173,942
Persistent Violent Felony Offenders Act	669,496	666,805	625,145	-	-	-	-
Nursing Home Contract	409,897	457,297	430,879	417,953	417,953	417,953	417,953
Pre-Trial Account	736,250	680,891	639,538	-	-	620,352	620,352
Forensic Services	-	-	-	10,329,125	10,234,125	10,235,895	10,140,895
Community Based Services	-	-	-	33,110,999	35,116,559	-	-
Katie Blair House	-	-	-	-	-	15,000	15,000
Other Than Payments to Local Governments							
Grants for Substance Abuse Services	17,567,435	22,180,312	20,967,047	-	-	17,788,229	17,788,229
Grants for Mental Health Services	58,909,708	71,433,803	66,738,020	-	-	65,874,535	65,874,535
Employment Opportunities	10,327,403	9,714,888	9,460,957	-	-	8,901,815	8,901,815
Grants for Behavioral Health Services	-	-	-	87,843,014	87,843,014	-	-
Nonfunctional - Change to Accruals	1,850,000	-	-	-	-	-	-
Agency Total - General Fund	603,624,961	636,574,137	625,573,825	606,136,477	606,056,670	609,784,206	612,500,758
Managed Service System	435,000	397,299	408,924	408,924	408,924	408,924	408,924

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Agency Total - Insurance Fund	435,000	397,299	408,924	408,924	408,924	408,924	408,924
Total - Appropriated Funds	604,059,961	636,971,436	625,982,749	606,545,401	606,465,594	610,193,130	612,909,682
Additional Funds Available							
Federal Funds	-	52,777,446	57,397,828	50,416,579	46,846,179	50,416,579	46,846,179
Private Contributions & Other Restricted	-	5,568,189	6,734,207	6,734,207	6,734,207	6,734,207	6,734,207
Private Contributions	-	13,318,162	7,444,950	7,488,906	7,488,906	7,488,906	7,488,906
Agency Grand Total	604,059,961	708,635,233	697,559,734	671,185,093	667,534,886	674,832,822	673,978,974

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Adjust Funding for Regional MH Boards and RACs

Pre-Trial Account	(620,352)	(620,352)	-	-	620,352	620,352
Grants for Mental Health Services	(584,673)	(584,673)	-	-	584,673	584,673
Total - General Fund	(1,205,025)	(1,205,025)	-	-	1,205,025	1,205,025

Background

Regional Mental Health Boards are located in the five mental health regions across the state. They are known as the Southwest (Norwalk), South Central (Middletown), Eastern (Norwich), North Central (Newington), and Northwest (Waterbury) Regional Mental Health Boards. The boards involve community members in determining and monitoring mental health services provided by DMHAS.

The 13 Regional Action Councils (RACs) provide advocacy and prevention services including community mobilization, grant collaboration, substance abuse awareness, education and prevention initiatives, media advocacy, program development, legislative advocacy, support to leverage funds for local initiatives, and community needs assessments through surveys, data collection and training. RACs do not provide direct services. State funds support core administrative functions and the coordination of prevention initiatives. The non-appropriated Pre-Trial account supports the RACs as well as alcohol and drug education programs, and the Governor's Partnership to Protect Connecticut's Workforce. The General Fund line item was created in the FY 14 - FY 15 budget to supplement the non-appropriated account.

Governor

Reduce funding by \$1,205,025 in both FY 18 and FY 19 to reflect the elimination of General Fund support for the regional mental health boards and regional action councils (RACs).

Legislative

Maintain funding for Regional Action Councils and the Regional Mental Health Boards.

Privatize Certain DMHAS Operated Service

Personal Services	(4,599,827)	(9,199,653)	-	-	4,599,827	9,199,653
Other Expenses	(555,522)	(1,111,044)	-	-	555,522	1,111,044
Managed Service System	4,749,665	9,499,330	-	-	(4,749,665)	(9,499,330)
Young Adult Services	(1,991,944)	(3,983,889)	-	-	1,991,944	3,983,889
Jail Diversion	(95,000)	(190,000)	-	-	95,000	190,000
Total - General Fund	(2,492,628)	(4,985,256)	-	-	2,492,628	4,985,256

Governor

Reduce funding by \$2,492,628 in FY 18 and \$4,985,256 in FY 19 to reflect reducing DMHAS provided services and reallocating funding to private providers, resulting in a net savings to the state. The proposal includes privatizing 22 Young Adult Services residential beds, 21 substance abuse rehab beds at Blue Hills, and local mental health authority services. This assumes DMHAS staff currently associated with these services will be relocated to fill agency vacancies.

Legislative

Maintain funding for DMHAS operated services.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Relocate Blue Hills Detox Beds

Personal Services	(911,193)	(1,214,924)	-	-	911,193	1,214,924
Total - General Fund	(911,193)	(1,214,924)	-	-	911,193	1,214,924

Background

Located in Hartford, Blue Hills Hospital currently supports substance abuse treatment services through 21 detoxification beds and 21 rehabilitation beds.

Governor

Reduce funding by \$911,193 in FY 18 and \$1,214,924 in FY 19 to reflect relocating 21 detox beds from Blue Hills to Connecticut Valley Hospital (CVH). Savings assume a reduction in DMHAS overtime.

Legislative

Maintain funding for and the location of Blue Hills detox beds.

Adjust Funding for Connecticut Mental Health Center

Connecticut Mental Health Center	(946,845)	(946,845)	-	-	946,845	946,845
Total - General Fund	(946,845)	(946,845)	-	-	946,845	946,845

Background

Funds support a contract with Yale University for management and operation of the Connecticut Mental Health Center (CMHC).

Governor

Reduce funding by \$946,845 in both FY 18 and FY 19 to reflect a reduction of funding to CMHC for Ribicoff Research Labs (\$743,484) and an additional general contract reduction (\$203,361).

Legislative

Maintain funding for the Connecticut Mental Health Center.

Provide Funding for Connecticut Mental Health Center

Connecticut Mental Health Center	-	-	218,478	218,478	218,478	218,478
Total - General Fund	-	-	218,478	218,478	218,478	218,478

Legislative

Provide funding of \$218,478 in both FY 18 and FY 19 for the Connecticut Mental Health Center (CMHC).

Reduce Funding for Various Line Items

Other Expenses	(69,844)	(69,844)	(69,844)	(69,844)	-	-
Managed Service System	(100,000)	(100,000)	(100,000)	(100,000)	-	-
TBI Community Services	(93,230)	(93,230)	(93,230)	(93,230)	-	-
Home and Community Based Services	(272,068)	(272,068)	(272,068)	(272,068)	-	-
Grants for Substance Abuse Services	(1,468,686)	(1,468,686)	-	-	1,468,686	1,468,686
Grants for Mental Health Services	(2,915,620)	(2,915,620)	-	-	2,915,620	2,915,620
Employment Opportunities	(275,314)	(275,314)	(275,314)	(275,314)	-	-
Total - General Fund	(5,194,762)	(5,194,762)	(810,456)	(810,456)	4,384,306	4,384,306

Governor

Reduce funding by \$5,194,762 in both FY 18 and FY 19 to achieve savings.

Legislative

Reduce funding by \$810,456 in both FY 18 and FY 19 to achieve savings. Maintain funding for grant accounts.

Reduce Funding for Legal Services

Legal Services	(388,290)	(388,290)	(194,145)	(194,145)	194,145	194,145
Total - General Fund	(388,290)	(388,290)	(194,145)	(194,145)	194,145	194,145

Background

Funding is provided to the Connecticut Legal Rights Project, Inc., as a result of a consent order to provide legal advocacy services to the Department's inpatient facilities.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Reduce funding by \$388,290 in both FY 18 and FY 19 to reflect funding the Connecticut Legal Rights Project at consent decree levels.

Legislative

Reduce funding by \$194,145 in both FY 18 and FY 19 to achieve savings.

Provide Funding for Katie Blair House

Katie Blair House	-	-	15,000	15,000	15,000	15,000
Total - General Fund	-	-	15,000	15,000	15,000	15,000

Legislative

Provide funding of \$15,000 in both FY 18 and FY 19 to establish the Katie Blair House line item.

Annualize FY 17 Holdbacks

Personal Services	(1,869,453)	(1,869,453)	(1,869,453)	(1,869,453)	-	-
Other Expenses	(753,916)	(753,916)	(753,916)	(753,916)	-	-
Housing Supports and Services	(719,680)	(719,680)	(719,680)	(719,680)	-	-
Managed Service System	(581,869)	(581,869)	(581,869)	(581,869)	-	-
Legal Services	(27,658)	(27,658)	(27,658)	(27,658)	-	-
Connecticut Mental Health Center	(244,206)	(244,206)	(244,206)	(244,206)	-	-
Professional Services	(319,099)	(319,099)	(319,099)	(319,099)	-	-
General Assistance Managed Care	(412,704)	(412,704)	(412,704)	(412,704)	-	-
Workers' Compensation Claims	(322,563)	(322,563)	(322,563)	(322,563)	-	-
Nursing Home Screening	(16,432)	(16,432)	(16,432)	(16,432)	-	-
Young Adult Services	(2,427,085)	(2,427,085)	(2,427,085)	(2,427,085)	-	-
TBI Community Services	(288,338)	(288,338)	(288,338)	(288,338)	-	-
Jail Diversion	(127,812)	(127,812)	(127,812)	(127,812)	-	-
Behavioral Health Medications	(173,564)	(173,564)	(173,564)	(173,564)	-	-
Prison Overcrowding	(175,828)	(175,828)	(175,828)	(175,828)	-	-
Medicaid Adult Rehabilitation Option	(132,051)	(132,051)	(132,051)	(132,051)	-	-
Discharge and Diversion Services	(760,390)	(760,390)	(760,390)	(760,390)	-	-
Home and Community Based Services	(720,656)	(720,656)	(720,656)	(720,656)	-	-
Persistent Violent Felony Offenders Act	(18,754)	(18,754)	(18,754)	(18,754)	-	-
Nursing Home Contract	(12,926)	(12,926)	(12,926)	(12,926)	-	-
Pre-Trial Account	(19,186)	(19,186)	(19,186)	(19,186)	-	-
Grants for Substance Abuse Services	(3,127,509)	(3,127,509)	(3,127,509)	(3,127,509)	-	-
Grants for Mental Health Services	(667,380)	(667,380)	(667,380)	(667,380)	-	-
Employment Opportunities	(283,828)	(283,828)	(283,828)	(283,828)	-	-
Total - General Fund	(14,202,887)	(14,202,887)	(14,202,887)	(14,202,887)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$14,202,887 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Annualize FY 17 Rescissions

Managed Service System	-	-	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Connecticut Mental Health Center	-	-	(266,153)	(266,153)	(266,153)	(266,153)
General Assistance Managed Care	-	-	(355,837)	(355,837)	(355,837)	(355,837)
Young Adult Services	-	-	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Discharge and Diversion Services	-	-	(594,363)	(594,363)	(594,363)	(594,363)

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
Home and Community Based Services	-	-	(1,212,894)	(1,212,894)	(1,212,894)	(1,212,894)
Forensic Services	-	-	(93,230)	(93,230)	(93,230)	(93,230)
Grants for Substance Abuse Services	-	-	(51,309)	(51,309)	(51,309)	(51,309)
Grants for Mental Health Services	-	-	(196,105)	(196,105)	(196,105)	(196,105)
Total - General Fund	-	-	(5,769,891)	(5,769,891)	(5,769,891)	(5,769,891)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies.

Legislative

Reduce funding by \$5,769,891 in both FY 18 and FY 19 to reflect the rollout of the Governor's FY 17 rescissions.

Consolidate Funding for Forensic Services

Jail Diversion	(4,037,599)	(3,942,599)	(4,037,599)	(3,942,599)	-	-
Prison Overcrowding	(5,685,135)	(5,685,135)	(5,685,135)	(5,685,135)	-	-
Persistent Violent Felony Offenders Act	(606,391)	(606,391)	(606,391)	(606,391)	-	-
Forensic Services	10,329,125	10,234,125	10,329,125	10,234,125	-	-
Total - General Fund	-	-	-	-	-	-

Governor

Reallocate funding of \$10,329,125 in FY 18 and \$10,234,125 in FY 19 to reflect the consolidation of the Jail Diversion, Prison Overcrowding and Persistent Violent Felony Offenders Act line items into the new Forensic Services line item to better reflect the purpose of such funding.

Legislative

Reallocate funding of \$10,329,125 in FY 18 and \$10,234,125 in FY 19 to reflect the consolidation of various line items into the new Forensic Services line item. The agency is required to continue to separately track expenditures associated with the Jail Diversion, Prison Overcrowding and Persistent Violent Felony Offenders Act accounts and submit quarterly reports to the Appropriations Committee and the Office of Fiscal Analysis.

Consolidate Community Services Line Items

TBI Community Services	(9,229,723)	(9,229,723)	-	-	9,229,723	9,229,723
Home and Community Based Services	(23,881,276)	(25,886,836)	-	-	23,881,276	25,886,836
Community Based Services	33,110,999	35,116,559	-	-	(33,110,999)	(35,116,559)
Total - General Fund	-	-	-	-	-	-

Governor

Reallocate funding of \$33,110,999 in FY 18 and \$35,116,559 in FY 19 to reflect the consolidation of TBI Community Services and Home and Community Based Services into the new Community Based Services line item.

Legislative

Maintain current funding structure for TBI and Home and Community Based Services.

Consolidate Grant Funding

Grants for Substance Abuse Services	(16,370,852)	(16,370,852)	-	-	16,370,852	16,370,852
Grants for Mental Health Services	(62,570,347)	(62,570,347)	-	-	62,570,347	62,570,347
Employment Opportunities	(8,901,815)	(8,901,815)	-	-	8,901,815	8,901,815
Grants for Behavioral Health Services	87,843,014	87,843,014	-	-	(87,843,014)	(87,843,014)
Total - General Fund	-	-	-	-	-	-

Governor

Reallocate funding of \$87,843,014 in both FY 18 and FY 19 to reflect the consolidation of Grants for Mental Health and Substance Abuse Services, and Employment Opportunities into the new Grants for Behavioral Health Services line item.

Legislative

Maintain current funding structure for grant accounts.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Current Services

Update Current Services Requirements for Various Line Items

Other Expenses	105,561	105,561	105,561	105,561	-	-
Professional Services	883,164	883,164	883,164	883,164	-	-
Workers' Compensation Claims	975,974	975,974	975,974	975,974	-	-
Nursing Home Screening	105,027	105,027	105,027	105,027	-	-
Young Adult Services	384,192	384,192	384,192	384,192	-	-
Behavioral Health Medications	1,108,830	1,108,830	1,108,830	1,108,830	-	-
Discharge and Diversion Services	542,243	542,243	542,243	542,243	-	-
Total - General Fund	4,104,991	4,104,991	4,104,991	4,104,991	-	-

Governor

Provide funding of \$4,104,991 in both FY 18 and FY 19 to reflect current services expenditure requirements.

Legislative

Same as Governor

Update Current Services- General Assistance Managed Care

General Assistance Managed Care	947,171	1,658,163	947,171	1,658,163	-	-
Total - General Fund	947,171	1,658,163	947,171	1,658,163	-	-

Background

Through a collaboration among the Department of Mental Health and Addiction Services and the Department of Social Services, recipients of General Assistance are assessed by behavioral health professionals for psychiatric illnesses and/or substance abuse problems and are referred to appropriate treatment. The agencies collaboratively manage all of the mental health and substance abuse care for these clients, including providing authorization and utilization review of the treatment as well as working with local providers to provide accessible services. Prior to the de-appropriation of funding associated with the Medicaid Coverage for the Lowest Income Populations (MCLIP) program, formerly referred to as Medicaid for Low Income Adults (MLIA), approximately 80% of the appropriation supported the low-income Medicaid adult population.

Governor

Provide funding of \$947,171 in FY 18 and \$1,658,163 in FY 19 to reflect current services requirements in the GA line item. Additional funding reflects 4% growth in FY 18 and an additional 2% in FY 19.

Legislative

Same as Governor

Update Current Services- Home & Community Based Services

Home and Community Based Services	852,120	2,857,680	352,120	2,357,680	(500,000)	(500,000)
Total - General Fund	852,120	2,857,680	352,120	2,357,680	(500,000)	(500,000)

Background

Home and Community Based Services assist individuals transitioning out of institutional settings and into community settings with appropriate supports. DMHAS, which receives a transfer from the Department of Social Services, provides housing subsidies to Money Follows the Person clients as part of these services.

Governor

Provide funding of \$852,120 in FY 18 and \$2,857,680 in FY 19 to reflect caseload and annualization of 44 individuals in FY 18 and an additional 54 in FY 19.

Legislative

Provide funding of \$352,120 in FY 18 and \$2,357,680 in FY 19 based on FY 17 expenditure requirements.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Update Current Services- Reduce TBI Community Services

TBI Community Services	-	-	(450,000)	(450,000)	(450,000)	(450,000)
Total - General Fund	-	-	(450,000)	(450,000)	(450,000)	(450,000)

Legislative

Reduce funding by \$450,000 in both FY 18 and FY 19 based on FY 17 expenditure requirements.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	625,573,825	625,573,825	625,573,825	625,573,825	-	-
Policy Revisions	(25,341,630)	(28,137,989)	(20,743,901)	(20,743,901)	4,597,729	7,394,088
Current Services	5,904,282	8,620,834	4,954,282	7,670,834	(950,000)	(950,000)
Total Recommended - GF	606,136,477	606,056,670	609,784,206	612,500,758	3,647,729	6,444,088
FY 17 Appropriation - IF	408,924	408,924	408,924	408,924	-	-
Total Recommended - IF	408,924	408,924	408,924	408,924	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	3,438	3,438	3,438	3,438	-	-
Total Recommended - GF	3,438	3,438	3,438	3,438	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$482,323, a Labor Concessions Savings of \$9,004,367, and a Targeted Savings of \$9,135,945. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	185,075,887	(8,151,652)	176,924,235	4.4%
Other Expenses	24,412,372	(1,220,619)	23,191,753	5.0%
Housing Supports and Services	23,269,681	(465,394)	22,804,287	2.0%
Managed Service System	56,505,032	(1,253,858)	55,251,174	2.2%
Connecticut Mental Health Center	7,848,323	(656,966)	7,191,357	8.4%
General Assistance Managed Care	41,449,129	(821,944)	40,627,185	2.0%
Nursing Home Screening	636,352	(12,727)	623,625	2.0%
Young Adult Services	76,859,968	(2,025,539)	74,834,429	2.6%
TBI Community Services	8,779,723	(196,654)	8,583,069	2.2%
Jail Diversion	95,000	(95,000)	-	100.0%
Medicaid Adult Rehabilitation Option	4,269,653	(85,393)	4,184,260	2.0%
Discharge and Diversion Services	24,533,818	(490,676)	24,043,142	2.0%
Home and Community Based Services	22,168,382	(433,207)	21,735,175	2.0%
Nursing Home Contract	417,953	(8,359)	409,594	2.0%
Pre-Trial Account	620,352	(620,352)	-	100.0%
Katie Blair House	15,000	(15,000)	-	100.0%
Forensic Services	10,235,895	(218,003)	10,017,892	2.1%
Grants for Substance Abuse Services	17,788,229	(355,765)	17,432,464	2.0%
Grants for Mental Health Services	65,874,535	(1,317,491)	64,557,044	2.0%
Employment Opportunities	8,901,815	(178,036)	8,723,779	2.0%

Psychiatric Security Review Board

PSR56000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	3	3	3	3	3	3	3

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	243,498	250,627	266,610	271,444	271,444	271,444	271,444
Other Expenses	29,314	28,389	27,203	26,387	26,387	26,387	26,387
Nonfunctional - Change to Accruals	(1,334)	-	-	-	-	-	-
Agency Total - General Fund	271,478	279,015	293,813	297,831	297,831	297,831	297,831

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Annualize FY 17 Holdbacks

Personal Services	(2,666)	(2,666)	(2,666)	(2,666)	-	-
Other Expenses	(816)	(816)	(816)	(816)	-	-
Total - General Fund	(3,482)	(3,482)	(3,482)	(3,482)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$3,482 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Current Services

Update Current Services- Personal Services

Personal Services	7,500	7,500	7,500	7,500	-	-
Total - General Fund	7,500	7,500	7,500	7,500	-	-

Governor

Provide funding of \$7,500 to reflect anticipated Personal Services expenditure requirements.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	293,813	293,813	293,813	293,813	-	-
Policy Revisions	(3,482)	(3,482)	(3,482)	(3,482)	-	-
Current Services	7,500	7,500	7,500	7,500	-	-
Total Recommended - GF	297,831	297,831	297,831	297,831	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	3	3	3	3	-	-
Total Recommended - GF	3	3	3	3	-	-

Department of Transportation

DOT57000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Special Transportation Fund	3,188	3,279	3,352	3,439	3,444	3,357	3,362

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	171,685,540	165,034,410	177,091,980	179,415,811	179,615,870	175,824,829	175,874,964
Other Expenses	64,638,344	56,038,739	52,314,223	54,807,023	54,807,023	53,727,023	53,214,223
Equipment	1,342,216	1,614,999	1,341,329	1,374,329	1,374,329	1,341,329	1,341,329
Minor Capital Projects	238,514	415,766	449,639	449,639	449,639	449,639	449,639
Highway and Bridge Renewal-Equipment	1,480	-	-	-	-	-	-
Other Current Expenses							
Highway Planning And Research	2,819,330	3,058,974	3,060,131	3,060,131	3,060,131	3,060,131	3,060,131
Rail Operations	152,040,409	183,563,844	166,249,813	173,370,701	198,225,900	173,370,701	198,225,900
Bus Operations	143,699,279	157,601,445	154,842,551	158,352,699	170,421,676	156,352,699	168,421,676
Tweed-New Haven Airport Grant	1,500,000	1,500,000	-	-	-	-	-
ADA Para-transit Program	35,088,726	36,228,025	37,041,190	38,039,446	38,039,446	38,039,446	38,039,446
Non-ADA Dial-A-Ride Program	569,819	576,361	576,361	-	-	1,576,361	1,576,361
Pay-As-You-Go Transportation Projects	15,921,964	21,203,036	14,589,106	14,589,106	14,589,106	13,629,769	13,629,769
CAA Related Funds	3,272,322	3,272,322	-	-	-	-	-
Port Authority	-	119,506	400,000	400,000	400,000	400,000	400,000
Airport Operations	-	-	3,750,000	-	-	-	-
Other Than Payments to Local Governments							
Transportation to Work	-	-	-	2,370,629	2,370,629	2,370,629	2,370,629
Nonfunctional - Change to Accruals	(424,648)	-	-	-	-	-	-
Agency Total - Special Transportation Fund	592,393,295	630,227,426	611,706,323	626,229,514	663,353,749	620,142,556	656,604,067
Additional Funds Available							
Carry Forward Transportation Fund	-	-	-	-	-	8,348,287	-
Agency Grand Total	592,393,295	630,227,426	611,706,323	626,229,514	663,353,749	628,490,843	656,604,067

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Reduce Funding for CTFastrak

Bus Operations	-	-	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
Total - Special Transportation Fund	-	-	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)

Legislative

Reducing funding of \$1.5 million in FY 18 and FY 19 for CT Fastrak.

Annualize Rescissions

Personal Services	-	-	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Other Expenses	-	-	(700,000)	(700,000)	(700,000)	(700,000)
Pay-As-You-Go Transportation Projects	-	-	(959,337)	(959,337)	(959,337)	(959,337)
Total - Special Transportation Fund	-	-	(3,659,337)	(3,659,337)	(3,659,337)	(3,659,337)

Legislative

Reduce several accounts by \$3,659,337 in both FY 18 and FY 19 to annualize FY 17 rescissions.

Provide Funding for Water Taxi

Other Expenses	-	-	100,000	100,000	100,000	100,000
Total - Special Transportation Fund	-	-	100,000	100,000	100,000	100,000

Legislative

Provide funding of \$100,000 in both FY 18 and FY 19 for operating expenses to connect the cities of Groton and New London at the Thames River Heritage Park.

Adjust Funding for 86 Positions

Personal Services	1,674,960	1,674,960	-	-	(1,674,960)	(1,674,960)
Other Expenses	80,000	80,000	-	-	(80,000)	(80,000)
Equipment	33,000	33,000	-	-	(33,000)	(33,000)
Total - Special Transportation Fund	1,787,960	1,787,960	-	-	(1,787,960)	(1,787,960)
Positions - Special Transportation Fund	86	86	-	-	(86)	(86)

Background

Let's Go CT! is the Governor's proposed 30 year initiative for the future of transportation infrastructure in Connecticut. Included in this initiative is a ramp up transportation capital plan totaling \$2.8 billion over five years.

Governor

Provide funding of \$1,787,960 in both FY 18 and FY 19 to hire 86 new positions for the Let's Go CT! initiative. These positions consist of 50 engineers, 16 rail officers, 10 maintainers, eight planners and two transit oriented development planning analysts.

Legislative

Do not provide funding in FY 18 and FY 19 for 86 new positions for the Let's Go CT! initiative.

Adjust Funding for the Non-ADA Transit Program

Non-ADA Dial-A-Ride Program	(576,361)	(576,361)	1,000,000	1,000,000	1,576,361	1,576,361
Total - Special Transportation Fund	(576,361)	(576,361)	1,000,000	1,000,000	1,576,361	1,576,361

Background

The Non-ADA Dial-A-Ride Program provides funding to the Middletown, Hartford, New Haven and Milford transit districts. This program was operated by the Federal Transit Administration until 1999 when it was eliminated and the State of Connecticut incurred the cost of operation.

Legislative

Increase funding by \$1 million in both FY 18 and FY 19 for Non-ADA Dial-A-Ride services.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Adjust Funding for Rest Areas

Personal Services	(533,750)	(533,750)	-	-	533,750	533,750
Total - Special Transportation Fund	(533,750)	(533,750)	-	-	533,750	533,750
Positions - Special Transportation Fund	(12)	(12)	-	-	12	12

Background

As of October 1, 2016, operation of all seven rest areas was reduced to a single shift, covered by 12 Rest Area Attendant positions. The seven rest areas are in Danbury, Southington, West Willington, East Willington, Wallingford, Middletown and North Stonington.

Governor

Reduce funding by \$533,750 in both FY 18 and FY 19 and 12 positions to reflect the closing of the seven rest areas.

Legislative

Provide funding of \$533,750 in both FY 18 and FY 19 and 12 positions to reflect keeping each of the seven rest areas open.

Eliminate Appropriation to Reflect Federal Policy

Airport Operations	(3,750,000)	(3,750,000)	(3,750,000)	(3,750,000)	-	-
Total - Special Transportation Fund	(3,750,000)	(3,750,000)	(3,750,000)	(3,750,000)	-	-

Background

In 1982, the Federal Aviation Administration (FAA) enacted the Airport and Airway Improvement Act. The act required that revenue generated from state and local taxation of aviation fuel must be used for the operation and maintenance of the state's airports, aviation programs, and noise mitigation programs. On November 7, 2014, the FAA clarified that any new and existing taxes on the sales of aviation fuel are required to be used for airport-related purposes. The State of Connecticut's Petroleum Gross Receipts (PGET) was imposed in 1980, prior to the 1982 ruling, at a tax rate of 2%. This amount is considered to be grandfathered and does not apply to the November 2014 FAA clarification ruling. Currently, the PGET tax rate is 8.1%.

Section 23 of SB 787, AAC Revenue Items to Implement the Governor's Budget, creates the Connecticut Airport and Aviation account which is a separate, non-lapsing account within the Department of Transportation (DOT) and will be used for purposes of airport and aviation-related costs. Projections for this account are approximately \$7 million in FY 18 and \$7.8 million in FY 19.

Governor

Eliminate funding of \$3,750,000 in both FY 18 and FY 19. The operating costs for the Connecticut Airport Authority will be funded out of the Connecticut Airport and Aviation account.

Legislative

Same as Governor

Eliminate Funding for Infrastructure Program

Personal Services	449,772	599,696	-	-	(449,772)	(599,696)
Total - Special Transportation Fund	449,772	599,696	-	-	(449,772)	(599,696)
Positions - Special Transportation Fund	8	8	-	-	(8)	(8)

Background

The establishment of an Infrastructure Program within the Bureau of Highway Operations will administer various programs through competitively procured Department of Administrative contracts in lieu of the design-bid-build process. The infrastructure programs suitable for this alternative process include: pavement preservation, the Americans with Disability Act ramp program, roadside safety programs and the epoxy markings program.

Governor

Provide funding of \$449,772 in FY 18 and \$599,696 in FY 19 to hire eight new positions for the establishment of an Infrastructure program. These positions consist of four planner managers and four transportation engineers. The FY 18 funding reflects the positions beginning on October 1, 2017.

Legislative

Do not provide funding for the establishment of an Infrastructure Program.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Fund Transit District Equipment Through the Capital Program

Bus Operations	(1,509,749)	(1,509,749)	(1,509,749)	(1,509,749)	-	-
Total - Special Transportation Fund	(1,509,749)	(1,509,749)	(1,509,749)	(1,509,749)	-	-

Governor

Reduce funding by \$1,509,749 in both FY 18 and FY 19 to reflect funding the transit districts equipment costs through the Department of Transportation's capital program.

Legislative

Same as Governor

Transfer Funding for Transportation to Work Program

Transportation to Work	2,370,629	2,370,629	2,370,629	2,370,629	-	-
Total - Special Transportation Fund	2,370,629	2,370,629	2,370,629	2,370,629	-	-

Background

The Transportation to Work program is intended to assist Temporary Family Assistance (TFA) and other TFA eligible adults with transportation services needed to reach self-sufficiency through work and work-related activities. The Department of Social Services (DSS) is currently appropriated the funding for this program which is administered by DOT.

Governor

Provide funding of \$2,370,629 in both FY 18 and FY 19 to reflect transferring the Transportation to Work program to DOT from DSS. There is a corresponding reduction to the DSS appropriation.

Legislative

Same as Governor

Increase Funding for Public Transportation Marketing

Bus Operations	500,000	500,000	-	-	(500,000)	(500,000)
Total - Special Transportation Fund	500,000	500,000	-	-	(500,000)	(500,000)

Governor

Provide funding of \$500,000 in both FY 18 and FY 19 to reflect an increase in public transportation marketing.

Legislative

Do not provide funding in FY 18 and FY 19 for public transportation marketing.

Acquire Ownership of Building from DAS

Other Expenses	912,800	912,800	512,800	-	(400,000)	(912,800)
Total - Special Transportation Fund	912,800	912,800	512,800	-	(400,000)	(912,800)

Governor

Provide funding of \$912,800 in FY 18 to reflect the transfer of the 25 Sigourney street building from the Department of Administrative Services to DOT. The building shall be demolished in FY 19.

Legislative

Provide funding of \$512,800 in both FY 18 to reflect the transfer of ownership of the 25 Sigourney street building from the Department of Administrative Services to DOT.

Current Services

Increase Funding for Rail Operations

Rail Operations	7,120,888	31,976,087	7,120,888	31,976,087	-	-
Total - Special Transportation Fund	7,120,888	31,976,087	7,120,888	31,976,087	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

The Rail Operations account represents the State of Connecticut subsidy for the Metro North rail line, Shoreline East rail line and the New Haven-Hartford-Springfield rail line.

Governor

Provide funding of \$7,120,888 in FY 18 and \$31,976,087 in FY 19 to reflect an increase in operational costs.

Legislative

Same as Governor

Increase Funding for Bus Operations

Bus Operations	4,519,897	16,588,874	4,519,897	16,588,874	-	-
Total - Special Transportation Fund	4,519,897	16,588,874	4,519,897	16,588,874	-	-

Background

The Bus Operations account represents the subsidy for CT Transit and CT Fastrak transit services.

Governor

Provide funding of \$4,519,897 in FY 18 and \$16,588,874 in FY 19 to reflect an increase in operational costs.

Legislative

Same as Governor

Provide Funding for Bridge Safety and Inspection

Personal Services	30,081	80,216	30,081	80,216	-	-
Total - Special Transportation Fund	30,081	80,216	30,081	80,216	-	-
Positions - Special Transportation Fund	5	10	5	10	-	-

Governor

Provide funding of \$30,081 in FY 18 and \$80,216 in FY 19 to reflect hiring three Transportation Engineers and two Transportation Bridge Safety Inspectors. The FY 18 funding reflects the positions beginning on October 1, 2017.

Legislative

Same as Governor

Adjust Funding for Road Salt

Other Expenses	1,500,000	1,500,000	1,500,000	1,500,000	-	-
Total - Special Transportation Fund	1,500,000	1,500,000	1,500,000	1,500,000	-	-

Background

DOT road salt funding level is determined based on the tons required for an average winter multiplied by the current price per ton. FY 17 estimated expenditures for road salt is \$10,238,168.

Governor

Provide funding of \$1.5 million in both FY 18 and FY 19 to reflect an annual 14.7% growth in road salt funding.

Legislative

Same as Governor

Annualize FY 17 Funding for 36 Positions

Personal Services	702,768	702,768	702,768	702,768	-	-
Total - Special Transportation Fund	702,768	702,768	702,768	702,768	-	-

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation.

Governor

Provide funding of \$702,768 in both FY 18 and FY 19 to reflect full year funding for 36 positions. These positions were provided funding on January 1, 2017 and consist of 18 engineers, 17 maintenance staff and one property agent.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Same as Governor

Increase Funding for ADA Para-Transit

ADA Para-transit Program	998,256	998,256	998,256	998,256	-	-
Total - Special Transportation Fund	998,256	998,256	998,256	998,256	-	-

Background

The Americans with Disability Act (ADA) Para-Transit Program is designed to meet the ADA service criteria established by the Federal government to provide transportation services for disabled persons in all areas with local fixed transit routes. Service is provided only to individuals found eligible by a Connecticut regional ADA service provider.

Governor

Provide funding of \$998,256 in both FY 18 and FY 19 to reflect an annual 2.7% growth in ADA Para-Transit expenditures.

Legislative

Same as Governor

Carry Forward**Carry Forward Funding for Various Projects**

Equipment	-	-	14,783	-	14,783	-
Minor Capital Projects	-	-	110,417	-	110,417	-
Highway Planning And Research	-	-	1,473,582	-	1,473,582	-
Pay-As-You-Go Transportation Projects	-	-	5,877,713	-	5,877,713	-
Emergency Relief - Town Repairs	-	-	871,792	-	871,792	-
Total - Carry Forward Transportation Fund	-	-	8,348,287	-	8,348,287	-

Legislative

Pursuant to CGS 4-89(b) and (e) and 13a-175j funding of \$8,348,287 is carried forward from FY 17 into FY 18 for ongoing Department of Transportation (DOT) operations.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - TF	611,706,323	611,706,323	611,706,323	611,706,323	-	-
Policy Revisions	(348,699)	(198,775)	(6,435,657)	(6,948,457)	(6,086,958)	(6,749,682)
Current Services	14,871,890	51,846,201	14,871,890	51,846,201	-	-
Total Recommended - TF	626,229,514	663,353,749	620,142,556	656,604,067	(6,086,958)	(6,749,682)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - TF	3,352	3,352	3,352	3,352	-	-
Policy Revisions	82	82	-	-	(82)	(82)
Current Services	5	10	5	10	-	-
Total Recommended - TF	3,439	3,444	3,357	3,362	(82)	(82)

Department of Social Services

DSS60000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	1,982	1,975	1,986	1,991	1,991	2,009	2,009

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	131,055,940	130,009,841	115,246,776	121,143,478	121,143,478	122,536,340	122,536,340
Other Expenses	134,950,660	149,965,328	144,502,439	151,773,905	151,918,341	143,029,224	146,570,860
Other Current Expenses							
HUSKY Performance Monitoring	156,040	134,979	158,143	-	-	-	-
Birth to Three	-	-	-	14,186,804	14,186,804	-	-
Genetic Tests in Paternity Actions	87,420	76,388	84,439	81,906	81,906	81,906	81,906
State-Funded Supplemental Nutrition Assistance Program	645,063	512,338	430,926	186,816	72,021	31,205	-
HUSKY B Program	29,122,731	5,928,386	4,350,000	5,060,000	5,320,000	5,060,000	5,320,000
Charter Oak Health Plan	100,000	-	-	-	-	-	-
Other Than Payments to Local Governments							
Medicaid	2,347,719,375	2,391,092,663	2,447,241,261	2,723,072,000	2,811,932,000	2,570,840,000	2,616,365,000
Old Age Assistance	37,320,760	37,815,756	38,833,056	38,492,929	38,011,302	38,506,679	38,026,302
Aid To The Blind	724,861	618,526	627,276	577,715	584,005	577,715	584,005
Aid To The Disabled	59,932,638	60,543,460	61,941,968	61,598,214	60,344,980	60,874,851	59,707,546
Temporary Family Assistance - TANF	102,478,267	90,077,812	89,936,233	79,609,273	79,607,523	70,131,712	70,131,712
Emergency Assistance	-	-	1	1	1	1	1
Food Stamp Training Expenses	7,038	5,583	10,136	9,832	9,832	9,832	9,832
Healthy Start	1,352,463	1,186,026	-	-	-	-	-
DMHAS-Disproportionate Share	108,935,000	108,935,000	108,935,000	108,935,000	108,935,000	108,935,000	108,935,000
Connecticut Home Care Program	43,113,894	43,537,058	40,190,000	39,180,000	37,930,000	42,090,000	46,530,000
Human Resource Development-Hispanic Programs	945,739	839,539	798,748	-	-	697,307	697,307
Community Residential Services	-	-	536,616,053	563,313,242	579,816,803	553,929,013	571,064,720
Protective Services to the Elderly	324,737	448,521	478,300	772,320	785,204	-	785,204
Safety Net Services	2,564,191	2,405,354	2,108,684	-	-	1,840,882	1,840,882
Transportation for Employment Independence Program	2,402,237	-	-	-	-	-	-
Refunds Of Collections	98,987	87,301	97,628	94,699	94,699	94,699	94,699
Services for Persons With Disabilities	535,807	486,105	477,130	370,253	370,253	370,253	370,253
Care4Kids TANF/CCDF	5,000,000	-	-	-	-	-	-
Nutrition Assistance	455,683	356,101	400,911	647,223	759,262	725,000	837,039
Housing/Homeless Services	5,210,676	-	-	-	-	-	-
State Administered General Assistance	22,702,018	22,449,707	22,816,579	20,411,807	20,267,722	19,431,557	19,334,722
Connecticut Children's Medical Center	25,579,200	13,963,390	13,048,630	12,657,171	12,657,171	11,391,454	10,125,737
Community Services	825,272	952,322	1,004,208	-	-	688,676	688,676
Human Service Infrastructure Community Action Program	3,270,516	3,190,614	2,736,957	7,141,735	7,356,756	2,994,488	3,209,509

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Teen Pregnancy Prevention	1,745,510	1,511,245	1,456,227	-	-	1,271,286	1,271,286
Fatherhood Initiative	538,320	-	-	-	-	-	-
Programs for Senior Citizens	-	-	-	-	-	7,895,383	7,895,383
Family Programs - TANF	-	513,086	362,927	-	-	316,835	316,835
Domestic Violence Shelters	-	5,158,570	5,158,570	5,149,758	5,198,406	5,304,514	5,353,162
Hospital Supplemental Payments	-	-	40,042,700	-	-	598,440,138	496,340,138
Grant Payments to Local Governments							
Human Resource Development-Hispanic Programs - Municipality	5,364	4,964	4,719	-	-	4,120	4,120
Teen Pregnancy Prevention - Municipality	130,935	118,778	114,876	-	-	100,287	100,287
Community Services - Municipality	79,573	74,309	70,742	-	-	-	-
Nonfunctional - Change to Accruals	(4,378,578)	-	-	-	-	-	-
Agency Total - General Fund	3,065,738,337	3,072,999,049	3,680,282,243	3,954,466,081	4,057,383,469	4,368,200,357	4,335,128,463
Family Programs - TANF	-	2,177,383	2,370,629	-	-	-	-
Agency Total - Special Transportation Fund	-	2,177,383	2,370,629	-	-	-	-
Fall Prevention	-	-	-	-	-	376,023	376,023
Agency Total - Insurance Fund	-	-	-	-	-	376,023	376,023
Total - Appropriated Funds	3,065,738,337	3,075,176,432	3,682,652,872	3,954,466,081	4,057,383,469	4,368,576,380	4,335,504,486
Additional Funds Available							
Carry Forward Funding	-	-	-	-	-	6,922,606	-
Federal Funds	-	4,105,078,023	4,205,192,552	4,358,770,717	4,501,474,099	4,377,619,560	4,520,322,942
Private Contributions & Other Restricted	-	330,227	364,608	364,608	364,608	364,608	364,608
Private Contributions	-	2,361,650	2,677,753	1,516,065	1,543,586	1,519,065	1,546,586
Agency Grand Total	3,065,738,337	7,182,946,332	7,890,887,785	8,315,117,471	8,560,765,762	8,755,002,219	8,857,738,622

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Reduce Eligibility for Medicare Savings Program

Other Expenses	150,000	-	150,000	-	-	-
Medicaid	(29,600,000)	(39,500,000)	(20,500,000)	(61,500,000)	9,100,000	(22,000,000)
Total - General Fund	(29,450,000)	(39,500,000)	(20,350,000)	(61,500,000)	9,100,000	(22,000,000)

Background

The federal Medicare Savings Program (MSP) consists of three separate components: the Qualified Medicare Beneficiary (QMB), the Specified Low-Income Beneficiary (SLMB), and the Qualified Individual (QI) (also known as the Additional Low-Income Medicare Beneficiary (ALMB)). The QI program is fully federally funded. To qualify, individuals must be enrolled in Medicare Part A. Program participants get help from the state's Medicaid program with their Medicare cost sharing. Under federal rules, impacted individuals on MSP can retain the "Extra Help" they are receiving to assist with Medicare Part D drug costs for the balance of 2017, allowing them to participate in the open enrollment period (October 15 - December 7, 2017) and to choose the Part D plan that best meets their needs effective January 1, 2018.

The CHOICES program is managed by the State Department on Aging through a partnership with the Center for Medicare Advocacy and Connecticut's Area Agencies on Aging. Certified counselors across the state provide objective, free person-centered assistance so Medicare recipients can make informed choices about their benefits.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Reduce funding by \$29.6 million in FY 18 and \$39.5 million in FY 19 in the Medicaid account to reflect reducing the income disregard used to determine eligibility to a range of \$352 to \$437 (the current disregard is between \$1,116 and \$1,502). The reduction will effectively reduce MSP eligibility from 211% to 246% FPL to between 135% and 170% FPL. The reduction is anticipated to impact 39,000 individuals; effective August 1, 2017. Impacted individuals will be responsible for Medicare Part B premiums, which are currently \$134 a month, and, for those enrolled in a QMB program, cost sharing requirements, which are estimated at \$111 a month. Total state savings (state and federal share) including revenue and adjustments is \$66.4 million in FY 18 and \$81.6 million in FY 19.

Funding of \$150,000 is provided in the Other Expenses account in FY 18 for the CHOICES program to assist individuals with transitioning.

Legislative

Reduce funding by \$20.5 million in FY 18 and \$61.5 million in FY 19 (with a corresponding revenue gain of \$33.4 million in FY 18 and \$68.5 million in FY 19) to reflect reducing income eligibility for the Medicare Savings Program (MSP) to the federal minimum. The reduction will effectively reduce MSP eligibility from 211% to 246%, to 100% to 135% FPL. The change could impact over 100,000 individuals; effective January 1, 2018. Sec. 50 of PA 17-2 JSS, the biennial budget act, is related to this change.

Funding of \$150,000 is provided in the Other Expenses account in FY 18 for the CHOICES program to assist individuals with transitioning.

Reduce Medicaid to Achieve Savings

Medicaid	-	-	(26,830,000)	(42,200,000)	(26,830,000)	(42,200,000)
Total - General Fund	-	-	(26,830,000)	(42,200,000)	(26,830,000)	(42,200,000)

Legislative

Reduce funding by \$26,830,000 in FY 18 and \$42,200,000 million in FY 19 in the Medicaid account to achieve savings.

Reduce Income Eligibility for HUSKY A Adults

Medicaid	(500,000)	(11,300,000)	(500,000)	(11,300,000)	-	-
Total - General Fund	(500,000)	(11,300,000)	(500,000)	(11,300,000)	-	-

Governor

Reduce funding by \$500,000 in FY 18 and \$11.3 million in FY 19 to reflect reducing income eligibility for HUSKY A adults from 155% FPL to 138% FPL. This is anticipated to impact approximately 400 individuals in FY 18 (effective August 2017) and an additional 8,800 individuals in FY 19 (effective August 2018). Total savings (both state and federal share) is estimated at \$1 million in FY 18 and \$22.6 million in FY 19. This does not impact pregnant women or children currently enrolled in HUSKY A.

Legislative

Same as Governor

Adjust Funding for New Hospital Supplemental Payment Pools

Medicaid	87,603,400	87,603,400	-	-	(87,603,400)	(87,603,400)
Total - General Fund	87,603,400	87,603,400	-	-	(87,603,400)	(87,603,400)

Background

The state currently provides general acute care hospitals with Medicaid supplemental payments based on the hospital's pro-rated share of total Medicaid inpatient net revenue, which is capped at \$50 million per hospital, for the purposes of determining the distribution of payments across eligible hospitals.

The proposal will provide Medicaid supplemental payments to all general acute care hospitals currently receiving supplemental payments, as well as specialty hospitals not eligible for the existing pool. These additional facilities include: Connecticut Children's Medical Center, Natchaug, Gaylord, Mount Sinai, Hospital for Special Care, Hebrew Home, and Connecticut Hospice. Total Medicaid revenue for these institutions is capped at \$15 million per facility, for the purposes of determining the distribution of payments across eligible hospitals.

Governor

Provide funding of \$87,603,400 in both FY 18 and FY 19 to establish new hospital supplemental payment pools with payments distributed via the same distribution methodology as the existing inpatient supplemental payment pool. Total funding (state and federal share) is approximately \$250.3 million each year of the biennium; approximately \$239 million for general acute care hospitals and \$11.3 million for certain specialty hospitals. A separate proposal eliminates hospitals' existing exemption from municipal tax on real property.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Maintain current supplemental pool and implement new hospital supplemental pools reflected in separate policy write-up pursuant to sections 11, 13-14 and 28 of PA 17-4 JSS.

Eliminate Funding for Small Hospital Supplemental Pool

Hospital Supplemental Payments	(3,863,673)	(3,863,673)	-	-	3,863,673	3,863,673
Total - General Fund	(3,863,673)	(3,863,673)	-	-	3,863,673	3,863,673

Background

The FY 16 - FY 17 Budget included funding of approximately \$14.8 million (\$4.9 million state, \$9.9 million federal) for small independent hospitals under the following criteria: (1) have 180 or fewer beds, (2) are not part of a hospital group, and (3) are not located in contiguous towns with another hospital. Six hospitals initially met the criteria: Bristol, Charlotte Hungerford, Day Kimball, Griffin, Johnson Memorial and Milford. Under the Medicaid state plan amendment submitted to the Centers for Medicare and Medicaid Services (CMS), hospitals become ineligible for funding from the small hospital pool following the completion of a merger or affiliation with another hospital group or an increase in the number of licensed beds to greater than 180. In the event a hospital becomes ineligible, the funding the hospital would have received is not redistributed to the remaining eligible hospitals. Johnson Memorial's distribution of the small hospital pool was subsequently eliminated due to the hospital being acquired by Trinity Health - New England. The Revised FY 17 Budget reflected the roll-out of a 5% reduction from PA 15-1 DSS and an elimination of Johnson Memorial's allocation. The resulting pool is approximately \$11.8 million (approximately \$3.9 million state, \$7.9 million federal) (which includes a 1% holdback).

Governor

Reduce funding by \$3,863,673 in both FY 18 and FY 19 to reflect elimination of the small hospital supplemental pool.

Legislative

Maintain funding for current supplemental pool.

Transfer Hospital Supplemental Funding to Medicaid Account

Medicaid	35,778,600	35,778,600	-	-	(35,778,600)	(35,778,600)
Hospital Supplemental Payments	(35,778,600)	(35,778,600)	-	-	35,778,600	35,778,600
Total - General Fund	-	-	-	-	-	-

Background

The Revised FY 17 Budget appropriated hospital inpatient supplemental payments, previously funded out of the Medicaid account into a separate account, the Hospital Supplemental Payments account.

Governor

Transfer funding of \$35,778,600 in both FY 18 and FY 19 from the Hospital Supplemental Payments account to the Medicaid account. Funding in the Medicaid account is maintained at the FY 17 level.

Legislative

Maintain hospital supplemental funding in the Hospital Supplemental Payments account.

Provide Funding for Increased Hospital Payments

Medicaid	-	-	24,400,000	58,400,000	24,400,000	58,400,000
Hospital Supplemental Payments	-	-	561,800,000	459,700,000	561,800,000	459,700,000
Total - General Fund	-	-	586,200,000	518,100,000	586,200,000	518,100,000

Legislative

Provide funding of \$24.4 million in FY 18 and \$58.4 million in FY 19 for Medicaid provider rate increases effective January 1, 2018, which results in an increase of \$73 million in FY 18 and \$175.1 million in FY 19 after accounting for the federal match. Section 12 of PA 17-4 JSS implements the rate increase.

Provide funding of \$561.8 million in FY 18 and \$459.7 million in FY 19 for Hospital Supplemental Payments which reflects the state and federal share of hospital supplemental payments. Sections 11, 13-14 and 28 of PA 17-4 JSS implement the supplemental payment pools.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Provide Additional Small Hospital Funding

Hospital Supplemental Payments	-	-	1,000,000	1,000,000	1,000,000	1,000,000
Total - General Fund	-	-	1,000,000	1,000,000	1,000,000	1,000,000

Legislative

Provide \$1 million in both FY 18 and FY 19 for the Small Hospital Supplemental Payment Pool, after accounting for federal reimbursement, the total supplemental pool for small hospitals in both FY 18 and FY 19 is \$12.8 million. Sections 11, 13-14 and 28 of PA 17-4 JSS are related to the hospital supplemental payments, including the small hospital pool.

Supplemental Physician Rate to Dempsey

Medicaid	-	-	3,200,000	3,200,000	3,200,000	3,200,000
Total - General Fund	-	-	3,200,000	3,200,000	3,200,000	3,200,000

Background

Effective for dates of service on or after July 1, 2017, DSS will make supplemental payments to the state-owned and operated University of Connecticut (UConn) Health Center's Physician Group for services provided by physicians employed or under contract to UConn. Supplemental payments will be made to UConn's physician group for eligible services for the difference, if any, between Medicaid payments already made to these providers and payments at applicable Medicare rates.

Legislative

Provide funding of \$3.2 million in both FY 18 and FY 19 to support a supplemental physician rate.

Reduce Enhanced Reimbursement for Primary Care Providers

Medicaid	-	-	(2,750,000)	(3,800,000)	(2,750,000)	(3,800,000)
Total - General Fund	-	-	(2,750,000)	(3,800,000)	(2,750,000)	(3,800,000)

Legislative

Reduce funding by \$2,750,000 in FY 18 and \$3,800,000 in FY 19 to reflect a reduction in the reimbursement rate for primary care providers.

Cap Annual Benefit Amount for Medicaid Adult Dental Services

Medicaid	(2,000,000)	(2,500,000)	(2,000,000)	(2,500,000)	-	-
Total - General Fund	(2,000,000)	(2,500,000)	(2,000,000)	(2,500,000)	-	-

Governor

Reduce funding by \$2 million in FY 18 and \$2.5 million in FY 19 to reflect establishing an annual dental benefit of \$1,000 for Medicaid adults. This change will reduce total Medicaid expenditures (both the state and federal share) by \$6.4 million in FY 18 and \$7.9 million in FY 19 and is anticipated to impact approximately 16,200 Medicaid enrollees or 2.2% of the total average membership in FY 16. The cap does not apply to denture related costs and other services determined to be medically necessary.

Legislative

Same as Governor. Section 49 of PA 17-2 JSS, the biennial budget act, implements this change.

Reduce Home Health Add-On Services

Medicaid	-	-	(2,100,000)	(1,700,000)	(2,100,000)	(1,700,000)
Total - General Fund	-	-	(2,100,000)	(1,700,000)	(2,100,000)	(1,700,000)

Legislative

Reduce funding by \$2.1 million in FY 18 and \$1.7 million in FY 19 to reflect the elimination of enhanced reimbursement rates for certain home health services. Sections 558-572 of PA 17-2 JSS, the biennial budget act, are related to this change.

Adjust Funding for Personal Needs Allowance

Medicaid	(1,000,000)	(1,100,000)	-	-	1,000,000	1,100,000
Total - General Fund	(1,000,000)	(1,100,000)	-	-	1,000,000	1,100,000

Background

Social Security and other income received by residents of long-term care facilities are applied towards the cost of care, except for a monthly personal needs allowance (PNA). The PNA is used for such things as clothing, a personal phone, entertainment outside of the facility, etc. Prior to FY 11 the PNA was increased annually each July 1 by an amount equal to the inflation adjustment in Social Security Income. PA 11-44 eliminated the annual increases. The current PNA is \$60 per month. The federal minimum is \$30 per month.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Reduce funding by \$1 million in FY 18 and \$1.1 million in FY 19 to reflect reducing the PNA from \$60 to \$50 per month. The total state impact, including the federal share, is \$2 million in FY 18 and \$2.2 million in FY 19.

Legislative

Maintain funding to reflect the current PNA of \$60 per month.

Adjust Funding for Medicare Part D Copay

Medicaid	(80,000)	(90,000)	-	-	80,000	90,000
Total - General Fund	(80,000)	(90,000)	-	-	80,000	90,000

Background

Section 43 of PA 16-3 MSS, established a maximum copay of \$17 per month for Medicare Part D prescription drugs for certain dually-eligible beneficiaries (those clients eligible for both Medicare and Medicaid), and made the Department of Social Services responsible for any copayments exceeding the cap.

Governor

Eliminate funding of \$80,000 in FY 18 and \$90,000 in FY 19 to reflect elimination of the copay cap for dually-eligible individuals.

Legislative

Maintain funding to reflect the current copay cap of \$17 per month.

Reduce Excess Capacity in Nursing Homes

Medicaid	-	-	-	(800,000)	-	(800,000)
Total - General Fund	-	-	-	(800,000)	-	(800,000)

Legislative

Reduce funding by \$800,000 in FY 19 associated with reducing excess capacity in nursing homes.

Support Nursing Homes in Receivership

Medicaid	-	-	2,400,000	2,400,000	2,400,000	2,400,000
Total - General Fund	-	-	2,400,000	2,400,000	2,400,000	2,400,000

Legislative

Provide funding of \$2.4 million in both FY 18 and FY 19 to support certain nursing homes in receivership.

Claim Medicaid Reimbursement for DDS Specialized Services

Medicaid	1,100,000	1,600,000	1,100,000	1,600,000	-	-
Total - General Fund	1,100,000	1,600,000	1,100,000	1,600,000	-	-

Governor

Transfer funding of \$1.1 million in FY 18 and \$1.6 million in FY 19 from the Department of Development Services (DDS) to claim federal reimbursement for specialized nursing home services currently provided with state funds (\$2.7 million).

Legislative

Same as Governor

Eliminate Rate Increases

Medicaid	(28,360,000)	(44,760,000)	(28,360,000)	(44,760,000)	-	-
Old Age Assistance	(593,565)	(1,196,545)	(593,565)	(1,196,545)	-	-
Aid To The Blind	(9,763)	(20,257)	(9,763)	(20,257)	-	-
Aid To The Disabled	(875,650)	(1,774,093)	(875,650)	(1,774,093)	-	-
Total - General Fund	(29,838,978)	(47,750,895)	(29,838,978)	(47,750,895)	-	-

Governor

Reduce funding by \$29,838,978 in FY 18 and \$47,750,895 in FY 19 to reflect the elimination of rate increases for nursing homes, intermediate care facilities and boarding homes.

Legislative

Same as Governor. Sections 41-47 of PA 17-2 JSS, the biennial budget act, implement the policy.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Suspend Funding for Cost of Living Adjustments

Old Age Assistance	(84,159)	(248,576)	(84,159)	(248,576)	-	-
Aid To The Blind	(660)	(1,808)	(660)	(1,808)	-	-
Aid To The Disabled	(176,408)	(500,558)	(176,408)	(500,558)	-	-
Temporary Family Assistance - TANF	(1,035,171)	(3,051,763)	(1,035,171)	(3,051,763)	-	-
State Administered General Assistance	(232,268)	(681,036)	(232,268)	(681,036)	-	-
Total - General Fund	(1,528,666)	(4,483,741)	(1,528,666)	(4,483,741)	-	-

Governor

Reduce funding by \$1,528,666 in FY 18 and \$4,483,741 in FY 19 to reflect suspending cost of living adjustments (COLA) for the following programs: Old Age Assistance, Aid to the Blind, Aid to the Disabled, Temporary Family Assistance, and State Administered General Assistance.

Legislative

Same as Governor. Sections 40 and 569 of PA 17-2 JSS, the biennial budget act, are related to this change.

Eliminate COLA Pass Through for State Supplemental Accounts

Old Age Assistance	(385,000)	(838,000)	(385,000)	(838,000)	-	-
Aid To The Blind	(5,000)	(10,000)	(5,000)	(10,000)	-	-
Aid To The Disabled	(826,000)	(1,749,000)	(826,000)	(1,749,000)	-	-
Total - General Fund	(1,216,000)	(2,597,000)	(1,216,000)	(2,597,000)	-	-

Background

Currently, any cost of living adjustments (COLA) received as part of a client's Social Security benefit are retained by a client without a concurrent reduction in their state benefit. In the past, any COLA received was considered an increase in income and applied to the client's cost of care. This includes clients with support from the following state supplemental accounts: Old Age Assistance, Aid to the Blind, and Aid to the Disabled.

Governor

Reduce funding by \$1,216,000 in FY 18 and \$2,597,000 in FY 19 to reflect reinstituting the state's prior policy of applying any federal COLA to offset the cost of care.

Legislative

Same as Governor. Section 569 of PA 17-2 JSS, the biennial budget act, is related to this change.

Reflect Savings due to Licensure of Urgent Care Centers

Medicaid	-	-	(200,000)	(800,000)	(200,000)	(800,000)
Total - General Fund	-	-	(200,000)	(800,000)	(200,000)	(800,000)

Legislative

Reduce funding by \$200,000 in FY 18 and \$800,000 in FY 19 to reflect savings associated with the licensure of urgent care centers. Sections 674-675 of PA 17-2 JSS, the biennial budget act, are related to this initiative.

Reduce Funding for CCMC

Connecticut Children's Medical Center	-	-	(1,265,717)	(2,531,434)	(1,265,717)	(2,531,434)
Total - General Fund	-	-	(1,265,717)	(2,531,434)	(1,265,717)	(2,531,434)

Legislative

Reduce funding by \$1,265,717 in FY 18 and \$2,531,434 in FY 19 for the Connecticut Children's Medical Center to achieve savings.

Adjust Funding for CHCPE Category 1

Connecticut Home Care Program	(2,180,000)	(6,290,000)	-	-	2,180,000	6,290,000
Total - General Fund	(2,180,000)	(6,290,000)	-	-	2,180,000	6,290,000

Background

PA 15-5 closed Category 1 of the Connecticut Home Care Program for Elders (CHCPE) to new applicants in FY 16 and FY 17.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Reduce funding by \$2,180,000 in FY 18 and \$6,290,000 in FY 19 to reflect continuing to freeze intake to Category 1 under the state-funded home care program. This change assumes the denial of 25 individuals per month in FY 18 and 15 per month in FY 19 at an average monthly cost of \$825 per person.

Legislative

Maintain funding to support Category 1 participants.

Adjust Funding for CHCPE Category 2

Connecticut Home Care Program	(730,000)	(2,310,000)	-	-	730,000	2,310,000
Total - General Fund	(730,000)	(2,310,000)	-	-	730,000	2,310,000

Governor

Reduce funding by \$730,000 in FY 18 and \$2,310,000 in FY 19 to reflect limiting intake to Category 2 under the state-funded home care program to June 2017 levels. This change assumes denying 10 individuals per month at an average monthly cost of \$1,100 per person.

Legislative

Maintain funding to support Category 2 participants.

Transfer Funds from DDS to Reflect Unit Closure

Community Residential Services	900,000	900,000	-	-	(900,000)	(900,000)
Total - General Fund	900,000	900,000	-	-	(900,000)	(900,000)

Background

The Transitional Unit on the Meriden Regional Center Campus currently serves two individuals under court-ordered placements. The DDS budget no longer includes closing the Transitional Unit and to provide for existing consumers through private providers, which are funded through the Community Residential Services account in DSS.

Governor

Provide funding of \$900,000 in both FY 18 and FY 19 in the Community Residential Services account to support individuals from the Transitional Unit through private providers.

Legislative

Maintain the Transitional Unit and do not convert services for existing consumers to private providers.

Reduce Burial Benefit

Old Age Assistance	(13,750)	(15,000)	-	-	13,750	15,000
Aid To The Disabled	(27,500)	(30,000)	-	-	27,500	30,000
Temporary Family Assistance - TANF	(19,250)	(21,000)	-	-	19,250	21,000
State Administered General Assistance	(519,750)	(567,000)	-	-	519,750	567,000
Total - General Fund	(580,250)	(633,000)	-	-	580,250	633,000

Background

The Department of Social Services provides up to \$1,200 for funeral and burial expenses of indigent persons who pass away without the ability to pay for the cost of a funeral and burial. Sections 44 and 45 of PA 16-3 MSS reduced the burial benefit under the State Administered General Assistance, State Supplemental and Temporary Family Assistance programs from \$1,400 to \$1,200.

Governor

Reduce funding by \$580,250 in FY 18 and \$633,000 in FY 19 to reflect reducing the burial benefit from \$1,200 to \$900 for funeral, burial and cremation expenses.

Legislative

Maintain funding to reflect the current burial benefit of \$1,200.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reallocate & Reduce Funding for New HSI Account

Human Resource Development-Hispanic Programs	(774,786)	(774,786)	(77,479)	(77,479)	697,307	697,307
Safety Net Services	(2,045,424)	(2,045,424)	(204,542)	(204,542)	1,840,882	1,840,882
Community Services	(765,196)	(765,196)	(76,520)	(76,520)	688,676	688,676
Human Service Infrastructure Community Action Program	3,841,825	3,841,825	(265,485)	(265,485)	(4,107,310)	(4,107,310)
Teen Pregnancy Prevention	(1,412,540)	(1,412,540)	(141,254)	(141,254)	1,271,286	1,271,286
Family Programs - TANF	(352,039)	(352,039)	(35,204)	(35,204)	316,835	316,835
Human Resource Development-Hispanic Programs - Municipality	(4,578)	(4,578)	(458)	(458)	4,120	4,120
Teen Pregnancy Prevention - Municipality	(111,430)	(111,430)	(11,143)	(11,143)	100,287	100,287
Total - General Fund	(1,624,168)	(1,624,168)	(812,085)	(812,085)	812,083	812,083

Governor

Reallocate funding for various programs to the Human Service Infrastructure Community Action Program account, and reduce funding by \$1,624,168 in both FY 18 and FY 19.

Legislative

Maintain current funding structure and reduce funding by \$812,085 in both FY 18 and FY 19 to reflect a 10% reduction to community programs.

Eliminate Funding for State-Funded SNAP

State-Funded Supplemental Nutrition Assistance Program	-	-	(155,611)	(72,021)	(155,611)	(72,021)
Total - General Fund	-	-	(155,611)	(72,021)	(155,611)	(72,021)

Background

The State Funded Supplemental Nutrition Assistance Program (SNAP), provides state-funded benefits for documented non-citizen adults who are not eligible for the federal SNAP, formerly known as the Food Stamp program, solely because of their citizenship status. Benefit levels under the state-funded program are equal to 75% of what the individual would have received under the federal program. After an eligible non-citizen is in the country for five years, they are eligible for benefits under the federal SNAP.

Legislative

Eliminate funding of \$155,611 in FY 18 and \$72,021 in FY 19 to reflect the elimination of state-funded SNAP.

Eliminate Funding for HUSKY Performance Monitoring Account

HUSKY Performance Monitoring	(109,119)	(109,119)	(109,119)	(109,119)	-	-
Total - General Fund	(109,119)	(109,119)	(109,119)	(109,119)	-	-

Background

The HUSKY Performance monitoring account funded a contract to provide analysis of trends in HUSKY enrollment, access to care and utilization of services. This level of program analysis is currently provided by the state Medicaid program's administrative services organization (ASO). The contractor funded through this account terminated their services in FY 17.

Governor

Eliminate funding of \$109,119 in both FY 18 and FY 19 for the HUSKY Performance Monitoring account.

Legislative

Same as Governor

Achieve Efficiencies in Other Expenses

Other Expenses	-	-	(302,800)	(605,600)	(302,800)	(605,600)
Total - General Fund	-	-	(302,800)	(605,600)	(302,800)	(605,600)

Legislative

Reduce funding by \$302,800 in FY 18 and \$605,600 in FY 19 in the Other Expenses account to achieve efficiencies.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reduce Funding for Various Programs

Services for Persons With Disabilities	(92,563)	(92,563)	(92,563)	(92,563)	-	-
Nutrition Assistance	(77,777)	(77,777)	-	-	77,777	77,777
Total - General Fund	(170,340)	(170,340)	(92,563)	(92,563)	77,777	77,777

Background

The Nutrition Assistance account provides funding for nutritional assistance to needy families and individuals through food pantries, outreach activities, and the Connecticut Food Bank, which provides high protein foods to food banks, food pantries and soup kitchens statewide.

The Services for the Disabled account includes funding for the following programs: Gaylord Farms Rehab Center, Brain Injury Alliance of CT, and Ability Beyond Disability.

Governor

Reduce funding by \$92,563 in both FY 18 and FY 19 for Services for Persons with Disabilities program. Reduce funding by \$77,777 in both FY 18 and FY 19 for the Nutrition Assistance program.

Legislative

Reduce funding by \$92,563 in both FY 18 and FY19 for Services for Persons with Disabilities. Maintain funding for Nutrition Assistance.

Annualize FY 17 Rescissions

Other Expenses	-	-	(4,855,238)	(4,855,238)	(4,855,238)	(4,855,238)
Temporary Family Assistance - TANF	-	-	(4,496,811)	(4,496,811)	(4,496,811)	(4,496,811)
Human Service Infrastructure Community Action Program	-	-	(39,937)	(39,937)	(39,937)	(39,937)
Hospital Supplemental Payments	-	-	(2,002,135)	(2,002,135)	(2,002,135)	(2,002,135)
Total - General Fund	-	-	(11,394,121)	(11,394,121)	(11,394,121)	(11,394,121)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies.

Legislative

Reduce funding by \$11,394,121 in both FY 18 and FY 19 to reflect the rollout of the Governor's FY 17 rescissions.

Reduce Funding Based on FY 17 Expenditure Trends

Medicaid	-	-	(32,200,000)	(51,125,000)	(32,200,000)	(51,125,000)
Temporary Family Assistance - TANF	-	-	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
State Administered General Assistance	-	-	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Hospital Supplemental Payments	-	-	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Total - General Fund	-	-	(40,200,000)	(59,125,000)	(40,200,000)	(59,125,000)

Legislative

Reduce funding by \$40,200,000 in FY 18 and \$59,125,000 in FY 19 in various accounts to reflect expenditure trends.

Annualize FY 17 Holdbacks

Personal Services	(1,152,467)	(1,152,467)	(1,152,467)	(1,152,467)	-	-
Other Expenses	(1,445,024)	(1,445,024)	(1,445,024)	(1,445,024)	-	-
HUSKY Performance Monitoring	(49,024)	(49,024)	(49,024)	(49,024)	-	-
Genetic Tests in Paternity Actions	(2,533)	(2,533)	(2,533)	(2,533)	-	-
State-Funded Supplemental Nutrition Assistance Program	(150,824)	(150,824)	(150,824)	(150,824)	-	-
Food Stamp Training Expenses	(304)	(304)	(304)	(304)	-	-
Human Resource Development-Hispanic Programs	(23,962)	(23,962)	(23,962)	(23,962)	-	-
Safety Net Services	(63,260)	(63,260)	(63,260)	(63,260)	-	-
Refunds Of Collections	(2,929)	(2,929)	(2,929)	(2,929)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
Services for Persons With Disabilities	(14,314)	(14,314)	(14,314)	(14,314)	-	-
Nutrition Assistance	(12,027)	(12,027)	(12,027)	(12,027)	-	-
Connecticut Children's Medical Center	(391,459)	(391,459)	(391,459)	(391,459)	-	-
Community Services	(239,012)	(239,012)	(239,012)	(239,012)	-	-
Human Service Infrastructure	(82,108)	(82,108)	(82,108)	(82,108)	-	-
Community Action Program						
Teen Pregnancy Prevention	(43,687)	(43,687)	(43,687)	(43,687)	-	-
Family Programs - TANF	(10,888)	(10,888)	(10,888)	(10,888)	-	-
Domestic Violence Shelters	(154,756)	(154,756)	-	-	154,756	154,756
Hospital Supplemental Payments	(400,427)	(400,427)	(400,427)	(400,427)	-	-
Human Resource Development-Hispanic Programs - Municipality	(141)	(141)	(141)	(141)	-	-
Teen Pregnancy Prevention - Municipality	(3,446)	(3,446)	(3,446)	(3,446)	-	-
Community Services - Municipality	(70,742)	(70,742)	(70,742)	(70,742)	-	-
Total - General Fund	(4,313,334)	(4,313,334)	(4,158,578)	(4,158,578)	154,756	154,756

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of the FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$4,313,334 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Reduce funding by \$4,158,578 in both FY 18 and FY 19 to annualize FY 17 holdbacks. Funding for Domestic Violence Shelters is maintained.

Transfer State Dept. of Aging to DSS

Personal Services	-	-	1,922,031	1,922,031	1,922,031	1,922,031
Other Expenses	-	-	113,357	113,357	113,357	113,357
Programs for Senior Citizens	-	-	7,895,383	7,895,383	7,895,383	7,895,383
Total - General Fund	-	-	9,930,771	9,930,771	9,930,771	9,930,771
Positions - General Fund	-	-	23	23	23	23
Fall Prevention	-	-	376,023	376,023	376,023	376,023
Total - Insurance Fund	-	-	376,023	376,023	376,023	376,023

Legislative

Transfer funding of \$9,930,771 and 23 positions in the General Fund and \$376,023 in the Insurance Fund in both FY 18 and FY 19 to reflect the transfer of the State Department of Aging to the Department of Social Services. Sections 278-319 and 732 of PA 17-2 JSS, the biennial budget act, are related to the transfer.

Transfer Medicaid Birth to Three Funding from OEC

Personal Services	529,169	529,169	-	-	(529,169)	(529,169)
Birth to Three	14,186,804	14,186,804	-	-	(14,186,804)	(14,186,804)
Medicaid	5,250,000	5,250,000	5,250,000	5,250,000	-	-
Total - General Fund	19,965,973	19,965,973	5,250,000	5,250,000	(14,715,973)	(14,715,973)
Positions - General Fund	5	5	-	-	(5)	(5)

Governor

Transfer funding of \$19,965,973 in both FY 18 and FY 19 to reflect the transfer of the Birth to Three program from the Office of Early Childhood (OEC) to the Department of Social Services (DSS). Funding reflects program staff, provider contracts, as well as Medicaid-related service funding. Total funding of \$25,215,973 is transferred out of Birth to Three, while \$20 million is transferred into DSS due to the net appropriation of the Medicaid account (the transfer shows Medicaid funding of \$5.25 million transferred into the DSS General Fund account, while full Medicaid funding of \$10.5 million will be distributed to providers).

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Transfer funding of \$5,250,000 in both FY 18 and FY 19 from the Office of Early Childhood (OEC) to reflect Medicaid related Birth to Three funding in the DSS Medicaid account. Due to net budgeting, the OEC budget reflects a transfer of \$10.5 million (the full cost) in both years.

Transfer Transportation to Work Funding to DOT

Family Programs - TANF	(2,370,629)	(2,370,629)	(2,370,629)	(2,370,629)	-	-
Total - Special Transportation Fund	(2,370,629)	(2,370,629)	(2,370,629)	(2,370,629)	-	-

Governor

Transfer funding of \$2,370,629 in both FY 18 and FY 19 to reflect transferring the Transportation to Work program to the Department of Transportation, who currently administers the program.

Legislative

Same as Governor

Provide TANF/SSBG Funding to CCDF

Nutrition Assistance	336,116	448,155	336,116	448,155	-	-
Human Service Infrastructure	1,350,717	1,800,956	1,350,717	1,800,956	-	-
Community Action Program						
Domestic Violence Shelters	145,944	194,592	145,944	194,592	-	-
Total - General Fund	1,832,777	2,443,703	1,832,777	2,443,703	-	-

Background

Connecticut receives \$266.8 million per year under the Temporary Assistance for Needy Families (TANF) block grant and transfers 10% of this amount to the Social Services Block Grant (SSBG). Currently, SSBG/TANF funding is allocated to the Departments of Social Services (DSS), Housing (DOH), and Children and Families (DCF), as well as the Office of Early Childhood (OEC). The accounting period for the federal government begins on October 1 and ends on September 30.

Governor

Shift SSBG/TANF funding of \$7,735,567 in FY 18 and \$10,314,089 in FY 19 from the current SSBG/TANF recipient agencies (DSS, DOH and DCF) to the Child Care and Development Fund (CCDF) under OEC. This shift will have no net impact on revenue, or General Fund appropriations, and will not result in any reduction in services. Provide General Fund support to the former SSBG/TANF recipient agencies of \$7,735,567 in FY 18 and \$10,314,089 in FY 19 and decrease OEC General Fund support by equal amounts. This includes funding of \$1,832,777 (partial year due to federal accounting period) and \$2,443,703 (full-year) to DSS. (See the General Fund accounts in the table below for further detail.) The purpose of this shift is to simplify administrative activities related to provision of block grant-funded services for all agencies involved.

General Fund Appropriations Related to SSBG/TANF Shift

Agency	FY 18	FY 19
Department of Housing	3,495,579	4,660,772
Department of Social Services	1,832,777	2,443,703
Department of Children and Families	2,407,211	3,209,614
Office of Early Childhood	(7,735,567)	(10,314,089)
TOTAL	-	-

Legislative

Same as Governor

Utilize SSBG to Fund Protective Services for the Elderly

Protective Services to the Elderly	-	-	(772,320)	-	(772,320)	-
Total - General Fund	-	-	(772,320)	-	(772,320)	-

Legislative

Reduce funding by \$772,320 in FY 18 to reflect supporting the Protective Services for the Elderly program with Social Services Block Grant (SSBG) funding.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Shift Funding to Social Services Block Grant (SSBG)

Human Service Infrastructure Community Action Program	(422,673)	(563,564)	(422,673)	(563,564)	-	-
Total - General Fund	(422,673)	(563,564)	(422,673)	(563,564)	-	-

Governor

Reduce funding by \$422,673 in FY 18 and \$563,564 in FY 19 to reflect Social Services Block Grant (SSBG) support for the HSI program. This reflects a 5% reduction to existing SSBG funding.

Legislative

Same as Governor

Reallocate Funding for the 211 Infoline Contract

Other Expenses	282,983	377,310	282,983	377,310	-	-
Human Service Infrastructure Community Action Program	(282,983)	(377,310)	(282,983)	(377,310)	-	-
Total - General Fund	-	-	-	-	-	-

Governor

Reallocate funding of \$282,983 in FY 18 and \$377,310 in FY 19 to consolidate funding for the 211 Infoline Contract in the Other Expenses account.

Legislative

Same as Governor

Current Services

Update Current Services- Medicaid

Medicaid	98,645,939	159,135,939	98,645,939	159,135,939	-	-
Total - General Fund	98,645,939	159,135,939	98,645,939	159,135,939	-	-

Background

DSS' Medicaid program provides remedial, preventive, and long-term medical care for income eligible aged, blind or disabled individuals, low-income adults and families with children. Payment is made directly to health care providers, by the department, for services delivered to eligible individuals. The program complies with federal Medicaid law (Title XIX of the Social Security Act) and regulations.

Governor

Provide funding of \$98,645,939 in FY 18 and \$159,135,939 in FY 19 to reflect current services requirements for the Medicaid program. This update reflects caseload, utilization and associated costs, as well as processing and contractual-related savings.

Legislative

Same as Governor

Provide Funding for HUSKY D Reimbursement Changes

Medicaid	59,120,000	87,240,000	59,120,000	87,240,000	-	-
Total - General Fund	59,120,000	87,240,000	59,120,000	87,240,000	-	-

Background

Under the Affordable Care Act, reimbursement for the Medicaid expansion population (HUSKY D) was reduced from 100% in calendar year 2016, to 95% in 2017. This reimbursement rate is scheduled to be further reduced to 94% in 2018 and 93% in 2019.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Provide funding of \$59,120,000 in FY 18 and \$87,240,000 in FY 19 to reflect additional funding requirements due to changes in federal reimbursement for the HUSKY D population. This reflects the phasing down of the federal reimbursement from 95% in calendar year 2017 to 93% in 2019. Funding is also increased to reflect the percentage of HUSKY D enrollees who are estimated not to be considered newly eligible for the enhanced match, per federal law.

Legislative

Same as Governor

Provide Funding for Medicare Part D Clawback Payment

Medicaid	18,690,000	33,990,000	14,090,000	19,790,000	(4,600,000)	(14,200,000)
Total - General Fund	18,690,000	33,990,000	14,090,000	19,790,000	(4,600,000)	(14,200,000)

Background

The Medicare Part D clawback payment is the monthly cost-sharing payment to the federal government for the Medicare Part D prescription drug program for dually-eligible beneficiaries. A state's monthly clawback amount is calculated by multiplying its monthly Part D dual-eligible enrollment by CMS's estimate of the state's share of its per capita expenditure (PCE) for Medicaid-covered drugs for dual-eligible persons. Part D expenditures have increased in recent years with the availability of new specialty drugs (such as those for Hepatitis C), growth in prescription drug utilization, and rising drug prices overall.

Governor

Provide funding of \$18,690,000 in FY 18 and \$33,990,000 in FY 19 for increases in the Medicare Part D clawback payment.

Legislative

Provide funding of \$14,090,000 in FY 18 and \$19,790,000 in FY 19 for increases in the Medicare Part D clawback payment.

Update Current Services- Autism Services

Medicaid	6,312,800	12,102,800	6,312,800	12,102,800	-	-
Total - General Fund	6,312,800	12,102,800	6,312,800	12,102,800	-	-

Governor

Provide funding of \$6,312,800 in FY 18 and \$12,102,800 in FY 19 to reflect the annualization of costs for coverage of autism services under the Medicaid state plan.

Legislative

Same as Governor

Annualize FY 17 Savings Related to Children Dental Rates

Medicaid	(620,000)	(620,000)	(620,000)	(620,000)	-	-
Total - General Fund	(620,000)	(620,000)	(620,000)	(620,000)	-	-

Governor

Reduce funding by \$620,000 in both FY 18 and FY 19 to reflect the annualization of the savings related to changes in children's dental health rates, including a 2% reduction to the pediatric dental fee schedule and reductions to rates for sealants, crowns, and periodic orthodontia care.

Legislative

Same as Governor

Reflect Savings from Electronic Visit Verification (EVV)

Medicaid	(3,630,000)	(4,930,000)	(3,630,000)	(4,930,000)	-	-
Total - General Fund	(3,630,000)	(4,930,000)	(3,630,000)	(4,930,000)	-	-

Background

DSS has contracted with Hewlett Packard Enterprise and Sandata Technologies, LLC. to implement Electronic Visit Verification (EVV). EVV is a telephonic and computer-based system designed to allow in-home scheduling, tracking and billing for home-based care. Implementation for non-medical home-care providers was effective January 1, 2017, while implementation for medical home-health providers will be effective April 1, 2017.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Reduce funding by \$3,630,000 in FY 18 and \$4,930,000 in FY 19 to reflect the full implementation of EVV.

Legislative

Same as Governor

Provide Funding for PCMH+ Quality Payments

Medicaid	1,700,000	2,100,000	1,350,000	1,350,000	(350,000)	(750,000)
Total - General Fund	1,700,000	2,100,000	1,350,000	1,350,000	(350,000)	(750,000)

Background

In January 2017, DSS began implementing a new program called Person-Centered Medical Home Plus or PCMH+. PCMH+ provides person-centered, comprehensive and coordinated care for Medicaid beneficiaries. Federally Qualified Health Centers (FQHCs) and advanced network lead entities (on behalf of advanced networks) were asked to participate via an RFP issued in June of 2016. Selected FQHCs and Advanced Networks are required to provide care coordination activities to improve the quality, efficiency, and effectiveness of care delivered to Medicaid beneficiaries. Shared savings payments as well as add-on quality payments are provided to participating entities who achieve the quality outcome measures required of the program as well as primary care case management services. The PCMH+ Program came out of the initiatives of the State Innovation Model Program (SIM).

The SIM was initiated under the federal Affordable Care Act, through the Center for Medicare and Medicaid Innovation (CMMI). The state received a planning grant in March of 2013 to develop SIM. SIM's purpose is to align all health care payers in the state (e.g. Medicaid, the state employee and retiree health plan, Medicare, commercial and self-funded plans) around a value-based payment methodology, which focuses reimbursement on quality metrics, as opposed to simply volume and cost reduction measures, through various means.

Governor

Provide funding of \$1.7 million in FY 18 and \$2.1 million in FY 19 for PCMH+ quality payments.

Legislative

Provide funding of \$1,350,000 in both FY 18 and FY 19 for PCMH+ quality payments.

Adjust Funding for Nursing Home Fair Rent

Medicaid	(940,000)	(70,000)	(940,000)	(70,000)	-	-
Total - General Fund	(940,000)	(70,000)	(940,000)	(70,000)	-	-

Governor

Reduce funding by \$940,000 in FY 18 and \$70,000 in FY 19 to reflect both fair rent additions and the annualization of adjustments.

Legislative

Same as Governor

Update Current Services- CT Home Care Program for Elders

Connecticut Home Care Program	1,900,000	6,340,000	1,900,000	6,340,000	-	-
Total - General Fund	1,900,000	6,340,000	1,900,000	6,340,000	-	-

Background

The state-funded Connecticut Home Care Program for Elders (CHCPE) provides home and community-based services to elderly who are at risk of nursing home placement and meet the program's financial eligibility criteria. Category 1 is targeted to individuals who are at risk of hospitalization or short-term nursing facility placement if preventive home care services are not provided. Category 2 is targeted to individuals who are frail enough to require nursing facility care, but have resources that would prevent them from qualifying for Medicaid upon admission to a nursing facility.

Governor

Provide funding by \$1.9 million in FY 18 and \$6,340,000 in FY 19 to reflect anticipated expenditure requirements under the CHCPE. This assumes average monthly caseload of 3,435 in FY 18 and 3,790 in FY 19, up from an estimated 3,250 in FY 17.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Update Current Services-Protective Services for the Elderly

Protective Services to the Elderly	294,020	306,904	294,020	306,904	-	-
Total - General Fund	294,020	306,904	294,020	306,904	-	-

Background

The Protective Services for the Elderly Program is designed to safeguard people 60 years and older from physical, mental and emotional abuse, neglect and abandonment and/or financial abuse and exploitation. The Department of Social Services social workers devise a plan of care aimed at assuring an elder's safety while preserving the person's right of self-determination. Staff may help the person remain in the living situation he or she prefers, safeguard legal rights, prevent bodily injury or harm, determine service needs and then mobilize resources to provide necessary services.

Governor

Provide funding of \$294,020 in FY 18 and \$306,904 in FY 19 for the Protective Services for the Elderly current requirements.

Legislative

Same as Governor

Update Current Services-State Supplemental Programs

Old Age Assistance	58,623	31,246	58,623	31,246	-	-
Aid To The Blind	(44,561)	(33,271)	(44,561)	(33,271)	-	-
Aid To The Disabled	(491,405)	(819,139)	(491,405)	(819,139)	-	-
Total - General Fund	(477,343)	(821,164)	(477,343)	(821,164)	-	-

Background

State Supplemental programs consist of Old Age Assistance, Aid to the Blind, Aid to the Disabled. These programs provide monthly financial assistance to low-income individuals. These programs are entirely state funded, but operate under both state and federal guidelines. In order to receive benefits, an individual must have another source of income to supplement, such as federal Social Security, Supplemental Security Income, or Veteran's Benefits. All recipients are automatically eligible for health care benefits under the state's Medicaid program.

Governor

Reduce funding by \$477,343 in FY 18 and \$821,164 in FY 19 based on current requirements.

Legislative

Same as Governor

Provide Funding for Statutory Rate Increases

Medicaid	28,360,000	44,760,000	28,360,000	44,760,000	-	-
Old Age Assistance	593,565	1,196,545	593,565	1,196,545	-	-
Aid To The Blind	9,763	20,257	9,763	20,257	-	-
Aid To The Disabled	875,650	1,774,093	875,650	1,774,093	-	-
Total - General Fund	29,838,978	47,750,895	29,838,978	47,750,895	-	-

Governor

Provide funding of \$29,838,978 in FY 18 and \$47,750,895 in FY 19 to reflect rate increases. This funding is eliminated in a separate policy action.

Legislative

Same as Governor

Provide Funding for Cost of Living Adjustments

Old Age Assistance	84,159	248,576	84,159	248,576	-	-
Aid To The Blind	660	1,808	660	1,808	-	-
Aid To The Disabled	176,408	500,558	176,408	500,558	-	-
Temporary Family Assistance - TANF	1,035,171	3,051,763	1,035,171	3,051,763	-	-
State Administered General Assistance	232,268	681,036	232,268	681,036	-	-
Total - General Fund	1,528,666	4,483,741	1,528,666	4,483,741	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Provide funding of \$1,528,666 in FY 18 and \$4,483,741 in FY 19 for cost of living adjustments (COLA) effective 7/1/17 and 7/1/18 for the following programs: Old Age Assistance, Aid to the Blind, Aid to the Disabled, Temporary Family Assistance, State Administered General Assistance. This funding is eliminated in a separate policy action.

Legislative

Same as Governor

Annualize FY 17 Funding For Community Residential Services

Community Residential Services	7,178,743	7,178,743	6,178,743	6,178,743	(1,000,000)	(1,000,000)
Total - General Fund	7,178,743	7,178,743	6,178,743	6,178,743	(1,000,000)	(1,000,000)

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation.

Community Residential Services are provided for certain Department of Developmental Services (DDS) consumers including: (1) those aging out of services provided by Department of Children and Families, Local Education Agencies and the DDS Behavioral Services Program, (2) long-term care community placements under Money Follows the Person, (3) Southbury Training School community placements and (4) court-ordered placements.

Governor

Provide funding of \$7,178,743 in both FY 18 and FY 19 to reflect full year funding for residential services initiated in FY 17 and supported through the Community Residential Services account.

Legislative

Provide funding of \$6,178,743 in both FY 18 and FY 19 to reflect updated full year funding for residential services initiated in FY 17 and supported through the Community Residential Services account.

Provide Funds for New Community Residential Services

Community Residential Services	9,237,783	25,741,344	9,237,783	25,741,344	-	-
Total - General Fund	9,237,783	25,741,344	9,237,783	25,741,344	-	-

Background

Community Residential Services are provided for certain DDS consumers including : (1) those aging out of services provided by Department of Children and Families, Local Education Agencies and the DDS Behavioral Services Program, (2) long-term care community placements under Money Follows the Person, (3) Southbury Training School community placements and (4) court-ordered placements.

Governor

Provide funding of \$9,237,783 in FY 18 and \$25,741,344 in FY 19 to support 166 new individuals in FY 18 and 153 additional individuals in FY 19 in Community Residential Placements.

Legislative

Same as Governor

Annualize FY 17 Funding for DDS Closures and Conversions

Aid To The Disabled	1,001,151	1,001,151	250,288	333,717	(750,863)	(667,434)
Community Residential Services	9,380,663	9,380,663	1,896,434	2,528,580	(7,484,229)	(6,852,083)
Total - General Fund	10,381,814	10,381,814	2,146,722	2,862,297	(8,235,092)	(7,519,517)

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation.

The FY 17 Agency Spending Plan included the closure of Ella Grasso Regional Center in Stratford and the Meriden Regional Center and the conversion of 40 DDS run group homes to private provider group homes. The Ella Grasso Regional Center and the Meriden Regional Center residential units have been closed and residents transferred to other settings. Additionally, in FY 17 ten DDS group homes were converted to private providers and two DDS homes were closed, while the remaining 28 were placed on hold. The agency plans to proceed with the conversion of 10 homes in FY 18. The state receives a 50% federal reimbursement for Medicaid waived programs and ICF/IID beds

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Provide funding of \$9,380,663 in both FY 18 and FY 19 in the Community Residential Services account and \$1,001,151 in both FY 18 and FY 19 in the Aid to the Disabled account to support room and board costs. This funding supports DDS consumers moving from public to private provider settings as a result of closures and conversions initiated in FY 17.

Legislative

Provide funding of \$1,896,434 in FY 18 and \$2,528,580 FY 19 in the Community Residential Services account and \$250,288 in FY 18 and \$333,717 in FY 19 in the Aid to the Disabled account to support room and board costs. This funding supports DDS consumers moving from public to private provider settings as a result of closures and conversions initiated in FY 17.

Update Current Services-SAGA

State Administered General Assistance	(1,885,022)	(1,981,857)	(2,385,022)	(2,481,857)	(500,000)	(500,000)
Total - General Fund	(1,885,022)	(1,981,857)	(2,385,022)	(2,481,857)	(500,000)	(500,000)

Background

The State Administered General Assistance (SAGA) program provides limited cash assistance to individuals who are unable to work for medical or other prescribed reasons. Enrollees receive an average of \$219 a month.

Governor

Reduce funding by \$1,885,022 in FY 18 and \$1,981,857 in FY 19 for the SAGA program based on updated caseload requirements.

Legislative

Reduce funding by \$2,385,022 in FY 18 and \$2,481,857 in FY 19 for the SAGA program based on updated caseload requirements.

Update Current Services- Temporary Family Assistance

Temporary Family Assistance - TANF	(10,307,710)	(10,307,710)	(10,307,710)	(10,307,710)	-	-
Total - General Fund	(10,307,710)	(10,307,710)	(10,307,710)	(10,307,710)	-	-

Background

The Temporary Family Assistance (TFA) program provides cash assistance to eligible low-income families. The TFA program limits assistance to 21 months for non-exempt cases, with possible six month extensions for good cause. Individuals in the TFA program are usually eligible for health care services provided under the state's Medicaid program. The average monthly caseload under this (and its predecessor) program has declined from over 60,000 families in FY 95 to approximately 15,600 in FY 16 with an average cost per case of \$481. For December 2017, caseload totaled 13,781 with an average cost per case of \$477.

Governor

Reduce funding by \$10,307,710 in both FY 18 and FY 19 to reflect anticipated expenditure requirements in the TFA program.

Legislative

Same as Governor

Update Current Services- HUSKY B

HUSKY B Program	710,000	970,000	710,000	970,000	-	-
Total - General Fund	710,000	970,000	710,000	970,000	-	-

Background

The HUSKY B Program provides health coverage for children of families with incomes in excess of 201% of the Federal Poverty Level (FPL) up to 323% FPL. HUSKY program expenditures typically receive 65% federal reimbursement. From October 1, 2015 through September 30, 2019, the reimbursement rate is increased to 88%.

Governor

Provide funding of \$710,000 in FY 18 and \$970,000 in FY 19 to reflect updated cost and caseload requirements.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Update Current Services- State Funded SNAP

State-Funded Supplemental Nutrition Assistance Program	(93,286)	(208,081)	(93,286)	(208,081)	-	-
Total - General Fund	(93,286)	(208,081)	(93,286)	(208,081)	-	-

Background

The State Funded Supplemental Nutrition Assistance Program (SNAP), provides state-funded benefits for documented non-citizen adults who are not eligible for the federal SNAP, formerly known as the Food Stamp program, solely because of their citizenship status. Benefit levels under the state-funded program are equal to 75% of what the individual would have received under the federal program. After an eligible non-citizen is in the country for five years, they are eligible for benefits under the federal SNAP.

Governor

Reduce funding by \$93,286 in FY 18 and \$208,081 in FY 19 for the state-funded SNAP program based on current requirements.

Legislative

Same as Governor

Update Current Services-Other Expenses and Personal Services

Personal Services	6,520,000	6,520,000	6,520,000	6,520,000	-	-
Other Expenses	(3,092,239)	(2,443,284)	(3,092,239)	(2,443,284)	-	-
Total - General Fund	3,427,761	4,076,716	3,427,761	4,076,716	-	-

Governor

Provide funding of \$6,520,000 in both FY 18 and FY 19 in the Personal Services account predominately due to staff costs related to the timely processing of Medicaid application requirements. Reduce funding by \$3,092,239 in FY 18 and \$2,443,284 in FY 19 in the Other Expenses account predominately due to reductions in contractual expenses.

Legislative

Same as Governor

Provide Funding for Continued Operation of ImpaCT

Other Expenses	11,375,746	10,926,900	7,675,746	10,926,900	(3,700,000)	-
Total - General Fund	11,375,746	10,926,900	7,675,746	10,926,900	(3,700,000)	-

Background

ImpaCT is the new web-based eligibility system for the Department of Social Services (DSS), piloted in October 2016.

Governor

Provide funding of \$11,375,746 in FY 18 and \$10,926,900 in FY 19 to continue support for the operation and maintenance of ImpaCT.

Legislative

Provide funding of \$7,675,746 in FY 18 and \$10,926,900 in FY 19 to continue support for the operation and maintenance of ImpaCT.

Carry Forward

Carry Forward for Community Residential Services

Community Residential Services	-	-	3,400,000	-	3,400,000	-
Total - Carry Forward Funding	-	-	3,400,000	-	3,400,000	-

Legislative

Pursuant to CGS 4-89(c), funding of \$3.4 million is carried forward in the Community Residential Services account to support one-time start-up costs related to CLA conversions that were slated for FY 17 but will now occur in FY 18.

Carry Forward for Other Expenses

Other Expenses	-	-	3,522,606	-	3,522,606	-
Total - Carry Forward Funding	-	-	3,522,606	-	3,522,606	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Pursuant to CGS 4-89(c), funding of \$3,522,606 is carried forward in the Other Expenses account to fund: (1) \$2,704,122 in potential costs related to AHCT's call center (DSS' share of the FY 17 costs are still under negotiation); and (2) \$818,484 to cover project delays (\$524,432 for completion of the universal assessment tool under the Balancing Incentive Program and \$294,052 for SNAP reinvestment, which is federally required).

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	3,680,282,243	3,680,282,243	3,680,282,243	3,680,282,243	-	-
Policy Revisions	31,794,949	(16,685,758)	463,914,317	285,028,753	432,119,368	301,714,511
Current Services	242,388,889	393,786,984	224,003,797	369,817,467	(18,385,092)	(23,969,517)
Total Recommended - GF	3,954,466,081	4,057,383,469	4,368,200,357	4,335,128,463	413,734,276	277,744,994
FY 17 Appropriation - TF	2,370,629	2,370,629	2,370,629	2,370,629	-	-
Policy Revisions	(2,370,629)	(2,370,629)	(2,370,629)	(2,370,629)	-	-
Total Recommended - TF	-	-	-	-	-	-
FY 17 Appropriation - IF	-	-	-	-	-	-
Policy Revisions	-	-	376,023	376,023	376,023	376,023
Total Recommended - IF	-	-	376,023	376,023	376,023	376,023

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	1,986	1,986	1,986	1,986	-	-
Policy Revisions	5	5	23	23	18	18
Total Recommended - GF	1,991	1,991	2,009	2,009	18	18

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$269,710, a Labor Concessions Savings of \$4,629,260, a Targeted Savings of \$22,907,745, and a Delayed Start Savings of \$2,000,000. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	122,536,340	(4,898,970)	117,637,370	4.0%
Other Expenses	143,029,224	(7,151,461)	135,877,763	5.0%
Connecticut Home Care Program	42,090,000	(2,180,000)	39,910,000	5.2%
Human Resource Development-Hispanic Programs	697,307	(663,756)	33,551	95.2%
Community Residential Services	553,929,013	(11,078,580)	542,850,433	2.0%
Safety Net Services	1,840,882	(514,561)	1,326,321	28.0%
Services for Persons With Disabilities	370,253	(96,356)	273,897	26.0%
Nutrition Assistance	725,000	(93,944)	631,056	13.0%
Connecticut Children's Medical Center	11,391,454	(227,829)	11,163,625	2.0%
Community Services	688,676	(298,320)	390,356	43.3%
Human Service Infrastructure Community Action Program	2,994,488	(59,890)	2,934,598	2.0%
Teen Pregnancy Prevention	1,271,286	(25,426)	1,245,860	2.0%
Programs for Senior Citizens	7,895,383	(2,117,908)	5,777,475	26.8%
Family Programs - TANF	316,835	(287,498)	29,337	90.7%
Domestic Violence Shelters	5,304,514	(106,090)	5,198,424	2.0%
Human Resource Development-Hispanic Programs - Municipality	4,120	(4,120)	-	100.0%
Teen Pregnancy Prevention - Municipality	100,287	(2,006)	98,281	2.0%

Estimated FY 18 - FY 19 Gross Medicaid Account Expenditures \$
By Category of Service

Category of Service	FY 18 \$	FY 19 \$
Hospital Services¹		
Inpatient & Outpatient Hospital Services	1,899,828,872	2,001,328,872
Total Expenditures	1,888,118,872	1,989,018,872
Professional Medical Care		
Physician	457,129,900	455,029,900
Clinic	454,159,924	454,159,924
Dental	223,010,004	222,010,004
Vision	43,604,068	43,604,068
Other Practitioner	125,295,124	125,295,124
Total Expenditures	1,303,199,020	1,300,099,020
Other Medical Services		
Pharmacy	1,182,911,643	1,182,911,643
Pharmacy Rebates	(661,244,819)	(661,244,819)
Medicare Part D Clawback	185,359,655	196,759,655
Transportation	32,948,828	32,948,828
Non-Emergency Transportation (NEMT)	50,454,149	50,454,149
Lab & X-Ray	53,062,827	53,062,827
Durable Medical Equipment	98,160,312	98,160,312
Alcohol & Drug Services	19,700,301	19,700,301
Total Expenditures	961,352,896	972,752,896
Home and Community Based/ Waiver Services		
Home Health	251,924,532	250,124,532
Mental Health Waiver	1,680,000	1,680,000
CHC / PCA Assessments	1,752,928	1,752,928
CT Home Care (CHC) Waiver Services	304,082,817	304,082,817
Acquired Brain Injury (ABI) Waiver	74,016,273	74,016,273
Personal Care Assistance (PCA) Waiver Services	40,831,079	40,831,079
Katie Beckett Waiver	61,319	61,319
Other Waiver Related Services	6,733,890	6,733,890
Hospice Services	3,300,684	3,300,684
Autism Services	15,543,811	27,123,811
Total Expenditures	699,927,333	709,707,333

Category of Service	FY 18 \$	FY 19 \$
Long-Term Care Facilities		
Nursing Home - Chronic Care	1,242,205,613	1,243,345,613
Nursing Home - Rest Home	8,174,689	8,174,689
ICF/IID	62,701,787	62,701,787
Chronic Disease Hospital	70,931,682	70,931,682
Hospice Services	32,789,693	32,789,693
Total Expenditures	1,416,803,465	1,417,943,465
Administrative Services		
Waiver Administration	3,203,376	3,203,376
Behavioral Health Partnership ASO	15,588,077	15,588,077
Medical ASO	88,064,845	88,064,845
Dental ASO	8,695,680	8,695,680
NEMT Broker	7,022,267	7,022,267
TPL Admin Fees	1,320,000	1,320,000
Other CoreCT Medicaid Expenditures	(26,842,598)	(26,842,598)
Total Expenditures	97,051,647	97,051,647
Medicare Premiums and Offsets		
Medicare Part B Premiums	223,797,402	223,797,402
Medicare Premiums Offsets	(212,016,389)	(217,916,389)
School Based Child Health (SBCH)	(15,819,252)	(15,819,252)
Total Expenditures	(4,038,239)	(9,938,239)
Other Policy Adjustments	(41,855,961)	45,174,039
Medicaid Total (Gross)	6,320,559,033	6,521,809,033
Federal Share	3,749,719,033	3,905,444,033
General Fund Total (Net)	2,570,840,000	2,616,365,000

State Department on Aging

SDA62500

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	30	28	27	25	25	-	-

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	2,136,329	2,265,003	2,281,378	2,107,125	2,107,125	-	-
Other Expenses	162,575	98,111	123,213	119,517	119,517	-	-
Other Than Payments to Local Governments							
Programs for Senior Citizens	6,240,432	6,045,526	5,895,383	5,716,273	5,716,273	-	-
Nonfunctional - Change to Accruals	7,644	-	-	-	-	-	-
Agency Total - General Fund	8,546,980	8,408,641	8,299,974	7,942,915	7,942,915	-	-
Other Current Expenses							
Fall Prevention	475,000	475,000	376,023	376,023	376,023	-	-
Agency Total - Insurance Fund	475,000	475,000	376,023	376,023	376,023	-	-
Total - Appropriated Funds	9,021,980	8,883,641	8,675,997	8,318,938	8,318,938	-	-
Additional Funds Available							
Federal Funds	-	18,980,817	19,018,582	18,848,843	18,848,843	-	-
Private Contributions	-	2,000	3,000	3,000	3,000	-	-
Agency Grand Total	9,021,980	27,866,458	27,697,579	27,170,781	27,170,781	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Provide Additional Funding for Elderly Nutrition

Programs for Senior Citizens	-	-	2,000,000	2,000,000	2,000,000	2,000,000
Total - General Fund	-	-	2,000,000	2,000,000	2,000,000	2,000,000

Legislative

Provide funding of \$2 million in both FY 18 and FY 19 to support elderly nutrition programs.

Eliminate Regional Long Term Care Ombudsman

Personal Services	(90,466)	(90,466)	(90,466)	(90,466)	-	-
Total - General Fund	(90,466)	(90,466)	(90,466)	(90,466)	-	-
Positions - General Fund	(1)	(1)	(1)	(1)	-	-

Background

The Long Term Care Ombudsman program supports residents of skilled nursing facilities, residential care homes and assisted living facilities, through direct consultation, outreach, education and advocacy. The agency currently supports nine regional ombudsman serving Bridgeport, Hartford, New Haven, Norwich and Waterbury.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Reduce funding by \$90,466 and one position in both FY 18 and FY 19 to reflect the retirement of a Hartford Regional Long Term Care Ombudsman.

Legislative

Same as Governor

Reallocate Federal Funding to Support Research Analyst

Personal Services	(35,595)	(35,595)	(35,595)	(35,595)	-	-
Total - General Fund	(35,595)	(35,595)	(35,595)	(35,595)	-	-
Positions - General Fund	(1)	(1)	(1)	(1)	-	-

Governor

Reduce funding by \$35,595 and one position in both FY 18 and FY 19 to reflect federal support for a research analyst position.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(48,192)	(48,192)	(48,192)	(48,192)	-	-
Other Expenses	(3,696)	(3,696)	(3,696)	(3,696)	-	-
Programs for Senior Citizens	(179,110)	(179,110)	-	-	179,110	179,110
Total - General Fund	(230,998)	(230,998)	(51,888)	(51,888)	179,110	179,110

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$230,998 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Reduce funding by \$51,888 in both FY 18 and FY 19 to annualize FY 17 holdbacks to Personal Services and Other Expenses.

Annualize FY 17 Rescissions

Other Expenses	-	-	(6,160)	(6,160)	(6,160)	(6,160)
Total - General Fund	-	-	(6,160)	(6,160)	(6,160)	(6,160)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies.

Legislative

Reduce funding by \$6,160 in both FY 18 and FY 19 to reflect the rollout of the Governor's FY 17 rescissions.

Transfer SDA to DSS

Personal Services	-	-	(1,922,031)	(1,922,031)	(1,922,031)	(1,922,031)
Other Expenses	-	-	(113,357)	(113,357)	(113,357)	(113,357)
Programs for Senior Citizens	-	-	(7,895,383)	(7,895,383)	(7,895,383)	(7,895,383)
Total - General Fund	-	-	(9,930,771)	(9,930,771)	(9,930,771)	(9,930,771)
Positions - General Fund	-	-	(23)	(23)	(23)	(23)
Fall Prevention	-	-	(376,023)	(376,023)	(376,023)	(376,023)
Total - Insurance Fund	-	-	(376,023)	(376,023)	(376,023)	(376,023)

Legislative

Transfer funding of \$10,306,794 and 23 positions in both FY 18 and FY 19 to reflect the consolidation of the State Department on Aging (SDA) under the Department of Social Services (DSS). Sections 278-319 and 732 of PA 17-2 JSS, the biennial budget act, are related to the transfer.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reduce Funding to SDA based on Consolidation

Personal Services	-	-	(185,094)	(185,094)	(185,094)	(185,094)
Total - General Fund	-	-	(185,094)	(185,094)	(185,094)	(185,094)
Positions - General Fund	-	-	(2)	(2)	(2)	(2)

Legislative

Reduce funding by \$185,094 and 2 positions to reflect savings associated with the consolidation of the agency with the Department of Social Services (DSS).

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	8,299,974	8,299,974	8,299,974	8,299,974	-	-
Policy Revisions	(357,059)	(357,059)	(8,299,974)	(8,299,974)	(7,942,915)	(7,942,915)
Total Recommended - GF	7,942,915	7,942,915	-	-	(7,942,915)	(7,942,915)
FY 17 Appropriation - IF	376,023	376,023	376,023	376,023	-	-
Policy Revisions	-	-	(376,023)	(376,023)	(376,023)	(376,023)
Total Recommended - IF	376,023	376,023	-	-	(376,023)	(376,023)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	27	27	27	27	-	-
Policy Revisions	(2)	(2)	(27)	(27)	(25)	(25)
Total Recommended - GF	25	25	-	-	(25)	(25)

Department of Rehabilitation Services

SDR63500

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	118	118	118	113	113	113	113
Workers' Compensation Fund	6	6	6	6	6	6	6

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	6,388,528	4,986,889	4,758,165	4,843,781	4,843,781	4,843,781	4,843,781
Other Expenses	1,570,357	1,480,015	1,447,495	1,433,021	1,433,021	1,398,021	1,398,021
Other Current Expenses							
Part-Time Interpreters	211,760	246,867	1,423	-	-	-	-
Educational Aid for Blind and Visually Handicapped Children	3,601,428	4,181,870	4,040,237	3,799,835	3,799,835	4,040,237	4,040,237
Employment Opportunities - Blind & Disabled	556,207	1,246,878	1,032,521	627,076	627,076	1,032,521	1,032,521
Other Than Payments to Local Governments							
Vocational Rehabilitation - Disabled	7,460,892	6,784,749	7,354,087	7,280,547	7,280,547	7,354,087	7,354,087
Supplementary Relief and Services	94,762	79,676	88,618	50,192	50,192	45,762	45,762
Vocational Rehabilitation - Blind	899,402	817,894	-	-	-	-	-
Special Training for the Deaf Blind	282,520	257,889	268,003	104,584	104,584	268,003	268,003
Connecticut Radio Information Service	79,096	66,505	50,724	27,474	27,474	27,474	27,474
Employment Opportunities	753,170	-	-	-	-	-	-
Independent Living Centers	502,246	465,900	372,967	-	-	420,962	420,962
Nonfunctional - Change to Accruals	(756,722)	-	-	-	-	-	-
Agency Total - General Fund	21,643,646	20,615,132	19,414,240	18,166,510	18,166,510	19,430,848	19,430,848
Personal Services	493,774	520,830	534,113	514,113	514,113	514,113	514,113
Other Expenses	52,889	53,497	503,822	53,822	53,822	53,822	53,822
Rehabilitative Services	1,238,266	1,085,527	1,261,913	1,111,913	1,111,913	1,111,913	1,111,913
Fringe Benefits	389,858	414,163	410,485	430,485	430,485	430,485	430,485
Nonfunctional - Change to Accruals	82,736	-	-	-	-	-	-
Agency Total - Workers' Compensation Fund	2,257,523	2,074,017	2,710,333	2,110,333	2,110,333	2,110,333	2,110,333
Total - Appropriated Funds	23,901,169	22,689,149	22,124,573	20,276,843	20,276,843	21,541,181	21,541,181
Additional Funds Available							
Federal Funds	-	64,466,310	64,345,963	64,297,882	64,297,882	64,297,882	64,297,882
Private Contributions & Other Restricted	-	1,954,852	1,954,852	1,954,852	1,954,852	1,954,852	1,954,852
Private Contributions	-	43,899	43,899	43,899	43,899	43,899	43,899
Agency Grand Total	23,901,169	89,154,210	88,469,287	86,573,476	86,573,476	87,837,814	87,837,814

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Annualize Rescissions

Other Expenses	-	-	(35,000)	(35,000)	(35,000)	(35,000)
Supplementary Relief and Services	-	-	(4,430)	(4,430)	(4,430)	(4,430)
Total - General Fund	-	-	(39,430)	(39,430)	(39,430)	(39,430)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies.

Legislative

Reduce funding by \$39,430 in both FY 18 and FY 19 to reflect the annualization of FY 17 rescissions.

Transfer Abuse Investigations Division from DORS to DDS

Personal Services	(961,837)	(961,837)	(961,837)	(961,837)	-	-
Other Expenses	(47,341)	(47,341)	(47,341)	(47,341)	-	-
Total - General Fund	(1,009,178)	(1,009,178)	(1,009,178)	(1,009,178)	-	-
Positions - General Fund	(12)	(12)	(12)	(12)	-	-

Background

PA 16-66 includes provisions to transfer the Office of Protection and Advocacy's (OPA) Abuse Investigation Division (AID) to the Department of Rehabilitation Services (DORS).

Governor

Transfer funding of \$1,009,178 and 12 positions in both FY 18 and FY 19 from DORS to the Department of Developmental Services (DDS) to reflect the transfer of AID.

Legislative

Same as Governor

Adjust Funding for Independent Living Centers

Independent Living Centers	(202,005)	(202,005)	47,995	47,995	250,000	250,000
Total - General Fund	(202,005)	(202,005)	47,995	47,995	250,000	250,000

Background

The Independent Living Centers are non-residential, non-profit organizations which provide comprehensive services including peer counseling, skills training, and case management to persons with disabilities. Connecticut has five community-based Independent Living Centers located in Naugatuck, West Haven, Stratford, Hartford, and Norwich that assist individuals throughout the state.

Governor

Eliminate funding of \$202,005 for Independent Living Centers to reflect the end of state funding for each of the five centers.

Legislative

Provide funding \$47,995 for Independent Living Centers, which results in total funding of \$250,000 for all five centers and \$50,000 for each center.

Reduce Funding for Various Line Items

Personal Services	(66,803)	(66,803)	(66,803)	(66,803)	-	-
Educational Aid for Blind and Visually Handicapped Children	(200,000)	(200,000)	-	-	200,000	200,000
Employment Opportunities - Blind & Disabled	(395,120)	(395,120)	-	-	395,120	395,120
Total - General Fund	(661,923)	(661,923)	(66,803)	(66,803)	595,120	595,120

Background

The Educational Aid for Blind and Visually Handicapped Children account funds adaptive equipment, devices, and staff in the Department's Bureau of Education and Services for the Blind (BESB). BESB provides consultation services to classroom teachers, paraprofessionals, and parents to maximize access to learning through the provision of teaching strategies.

The Employment Opportunities account funds support to blind and disabled individuals in order for them to engage in and retain integrated, competitive employment. The program currently serves 18 persons who are blind and 220 persons with disabilities.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Reduce funding by \$661,923 in both FY 18 and FY 19 to achieve savings.

Legislative

Reduce funding for Personal Service by \$66,803 in both FY 18 and FY 19 to achieve savings.

Reduce Program Funding to Reflect FY 17 Estimated Level

Rehabilitative Services	(150,000)	(150,000)	(150,000)	(150,000)	-	-
Total - Workers' Compensation Fund	(150,000)	(150,000)	(150,000)	(150,000)	-	-

Governor

Reduce funding by \$150,000 in both FY 18 and FY 19 to reflect the estimated FY 17 expenditure level in the Workers' Compensation Fund Rehabilitative Services account.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(47,581)	(47,581)	(47,581)	(47,581)	-	-
Other Expenses	(14,474)	(14,474)	(14,474)	(14,474)	-	-
Educational Aid for Blind and Visually Handicapped Children	(40,402)	(40,402)	-	-	40,402	40,402
Employment Opportunities - Blind & Disabled	(10,325)	(10,325)	-	-	10,325	10,325
Vocational Rehabilitation - Disabled	(73,540)	(73,540)	-	-	73,540	73,540
Supplementary Relief and Services	(38,426)	(38,426)	(38,426)	(38,426)	-	-
Special Training for the Deaf Blind	(163,419)	(163,419)	-	-	163,419	163,419
Connecticut Radio Information Service	(23,250)	(23,250)	(23,250)	(23,250)	-	-
Independent Living Centers	(170,962)	(170,962)	-	-	170,962	170,962
Total - General Fund	(582,379)	(582,379)	(123,731)	(123,731)	458,648	458,648

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$582,379 in both FY 18 and in FY 19 to annualize FY 17 holdbacks.

Legislative

Reduce funding by \$123,731 in both FY 18 and FY 19 to partially annualize FY 17 holdbacks

Current Services**Transfer Abuse Investigation Division from OPA to DORS**

Personal Services	961,837	961,837	961,837	961,837	-	-
Other Expenses	47,341	47,341	47,341	47,341	-	-
Total - General Fund	1,009,178	1,009,178	1,009,178	1,009,178	-	-
Positions - General Fund	12	12	12	12	-	-

Background

PA 16-66 includes provisions to transfer the Office of Protection and Advocacy's (OPA) Abuse Investigation Division (AID) to the Department of Rehabilitation Services (DORS).

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Transfer funding of \$1,009,178 and 12 positions in both FY 18 and FY 19 from OPA to DORS to reflect the transfer of AID. (Subsequently transferred to DDS; See Policy Revision write-up.)

Legislative

Same as Governor

Annualize FY 17 Funding for Personal Services

Personal Services	200,000	200,000	200,000	200,000	-	-
Total - General Fund	200,000	200,000	200,000	200,000	-	-

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation. PA 16-2 MSS reduced DORS' Personal Services account by \$200,000 in FY 17 and carried forward \$200,000 from the Part-Time Interpreters account to the Personal Services account.

Governor

Provide funding of \$200,000 in both FY 18 and FY 19 to reflect full-year funding for Personal Services.

Legislative

Same as Governor

Eliminate Funding to Reflect Program Closure

Part-Time Interpreters	(1,423)	(1,423)	(1,423)	(1,423)	-	-
Total - General Fund	(1,423)	(1,423)	(1,423)	(1,423)	-	-
Positions - General Fund	(5)	(5)	(5)	(5)	-	-

Background

The DORS Sign Language Interpreting Services Program was closed as of July 15, 2016. Individuals in need of interpreting services are directed to access the state's 2-1-1 system for available resources.

Governor

Reduce funding by \$1,423 in the Part-Time Interpreters account and reduce agency position count by five to reflect the positions which were eliminated with the program closure.

Legislative

Same as Governor

Adjust Accounts to Reflect Current Requirement

Personal Services	(20,000)	(20,000)	(20,000)	(20,000)	-	-
Other Expenses	(450,000)	(450,000)	(450,000)	(450,000)	-	-
Fringe Benefits	20,000	20,000	20,000	20,000	-	-
Total - Workers' Compensation Fund	(450,000)	(450,000)	(450,000)	(450,000)	-	-

Background

The Worker's Compensation Fund supports six positions in DORS Workers' Rehabilitation Services (WRS), which assists the eligible injured worker in returning to employment by providing vocational counseling services. The Revised FY 17 Budget provided \$450,000 in Other Expenses to support the Workers' Compensation Commission (WCC) project to modernize the claims process, which include a Workers' Rehabilitation module dedicated to DORS.

Governor

Reduce funding by \$450,000 in Other Expenses to adjust for one-time funding that was provided in FY 17 for the WCC computer upgrade. Funding is also reduced by \$20,000 in Personal Services and increased by \$20,000 in Fringe Benefits in both FY 18 and FY 19 to reflect the current funding requirement.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	19,414,240	19,414,240	19,414,240	19,414,240	-	-
Policy Revisions	(2,455,485)	(2,455,485)	(1,191,147)	(1,191,147)	1,264,338	1,264,338
Current Services	1,207,755	1,207,755	1,207,755	1,207,755	-	-
Total Recommended - GF	18,166,510	18,166,510	19,430,848	19,430,848	1,264,338	1,264,338
FY 17 Appropriation - WF	2,710,333	2,710,333	2,710,333	2,710,333	-	-
Policy Revisions	(150,000)	(150,000)	(150,000)	(150,000)	-	-
Current Services	(450,000)	(450,000)	(450,000)	(450,000)	-	-
Total Recommended - WF	2,110,333	2,110,333	2,110,333	2,110,333	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	118	118	118	118	-	-
Policy Revisions	(12)	(12)	(12)	(12)	-	-
Current Services	7	7	7	7	-	-
Total Recommended - GF	113	113	113	113	-	-
FY 17 Appropriation - WF	6	6	6	6	-	-
Total Recommended - WF	6	6	6	6	-	-

*Other Significant Legislation**Holdbacks***PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019**

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$17,585, a Labor Concessions Savings of \$304,977, a Targeted Savings of \$252,876, and a Delayed Start Savings of \$109,867. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	5,357,894	(190,846)	5,167,048	5.1%
Other Expenses	1,398,021	(69,901)	1,328,120	5.0%
Educational Aid for Blind and Visually Handicapped Children	4,040,237	(131,716)	3,908,521	3.3%
Employment Opportunities - Blind & Disabled	1,032,521	(20,650)	1,011,871	2.0%
Vocational Rehabilitation - Disabled	7,354,087	(147,082)	7,207,005	2.0%
Supplementary Relief and Services	45,762	(915)	44,847	2.0%
Special Training for the Deaf Blind	268,003	(5,360)	262,643	2.0%
Connecticut Radio Information Service	27,474	(7,280)	20,194	26.5%
Independent Living Centers	420,962	(111,555)	309,407	26.5%

Department of Education

SDE64000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	1,779	1,806	1,815	1,811	1,811	1,819	1,819

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	18,316,349	18,019,383	18,965,022	15,614,240	15,614,240	16,264,240	16,264,240
Other Expenses	4,049,669	3,823,476	3,624,378	3,261,940	3,261,940	3,261,940	3,261,940
Other Current Expenses							
Admin - Magnet Schools	238,975	246,063	-	-	-	-	-
Admin - Adult Education	1,024,749	1,029,833	-	-	-	-	-
Development of Mastery Exams Grades 4, 6, and 8	14,164,955	11,503,431	13,343,315	-	-	10,443,016	10,443,016
Admin-Interdistrict Cooperation	92,424	71,649	-	-	-	-	-
Primary Mental Health	426,581	371,794	395,518	-	-	383,653	383,653
Admin - Youth Service Bureaus	59,785	56,796	-	-	-	-	-
Leadership, Education, Athletics in Partnership (LEAP)	690,413	647,263	625,045	-	-	462,534	462,534
Adult Education Action	172,551	142,200	222,834	-	-	216,149	216,149
Connecticut Pre-Engineering Program	262,500	221,486	225,758	-	-	-	-
Connecticut Writing Project	47,500	65,248	63,360	-	-	30,000	30,000
Resource Equity Assessments	159,661	85,699	149,310	134,379	-	134,379	-
Neighborhood Youth Centers	1,292,810	1,036,264	1,048,664	-	-	650,172	650,172
Longitudinal Data Systems	1,196,330	1,128,883	1,347,717	-	-	1,212,945	1,212,945
School Accountability	1,641,848	1,332,114	-	-	-	-	-
Sheff Settlement	9,818,981	9,440,038	11,368,413	9,027,361	9,027,361	11,027,361	11,027,361
Admin - After School Programs	193,200	190,349	-	-	-	-	-
CommPACT Schools	-	329,175	350,000	-	-	-	-
Parent Trust Fund Program	475,000	421,069	439,823	-	-	395,841	395,841
Regional Vocational-Technical School System	154,932,230	162,624,943	163,367,535	-	-	133,875,227	133,918,454
Science Program for Educational Reform Districts	432,250	-	-	-	-	-	-
Wrap Around Services	427,498	-	-	-	-	-	-
Parent Universities	407,500	-	-	-	-	-	-
School Health Coordinator Pilot	180,500	-	-	-	-	-	-
Commissioner's Network	13,602,307	10,646,338	12,121,553	10,909,398	10,909,398	10,009,398	10,009,398
Local Charter Schools	192,000	306,000	388,015	-	-	480,000	540,000
Bridges to Success	571,570	189,643	188,500	-	-	40,000	40,000
K-3 Reading Assessment Pilot	2,555,444	2,592,793	2,646,200	-	-	2,461,580	2,461,940
Talent Development	10,388,086	7,542,731	6,095,115	3,000,000	3,000,000	650,000	650,000
Common Core	5,966,308	4,291,609	4,126,767	-	-	-	-
Alternative High School and Adult Reading Incentive Program	1,140,000	174,688	188,500	-	-	-	-
Special Master	1,961,461	1,356,083	903,614	-	-	-	-
School-Based Diversion Initiative	-	288,740	942,500	-	-	1,000,000	1,000,000
Technical High Schools Personal	-	-	-	133,875,227	132,214,174	-	-

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Services							
Technical High Schools Other Expenses	-	-	-	23,861,660	23,861,660	23,861,660	23,861,660
Student Assessment and Accountability	-	-	-	18,037,541	18,037,901	-	-
Division of Higher Education	-	-	-	4,054,434	4,054,434	-	-
Other Than Payments to Local Governments							
American School For The Deaf	10,659,030	9,889,412	9,543,829	9,257,514	9,257,514	8,257,514	8,257,514
Regional Education Services	1,107,725	1,005,062	606,172	-	-	350,000	350,000
Family Resource Centers	8,051,914	7,990,104	7,894,843	-	-	5,802,710	5,802,710
Charter Schools	-	-	110,835,808	-	-	109,821,500	116,964,132
Youth Service Bureau Enhancement	620,300	577,606	668,927	-	-	648,859	648,859
Child Nutrition State Match	2,354,173	2,348,741	2,201,390	-	-	2,354,000	2,354,000
Health Foods Initiative	4,151,065	4,364,951	3,985,367	-	-	4,101,463	4,151,463
Roberta B. Willis Scholarship Fund	-	-	-	35,123,826	32,923,826	-	-
Student Support Services	-	-	-	7,979,217	7,979,217	-	-
State Charter Schools	-	-	-	112,759,500	119,627,100	-	-
Child Nutrition Programs	-	-	-	8,614,363	8,664,363	-	-
Youth Service Bureaus and Diversion Initiatives	-	-	-	4,095,595	4,095,595	-	-
Grant Payments to Local Governments							
Vocational Agriculture	11,017,600	11,017,600	10,544,937	9,490,443	9,423,507	10,228,589	10,228,589
Transportation of School Children	24,884,748	22,336,353	-	-	-	-	-
Adult Education	20,003,812	19,999,328	20,383,960	20,383,960	20,383,960	20,383,960	20,383,960
Health and Welfare Services Pupils Private Schools	4,297,500	3,618,668	3,526,579	3,526,579	3,526,579	3,526,579	3,526,579
Education Equalization Grants	2,122,676,702	2,150,764,753	2,027,587,120	1,580,003,953	1,580,003,953	1,986,183,701	2,017,131,405
Bilingual Education	1,882,794	2,930,273	3,164,800	2,848,320	2,848,320	2,848,320	2,848,320
Priority School Districts	46,947,022	42,031,867	42,337,171	38,103,454	38,103,454	38,103,454	38,103,454
Young Parents Program	229,330	216,462	212,318	-	-	106,159	106,159
Interdistrict Cooperation	9,112,199	6,810,849	6,353,391	4,000,000	4,000,000	3,050,000	3,050,000
School Breakfast Program	2,376,884	2,378,038	2,225,669	-	-	2,158,900	2,158,900
Excess Cost - Student Based	139,830,460	139,843,559	135,555,731	-	-	142,542,860	142,119,782
Non-Public School Transportation	3,595,500	3,416,985	-	-	-	-	-
School To Work Opportunities	213,750	-	-	-	-	-	-
Youth Service Bureaus	2,929,483	2,769,009	2,651,516	-	-	2,598,486	2,598,486
Open Choice Program	32,989,873	35,160,537	40,258,605	40,090,639	42,090,639	38,090,639	40,090,639
Magnet Schools	310,660,393	318,723,292	313,058,158	313,058,158	313,058,158	328,058,158	326,508,158
After School Program	6,180,086	5,095,123	4,866,695	-	-	4,720,695	4,720,695
Special Education	-	-	-	597,582,615	597,582,615	-	-
Nonfunctional - Change to Accruals	728,700	-	-	-	-	-	-
Agency Total - General Fund	3,014,582,478	3,033,464,355	2,991,600,442	3,008,694,316	3,013,549,908	2,930,796,641	2,968,933,107
Education Equalization Grants	-	-	-	10,000,000	10,000,000	-	-
Agency Total - Municipal Revenue Sharing Fund	-	-	-	10,000,000	10,000,000	-	-
Total - Appropriated Funds	3,014,582,478	3,033,464,355	2,991,600,442	3,018,694,316	3,023,549,908	2,930,796,641	2,968,933,107
Additional Funds Available							
Federal Funds	-	481,037,731	490,736,000	503,681,450	516,253,950	503,681,450	516,253,950
Private Contributions & Other Restricted	-	1,432,065	1,461,000	1,489,000	1,526,000	1,489,000	1,526,000
Private Contributions	-	11,833,014	12,070,000	12,692,000	13,007,000	12,692,000	13,007,000

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Agency Grand Total	3,014,582,478	3,527,767,165	3,495,867,442	3,536,556,766	3,554,336,858	3,448,659,091	3,499,720,057

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Adjust Funding for ECS

Education Equalization Grants	-	-	(41,403,419)	(10,455,715)	(41,403,419)	(10,455,715)
Total - General Fund	-	-	(41,403,419)	(10,455,715)	(41,403,419)	(10,455,715)
Education Equalization Grants	10,000,000	10,000,000	-	-	(10,000,000)	(10,000,000)
Total - Municipal Revenue Sharing Fund	10,000,000	10,000,000	-	-	(10,000,000)	(10,000,000)

Legislative

The ECS formula has been revised in the following ways:

- Additional student weights are included: (1) 15 percent for English Language Learners, and (2) 5 percent for students that put a town above 75 percent Free and Reduced Price Lunch eligibility.
- The property portion of the state aid ratio is weighted at 70 percent and the income portion at 30 percent, from the previous respective weights of 90 percent and 10 percent.
- The statewide guaranteed wealth level has been reduced from 1.5 to 1.35, which effectively reduces base aid ratios.
- The base aid ratio is adjusted upward by between three and six percentage points for towns with a Public Investment Community index above 300, based on the town's precise index.

In FY 18, Alliance district towns receive the same grants as in FY 17 (post-MORE Commission lapse) and all others are reduced five percent from FY 17.

In FY 19, implementation of the revised ECS formula begins. Towns that need additional money to reach full funding from FY 17 receive a grant equal to FY 17 plus 4.1 percent of the additional money needed to reach full funding (from FY 17). Towns that received more in FY 17 than the new formula calculates, receive a grant equal to FY 17 less 25 percent of the difference between FY 17 and full funding; however, Alliance districts are held harmless from any reduction.

Establish New Account for Special Education Funding

Education Equalization Grants	(447,583,167)	(447,583,167)	-	-	447,583,167	447,583,167
Excess Cost - Student Based	(140,000,000)	(140,000,000)	-	-	140,000,000	140,000,000
Special Education	597,582,615	597,582,615	-	-	(597,582,615)	(597,582,615)
Total - General Fund	9,999,448	9,999,448	-	-	(9,999,448)	(9,999,448)

Background

The Excess Cost account provides grants to local and regional boards of education for current year excess costs associated with the provision of special education services. The state pays the following amounts depending upon who is responsible for the education of the child: (1) state agency placed - no-nexus (on state-owned property) - the state pays 100% of the cost, (2) locally placed students - the state will pay costs in excess of four-and-a-half times the prior year current net expenditures per pupil, and (3) state agency placed (where nexus is known) - the state will pay costs in excess of one times the prior year net current expenditures per pupil.

The Excess Cost account is currently the only budget line item that directly assists boards of education with special education costs.

Governor

Transfer funding of \$447,583,167 in both FY 18 and FY 19 from the ECS grant and \$140 million in both FY 18 and FY 19 from the Excess Cost grant, to establish a new Special Education account. The transfer will eliminate the Excess Cost account.

Funding for the new Special Education account will be based on a sliding wealth-based scale, ranging from 0-53.93%. The wealth-based sliding scale is calculated using equalized net grand list per capita and reimbursement based on previous year special education expenditures.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Do not create a new Special Education account.

Provide Additional Funding for State Charter Schools

Charter Schools	-	-	2,500,000	2,871,032	2,500,000	2,871,032
State Charter Schools	5,000,000	5,000,000	-	-	(5,000,000)	(5,000,000)
Total - General Fund	5,000,000	5,000,000	2,500,000	2,871,032	(2,500,000)	(2,128,968)

Background

In FY 16, the number of state funded state and local charter school students totaled 9,573. The state provides a per pupil reimbursement grant of \$11,000 to students attending state charter schools and \$3,000 per pupil for students attending local charter schools.

Governor

Provide additional funding of \$5 million in both FY 18 and FY 19 to increase the state per pupil reimbursement rate from \$11,000 to \$11,500.

Legislative

Provide additional funding of \$2.5 million in FY 18 and \$2,871,032 in FY 19 to increase the state per pupil reimbursement rate from \$11,000 to \$11,250.

Consolidate State and Local Charter School Accounts

Local Charter Schools	(438,000)	(534,000)	-	-	438,000	534,000
Charter Schools	(107,321,500)	(114,093,100)	-	-	107,321,500	114,093,100
State Charter Schools	107,759,500	114,627,100	-	-	(107,759,500)	(114,627,100)
Total - General Fund	-	-	-	-	-	-

Background

In FY 16, the number of state funded state and local charter school students totaled 9,573. The state provides a per pupil reimbursement grant of \$11,000 to students attending state charter schools and \$3,000 per pupil for students attending local charter schools.

Governor

Transfer local charter school funding of \$438,000 in FY 18 and \$534,000 in FY 19 and state charter school funding of \$107,321,500 in FY 18 and \$114,093,100 in FY 19 to establish a new State and Local Charter Schools account.

Legislative

Do not consolidate accounts. Rename New and Replicated Schools, the Local Charter School account.

Reduce Funding for Various School Choice Programs

Local Charter Schools	(84,360)	(84,360)	(42,360)	(78,360)	42,000	6,000
Charter Schools	(2,323,426)	(2,679,826)	(2,323,426)	(2,679,826)	-	-
Vocational Agriculture	(738,146)	(805,082)	-	-	738,146	805,082
Interdistrict Cooperation	(2,162,790)	(2,162,790)	(162,790)	(162,790)	2,000,000	2,000,000
Open Choice Program	(3,220,689)	(3,707,189)	(3,220,689)	(3,707,189)	-	-
Magnet Schools	(47,941,842)	(56,941,842)	(47,941,842)	(56,941,842)	-	-
Total - General Fund	(56,471,253)	(66,381,089)	(53,691,107)	(63,570,007)	2,780,146	2,811,082

Background

- The New or Replicated Schools account funds local charter schools, through a \$3,000 per pupil grant.
- Charter Schools provide an \$11,000 per pupil state reimbursement for each student attending a state charter school.
- Vocational Agriculture provides training for students planning a career in agriculture fields, including aquaculture and marine related employment. The State Board of Education has approved regional vocational agriculture centers in 19 comprehensive high schools throughout the state.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

- The Interdistrict Cooperative Program serves elementary and secondary students in prekindergarten through Grade 12. This competitive grant program funds interdistrict programs designed to promote a greater understanding and appreciation of cultural diversity and to advance student achievement through these activities. Eligibility for a grant is dependent upon a cooperative arrangement involving two or more local or regional boards of education or a regional educational service center. Grant awards are based on the number of students involved, the number of face-to-face meetings between students, and the quality of the interaction and student experiences.
- The Open Choice program allows public school students from Hartford, New London, New Haven or Bridgeport to attend school in another school district in the region. It also allows students who live in school districts in those regions to attend school in the urban centers. The program is designed to reduce racial and economic isolation while providing improved educational choices for students and their parents. The program is administered by the regional education service centers serving Hartford, New London, New Haven and Bridgeport.
- The Interdistrict Magnet Schools grant is designed to support racial, ethnic and economic diversity through a high-quality curriculum. Magnet Schools provide a range of themes including performing arts, math, science and technology, international studies, early childhood and multicultural education. The program also provides transportation to interdistrict school students who reside outside the district in which the school is located. Eligibility for a grant is dependent upon a cooperative arrangement involving two or more local or regional boards of education or a regional educational service center and approval of the operations plan by the State Department of Education.

Governor

Reduce funding by \$56,471,253 in FY 18 and \$66,381,089 in FY 19 associated with various school choice programs. The reduction will result in fewer seats and slots for eligible students and/or reduced grants to local school districts. Additionally, it is anticipated that the impact to the Magnet School account will result in a 3-5% decrease in provider operating grants.

Legislative

Reduce funding by \$53,691,107 in FY 18 and \$63,570,007 in FY 19 associated with various school choice programs, including a reduction of \$162,790 in both FY 18 and FY 19 for the Interdistrict Cooperation grant. Funding of \$2 million in FY 18 and FY 19 is maintained for the Interdistrict Cooperation grant.

Transfer the Office of Higher Education to SDE

Division of Higher Education	4,054,434	4,054,434	-	-	(4,054,434)	(4,054,434)
Roberta B. Willis Scholarship Fund	35,123,826	32,923,826	-	-	(35,123,826)	(32,923,826)
Total - General Fund	39,178,260	36,978,260	-	-	(39,178,260)	(36,978,260)
Positions - General Fund	27	27	-	-	(27)	(27)

Background

The Office of Higher Education seeks to advance the promise of postsecondary education for all state residents. Key state responsibilities, in addition to student financial aid administration, include: the licensure and accreditation of Connecticut's independent colleges and universities (programmatic and institutional; non-profit and for-profit), licensure of in-state academic programs offered by out-of-state institutions, regulation of more than 150 postsecondary schools and operation of the Alternate Route to Certification. The office also serves as the portal agency in the administration of Connecticut's State Authorization Reciprocity Agreements (SARA). Major federal responsibilities include AmeriCorps, Veterans Program Approval, and the Teacher Quality Partnership Grant Program.

Governor

Transfer the Office of Higher Education, along with twenty-seven positions, and corresponding funding of \$39,178,260 in FY 18 and \$36,978,260 in FY 19 to the State Department of Education.

Legislative

Do not transfer the Office of Higher Education.

Provide Additional Funding for Magnet Schools

Magnet Schools	-	-	15,000,000	13,450,000	15,000,000	13,450,000
Total - General Fund	-	-	15,000,000	13,450,000	15,000,000	13,450,000

Legislative

Provide \$15 million in FY 18 and \$13.45 million in FY 19 for magnet schools.

In FY 19, funding is decreased by \$1.35 million to implement a means test for preschool tuition, and \$200,000 to eliminate the transportation reimbursement for preschool parents.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Adjust Funding for Vocational Technical High Schools

Personal Services	(1,704,280)	(1,704,280)	(1,704,280)	(1,704,280)	-	-
Regional Vocational-Technical School System	(158,732,607)	(158,775,834)	(24,857,380)	(24,857,380)	133,875,227	133,918,454
Technical High Schools Personal Services	133,875,227	132,214,174	-	-	(133,875,227)	(132,214,174)
Technical High Schools Other Expenses	23,861,660	23,861,660	23,861,660	23,861,660	-	-
Total - General Fund	(2,700,000)	(4,404,280)	(2,700,000)	(2,700,000)	-	1,704,280
Positions - General Fund	(35)	(35)	-	-	35	35

Governor

Transfer funding of \$155,138,607 in FY 18 and \$155,181,834 in FY 19 from the Regional Vocational-Technical School System account, into two new accounts, Technical High Schools Personal Services and Technical High Schools Other Expenses.

Legislative

Provide \$1,704,280 and 35 corresponding positions in both FY 18 and FY 19 for the Vocational Technical High Schools.

Consolidate YSBs and Diversion Initiatives

School-Based Diversion Initiative	(848,250)	(848,250)	-	-	848,250	848,250
Youth Service Bureau Enhancement	(648,859)	(648,859)	-	-	648,859	648,859
Youth Service Bureaus and Diversion Initiatives	4,095,595	4,095,595	-	-	(4,095,595)	(4,095,595)
Youth Service Bureaus	(2,598,486)	(2,598,486)	-	-	2,598,486	2,598,486
Total - General Fund	-	-	-	-	-	-

Background

- Youth Service Bureaus (YSB) assist municipalities and private youth-serving agencies, designated to act as agents for such municipalities, in establishing, maintaining, or expanding youth services. Direct services which may be provided by YSBs include: individual and group counseling, parent training and family therapy, employment assistance, alternative and special educational opportunities, outreach programs, teen pregnancy services, suspension and expulsion services, diversion from juvenile justice services, preventive programs including youth pregnancy, youth suicide, violence, and alcohol and drug prevention. Ninety-nine Youth Service Bureaus participate in the grant program, serving 126 towns.
- An enhancement to the Youth Service Bureau (YSB) budget line was approved by the Connecticut General Assembly to support the core unit functions of Youth Service Bureaus in existence prior to June 2007. Grants are based on the population of town(s) served by each bureau.
- The School-Based Diversion Initiative, part of the Second Chance Society Initiative, has a goal of reducing the rates of in-school arrests, expulsions, and out-of-school arrests.

Governor

Transfer funding of \$4,095,595 from School-Based Diversion Account (\$848,250), Youth Service Bureau Enhancement (\$648,859), and Youth Service Bureaus (\$2,598,486) in both FY 18 and FY 19 to create the Youth Service Bureaus and Diversion Initiatives Account.

Legislative

Do not consolidate accounts.

Consolidate Child Nutrition Programs

Child Nutrition State Match	(2,354,000)	(2,354,000)	-	-	2,354,000	2,354,000
Health Foods Initiative	(4,101,463)	(4,151,463)	-	-	4,101,463	4,151,463
Child Nutrition Programs	8,614,363	8,664,363	-	-	(8,614,363)	(8,664,363)
School Breakfast Program	(2,158,900)	(2,158,900)	-	-	2,158,900	2,158,900
Total - General Fund	-	-	-	-	-	-

Background

- Child Nutrition State Match provides funds for a mandated state matching grant to maintain eligibility for federal child nutrition funds. Each of the 217 national school lunch sponsors in Connecticut, including private schools, shares proportionately in this grant according to the percentage of total meals served. Prior to FY 11, this grant was one of three grants that made up the Omnibus Education Grants for State Supported Services. PA 10-179 separated the programs into three individual accounts in order to provide more transparency in the budgeting process.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

- Health Foods Initiative provides for an additional grant of \$.10 per lunch for schools that adhere to the healthy school food initiative.
- The state School Breakfast Program is directed toward the student population in schools where 40 percent or more of the children receive a free or reduced-priced lunch. Breakfast is available to children at the beginning of each school day.

Governor

Transfer funding of \$18,037,541 in FY 18 and \$18,037,901 in FY 19 from Child Nutrition State Match (\$2,354,00 in both FY 18 and FY 19), Health Foods Initiative (\$4,101,463 in FY 18 and \$4,151,463 in FY 19) and State School Breakfast Program (\$2,158,900 in both FY 18 and FY 19) to establish a new Child Nutrition Program Account.

Legislative

Do not consolidate accounts.

Consolidate Student Assessment and Accountability Programs

Development of Mastery Exams Grades 4, 6, and 8	(12,943,016)	(12,943,016)	-	-	12,943,016	12,943,016
Longitudinal Data Systems	(1,212,945)	(1,212,945)	-	-	1,212,945	1,212,945
K-3 Reading Assessment Pilot	(2,381,580)	(2,381,940)	-	-	2,381,580	2,381,940
Common Core	(1,500,000)	(1,500,000)	-	-	1,500,000	1,500,000
Student Assessment and Accountability	18,037,541	18,037,901	-	-	(18,037,541)	(18,037,901)
Total - General Fund	-	-	-	-	-	-

Background

- The Development of Mastery Exams account provides testing and scoring of statewide exams, as well as test development. The Connecticut Master Test (CMT) is administered to students in grades 3 to 8 and the Connecticut Academic Performance Test (CAPT) is administered to 10th graders. Approximately 15,000 additional special education and bilingual education students are now being assessed. Contract funding is provided for outside professional services.
- The Longitudinal Data System tracks individual students over time. The components of the system include: (1) a teachers certification system, (2) the Public School Information System, and (3) the data warehouse.
- The Early Literacy Pilot Study (assessment pilot), established in July 2011, studies the impact of using an alternative reading assessment system in Grades K-3. The primary purpose of the assessment pilot is to compare the results of the alternative assessment system to the current reading assessment, the Developmental Reading Assessment Second Edition (DRA2), and to ensure best practice in reading assessment and intervention.
- Common Core provides a set of K-12 education standards for English language arts and mathematics developed by the National Governors Association and the Council of Chief State School Officers. The implementation of the standards seeks to raise student achievement and provide more uniform curricula and instruction among states. The Common Core standards were adopted by the State Board of Education in July 2010.

Governor

Transfer funding of \$18,037,541 in FY 18 and \$18,037,901 in FY 19, from the Development of Mastery Exams (\$12,943,016 in both FY 18 and 19), Longitudinal Data Systems (\$1,212,945 in both FY 18 and FY 19), K-3 Reading Assessment Pilot (\$2,381,580 in FY 18 and \$2,381,940 in FY 19), and Common Core (\$1,500,000 in both FY 18 and FY 19) to establish the Student Assessment and Accountability Account.

Legislative

Do not consolidate accounts.

Consolidate Student Support Services

Primary Mental Health	(355,966)	(355,966)	-	-	355,966	355,966
Adult Education Action	(216,149)	(216,149)	-	-	216,149	216,149
Neighborhood Youth Centers	(524,332)	(524,332)	-	-	524,332	524,332
Sheff Settlement	(2,000,000)	(2,000,000)	-	-	2,000,000	2,000,000
Parent Trust Fund Program	(395,841)	(395,841)	-	-	395,841	395,841
Talent Development	350,000	350,000	-	-	(350,000)	(350,000)
Regional Education Services	(350,000)	(350,000)	-	-	350,000	350,000
Family Resource Centers	(3,947,423)	(3,947,423)	-	-	3,947,423	3,947,423
Student Support Services	7,979,217	7,979,217	-	-	(7,979,217)	(7,979,217)
Young Parents Program	(106,159)	(106,159)	-	-	106,159	106,159

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
Open Choice Program	2,000,000	2,000,000	-	-	(2,000,000)	(2,000,000)
After School Program	(2,433,347)	(2,433,347)	-	-	2,433,347	2,433,347
Total - General Fund	-	-	-	-	-	-

Background

- The Primary Mental Health Program (PMHP) is a school-based early intervention program. It serves at-risk kindergarten through grade 3 children through the detection and prevention of emotional, behavioral and learning problems. PMHP serves approximately 1,200 children in 25 to 30 school districts, annually. Funding pays for a portion of the costs of counselor assistants (Supervised Mental Health Professionals). Funding is supplemented with federal IDEA Part B funds.
- The Adult Education account assists in defraying the cost of the GED exams. The largest user of these exams is the Department of Corrections.
- The Neighborhood Youth Center Program is composed of two initiatives. One is the Boys & Girls Clubs Program funded at \$1 million. The purpose of the Boys & Girls Clubs Program is to continue to expand and provide safe haven programming to the youth of Connecticut through the addition of staff, services and innovative programming at the 16 Boys & Girls Clubs across Connecticut. This program requires a 100% cash match from the clubs. The second initiative is the Neighborhood Youth Center State Grant Program which supports specific local initiatives to increase positive experiences for youth ages 12 through 18 years in high need neighborhoods, primarily in New Haven. This program requires a 50% cash or in-kind match. The Neighborhood Youth Center Program provides funds to support neighborhood youth centers in Connecticut's seven largest cities: Bridgeport, Hartford, New Britain, New Haven, Norwalk, Stamford and Waterbury.
- The Sheff Settlement account represents the amount of funding using current statutory language necessary to allow the state to achieve the goals set forth in the court order and stipulation for Sheff v. O'Neill. Funds are spent to increase the participation of Hartford minority students in reduced isolation educational settings as defined by the agreement. The agreement allows the state to utilize the following programs to meet the goals outlined in the stipulation: Interdistrict Magnet Schools, CT State Technical Schools, Charter Schools, Open Choice, Regional Vocational-Agricultural programs, and Interdistrict Cooperative grants.
- The Parent Trust Fund is a family involved initiative focused on training parents in civic leadership skills to improve the health, safety and learning of children. The agency administers the program through the State Education and Resource Center (SERC).
- The Talent Development Account is used to develop and deploy talent management and human capital development strategies to districts and schools state-wide so that the most effective educators are in every school and classroom and all students are prepared for college, career and life. Programs supported by this account, include: professional learning for teachers, website development, teacher evaluation system, and technical assistance for educators.
- The six regional educational service centers (RESCs) assist the local school systems in their efforts on behalf of school and student achievement. The RESCs provide high-quality, cost-effective programs to improve teaching and learning throughout Connecticut. The RESCs also provide technical assistance and support to their member school districts. Each of the six centers provides regional programs driven by local demand - often including special education, professional development, school-to-career transition, interdistrict quality and diversity activities, magnet schools, cooperative purchasing and other services.
- Family Resource Centers help communities prevent an array of childhood and adolescent problems. This is accomplished by strengthening effective family management practices and establishing a continuum of childcare and support services. By using public school buildings, Family Resource Centers are able to take advantage of the geographic area served by the school. All families residing in the school's attendance area are eligible for services offered by the center. The components of the family resource centers are as follows: (1) child care, (2) adult education, (3) families in training, (4) school-age child care, (5) positive youth development/teen pregnancy prevention, (6) support and training to home day-care providers, (7) and resource and referral.
- The Young Parents' program provides funding to help school districts maintain or establish programs with daycare components for students who are parents and need additional support in the public schools to continue their education. Teenage mothers and fathers have unique educational needs and the babies of young parents are at risk of handicaps, health disorders and developmental delays. This program allows teen parents to complete their high school education while their babies receive quality child care. The state allocations are matched by local funding.
- The Open Choice program allows public school students from Hartford, New London, New Haven, or Bridgeport to attend school in another school district in the region. It also allows students who live in school districts in those regions to attend school in the urban centers. The program is designed to reduce racial and economic isolation while providing improved educational choices for students and their parents. The program is administered by the regional educational service centers serving Hartford, New London, New Haven, and Bridgeport.
- The After School Program provides grants for after school programs to local and regional boards of education, municipalities, and not-for-profit organizations to model best practices for after school programming with the goals of improving student achievement, school attendance, and behavior in school.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Transfer funding of \$7,979,217 in both FY 18 and FY 19 from various accounts, into a new Student Support Services account.

Legislative

Do not consolidate accounts.

Eliminate Various Grant Programs

Leadership, Education, Athletics in Partnership (LEAP)	(462,534)	(462,534)	-	-	462,534	462,534
Connecticut Writing Project	(30,000)	(30,000)	-	-	30,000	30,000
Resource Equity Assessments	(10,452)	(144,831)	(10,452)	(144,831)	-	-
CommPACT Schools	(339,500)	(339,500)	(339,500)	(339,500)	-	-
Bridges to Success	(139,490)	(139,490)	(139,490)	(139,490)	-	-
Alternative High School and Adult Reading Incentive Program	(182,845)	(182,845)	(182,845)	(182,845)	-	-
Regional Education Services	(237,988)	(237,988)	(237,988)	(237,988)	-	-
Total - General Fund	(1,402,809)	(1,537,188)	(910,275)	(1,044,654)	492,534	492,534

Background

- The Leadership, Education, and Athletics in Partnership (LEAP) program is a model mentoring program which matches children, ages 7-14, from high poverty urban neighborhoods in the City of New Haven with trained high school and college student counselors. LEAP provides programs and services to help children develop their academic skills and self-esteem, improve their ability to succeed in school, and be involved in their community. LEAP also provides its college and high school counselors with opportunities to teach and mentor children. It also offers counselors training and other experiences to develop their leadership skills and refine their career goals.
- The Connecticut Writing Project (CWP) provides opportunities for growth and professional development for teachers in the areas of reading and writing.
- Resource Equity Assessments is used for the state's implementation of the PJ Settlement (also known as Developmentally Disabled Settlement), which requires communities to place children with disabilities in the least restrictive educational environments.
- The CommPact Community Schools Collaborative provides resources, materials, technical assistance, and evaluation frameworks to guide the establishment of community schools.
- Bridges to Success provides funding to support at risk high school students to successfully transition to college.
- The Alternative High School and Adult Reading Incentive program serves Adult Education students without a high school diploma who require additional instruction. Types of Services include: literacy and numeracy instruction, training in technology and technical skills, counseling, professional development and classroom interventions for teachers with a special emphasis on reading.
- The Regional Education Services account provides state funding to the six regional educational service centers (RESCs), which assist the local school systems in their efforts on behalf of school and student achievement. The RESCs play an active role in providing high-quality, cost-effective programs to improve teaching and learning throughout Connecticut. The RESCs provide technical assistance and support to their member school districts. Each of the six centers provides regional programs driven by local demand - often including special education, professional development, school-to-career transition, interdistrict quality and diversity activities and magnet schools, cooperative purchasing and other services.

Governor

Eliminate funding of \$1,402,809 in FY 18 and \$1,537,188 in FY 19 associated with various grant programs.

Legislative

Eliminate funding of \$910,275 in FY 18 and \$1,044,654 in FY 19 associated with various grant programs.

Provide Funding to Diversion Initiatives

School-Based Diversion Initiative	-	-	151,750	151,750	151,750	151,750
Total - General Fund	-	-	151,750	151,750	151,750	151,750

Legislative

Provide funding of \$151,750 in both FY 18 and FY 19 for the School Diversion Initiative.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reduce Funding for Various Accounts by 50%

Neighborhood Youth Centers	(251,680)	(251,680)	(125,840)	(125,840)	125,840	125,840
Family Resource Centers	(3,710,575)	(3,710,575)	(1,855,288)	(1,855,288)	1,855,287	1,855,287
Young Parents Program	(99,790)	(99,790)	(99,790)	(99,790)	-	-
After School Program	(2,287,348)	(2,287,348)	-	-	2,287,348	2,287,348
Total - General Fund	(6,349,393)	(6,349,393)	(2,080,918)	(2,080,918)	4,268,475	4,268,475

Background

- The Neighborhood Youth Center Program is composed of two initiatives. One is the Boys & Girls Clubs Program funded at \$1 million. The purpose of the Boys & Girls Clubs Program is to continue to expand and provide safe haven programming to the youth of Connecticut through the addition of staff, services and innovative programming at the 16 Boys & Girls Clubs across Connecticut. This program requires a 100% cash match from the clubs. The second initiative is the Neighborhood Youth Center State Grant Program which supports specific local initiatives to increase positive experiences for youth ages 12 through 18 years in high need neighborhoods, primarily in New Haven. This program requires a 50% cash or in-kind match. The Neighborhood Youth Center Program provides funds to support neighborhood youth centers in Connecticut's seven largest cities: Bridgeport, Hartford, New Britain, New Haven, Norwalk, Stamford and Waterbury.
- Family Resource Centers help communities prevent an array of childhood and adolescent problems. This is accomplished by strengthening effective family management practices and establishing a continuum of childcare and support services. By using public school buildings, Family Resource Centers are able to take advantage of the geographic area served by the school. All families residing in the school's attendance area are eligible for services offered by the center. The components of the family resource centers are as follows: (1) child care, (2) adult education, (3) families in training, (4) school-age child care, (5) positive youth development/teen pregnancy prevention, (6) support and training to home day-care providers, (7) and resource and referral.
- The Young Parents program provides funding to help school districts maintain or establish programs with day-care components for students who are parents and need additional support in the public schools to continue their education. Teenage mothers and fathers have unique educational needs and the babies of young parents are at risk of handicaps, health disorders and developmental delays. This program allows teen parents to complete their high school education while their babies receive quality child care. The state allocations are matched by local funding.
- The After School Program provides grants for after school programs to local and regional boards of education, municipalities and not-for-profit organizations to model best practices for after school programming to improve student achievement, school attendance and behavior in school.

Governor

Reduce funding by \$6,349,393 in both FY 18 and FY 19 to reflect a 50% reduction across accounts.

Legislative

Reduce funding by \$2,080,918 in both FY 18 and FY 19.

Reduce Funding for Various Accounts

Other Expenses	(253,707)	(253,707)	(253,707)	(253,707)	-	-
Primary Mental Health	(27,687)	(27,687)	-	-	27,687	27,687
Longitudinal Data Systems	(94,341)	(94,341)	(94,341)	(94,341)	-	-
Parent Trust Fund Program	(30,788)	(30,788)	(30,788)	(30,788)	-	-
Commissioner's Network	(848,509)	(848,509)	(1,748,509)	(1,748,509)	(900,000)	(900,000)
K-3 Reading Assessment Pilot	(185,234)	(184,874)	(185,234)	(184,874)	-	-
School-Based Diversion Initiative	(65,975)	(65,975)	(65,975)	(65,975)	-	-
Health Foods Initiative	(278,977)	(278,977)	(278,977)	(278,977)	-	-
Bilingual Education	(221,536)	(221,536)	(221,536)	(221,536)	-	-
Priority School Districts	(4,233,717)	(4,233,717)	(4,233,717)	(4,233,717)	-	-
Total - General Fund	(6,240,471)	(6,240,111)	(7,112,784)	(7,112,424)	(872,313)	(872,313)

Governor

Reduce funding by \$6,240,471 in FY 18 and \$6,240,111 in FY 19 to reflect a 10% reduction across various accounts.

Legislative

Reduce funding by \$7,112,784 in FY 18 and FY 19.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Extend Cap on Various Statutory Grants

Adult Education	(2,752,114)	(3,024,946)	(2,752,114)	(3,024,946)	-	-
Health and Welfare Services Pupils Private Schools	(2,990,569)	(3,123,028)	(2,990,569)	(3,123,028)	-	-
Excess Cost - Student Based	(51,348,832)	(57,242,376)	(51,348,832)	(57,242,376)	-	-
Total - General Fund	(57,091,515)	(63,390,350)	(57,091,515)	(63,390,350)	-	-

Background

Various formulaic grants are established within statute, and these same grants can also be capped in statute. If the grants are capped, funding is distributed based on a proration of the anticipated formula. In FY 03, various grants administered by the State Department of Education were capped. For FY 09 the caps were lifted, which resulted in higher grant payments to some municipalities. However, since FY 10 the grants have been capped.

Governor

Reduce funding by \$57,091,515 in FY 18 and \$63,390,350 in FY 19 to reflect an extension of caps on various statutory formula grants for FY 18 and FY 19.

Legislative

Same as Governor

Reduce Funding for Talent Development and Common Core

Personal Services	-	-	650,000	650,000	650,000	650,000
Talent Development	(3,262,262)	(3,262,262)	(5,262,262)	(5,262,262)	(2,000,000)	(2,000,000)
Common Core	(2,502,965)	(2,502,965)	(4,002,965)	(4,002,965)	(1,500,000)	(1,500,000)
Total - General Fund	(5,765,227)	(5,765,227)	(8,615,227)	(8,615,227)	(2,850,000)	(2,850,000)

Background

The Talent Development account is used to develop and deploy talent management and human capital development strategies to districts and schools state-wide so that: (1) the most effective educators are in every school and classroom, and (2) all students are prepared for college, career, and life. Programs supported by this account, include: (1) professional learning for teachers, (2) website development, (3) the teacher evaluation system, and (4) technical assistance for educators.

Common Core provides a set of K-12 education standards for English language arts and mathematics developed by the National Governors Association and the Council of Chief State School Officers that seek to raise student achievement and provide more uniform curricula and instruction among states. The Common Core was adopted by the State Board of Education in July 2010.

Governor

Reduce funding by \$5,765,227 in both FY 18 and FY 19 to achieve savings. This reduction will result in fewer services and supports for local and regional school districts.

Legislative

Reduce funding by \$8,615,227 in both FY 18 and FY 19 to achieve savings. This reduction will result in the elimination and fewer services and supports for local and regional school districts.

Reduce Funding for Personal Services

Personal Services	(698,251)	(698,251)	(698,251)	(698,251)	-	-
Total - General Fund	(698,251)	(698,251)	(698,251)	(698,251)	-	-

Governor

Reduce funding for Personal Services (PS) by \$698,251 in both FY 18 and FY 19 to achieve savings. This account reduction will result in a reduction in staff.

Legislative

Same as Governor

Provide Additional Funding for Various Programs

Bridges to Success	-	-	40,000	40,000	40,000	40,000
K-3 Reading Assessment Pilot	-	-	80,000	80,000	80,000	80,000
Total - General Fund	-	-	120,000	120,000	120,000	120,000

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Provide funding of \$120,000 in both FY 18 and FY 19 for two programs:

- 1) \$80,000 in K-3 Reading in both FY 18 and FY 19 for New Haven Reads, and
- 2) \$40,000 in Bridges to Success in both FY 18 and FY 19 for the Bridges Family Center in West Hartford.

Provide Funding for Excess Cost - Student Based

Excess Cost - Student Based	-	-	2,542,860	2,119,782	2,542,860	2,119,782
Total - General Fund	-	-	2,542,860	2,119,782	2,542,860	2,119,782

Legislative

Provide funding of \$2,542,860 in FY 18 and \$2,119,782 in FY 19 for Excess Cost, to meet the federal maintenance of effort requirements.

Reduce Development of Mastery Exams

Development of Mastery Exams Grades 4, 6, and 8	-	-	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)
Total - General Fund	-	-	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)

Legislative

Reduce funding by \$2.5 million in FY 18 and FY 19 for the Development of Mastery Exams.

Reduce funding for Interdistrict Cooperation

Interdistrict Cooperation	-	-	(2,950,000)	(2,950,000)	(2,950,000)	(2,950,000)
Total - General Fund	-	-	(2,950,000)	(2,950,000)	(2,950,000)	(2,950,000)

Legislative

Reduce funding by \$2.95 million in FY 18 and FY 19 for Interdistrict Cooperation.

Reduce Funding for American School for the Deaf

American School For The Deaf	-	-	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Total - General Fund	-	-	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)

Legislative

Reduce funding by \$1 million in FY 18 and FY 19 for the American School for the Deaf.

Annualize FY 17 Holdbacks

Personal Services	(948,251)	(948,251)	(948,251)	(948,251)	-	-
Other Expenses	(108,731)	(108,731)	(108,731)	(108,731)	-	-
Development of Mastery Exams Grades 4, 6, and 8	(400,299)	(400,299)	(400,299)	(400,299)	-	-
Primary Mental Health	(11,865)	(11,865)	(11,865)	(11,865)	-	-
Leadership, Education, Athletics in Partnership (LEAP)	(162,511)	(162,511)	(162,511)	(162,511)	-	-
Adult Education Action	(6,685)	(6,685)	(6,685)	(6,685)	-	-
Connecticut Pre-Engineering Program	(225,758)	(225,758)	(225,758)	(225,758)	-	-
Connecticut Writing Project	(33,360)	(33,360)	(33,360)	(33,360)	-	-
Resource Equity Assessments	(4,479)	(4,479)	(4,479)	(4,479)	-	-
Neighborhood Youth Centers	(272,652)	(272,652)	(272,652)	(272,652)	-	-
Longitudinal Data Systems	(40,431)	(40,431)	(40,431)	(40,431)	-	-
Sheff Settlement	(341,052)	(341,052)	(341,052)	(341,052)	-	-
CommPACT Schools	(10,500)	(10,500)	(10,500)	(10,500)	-	-
Parent Trust Fund Program	(13,194)	(13,194)	(13,194)	(13,194)	-	-
Regional Vocational-Technical School System	(4,901,026)	(4,901,026)	(4,901,026)	(4,901,026)	-	-
Commissioner's Network	(363,646)	(363,646)	(363,646)	(363,646)	-	-
Local Charter Schools	(11,640)	(11,640)	(11,640)	(11,640)	-	-
Bridges to Success	(49,010)	(49,010)	(49,010)	(49,010)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
K-3 Reading Assessment Pilot	(79,386)	(79,386)	(79,386)	(79,386)	-	-
Talent Development	(182,853)	(182,853)	(182,853)	(182,853)	-	-
Common Core	(123,802)	(123,802)	(123,802)	(123,802)	-	-
Alternative High School and Adult Reading Incentive Program	(5,655)	(5,655)	(5,655)	(5,655)	-	-
School-Based Diversion Initiative	(28,275)	(28,275)	(28,275)	(28,275)	-	-
American School For The Deaf	(286,315)	(286,315)	(286,315)	(286,315)	-	-
Regional Education Services	(18,184)	(18,184)	(18,184)	(18,184)	-	-
Family Resource Centers	(236,845)	(236,845)	(236,845)	(236,845)	-	-
Charter Schools	(3,325,074)	(3,325,074)	(3,325,074)	(3,325,074)	-	-
Youth Service Bureau Enhancement	(20,068)	(20,068)	(20,068)	(20,068)	-	-
Child Nutrition State Match	(66,041)	(66,041)	(66,041)	(66,041)	-	-
Health Foods Initiative	(119,560)	(119,560)	(119,560)	(119,560)	-	-
Vocational Agriculture	(316,348)	(316,348)	(316,348)	(316,348)	-	-
Health and Welfare Services Pupils Private Schools	(105,797)	(105,797)	(105,797)	(105,797)	-	-
Bilingual Education	(94,944)	(94,944)	(94,944)	(94,944)	-	-
Young Parents Program	(6,369)	(6,369)	(6,369)	(6,369)	-	-
Interdistrict Cooperation	(190,601)	(190,601)	(190,601)	(190,601)	-	-
School Breakfast Program	(66,769)	(66,769)	(66,769)	(66,769)	-	-
Youth Service Bureaus	(53,030)	(53,030)	(53,030)	(53,030)	-	-
Open Choice Program	(805,172)	(805,172)	(805,172)	(805,172)	-	-
After School Program	(146,000)	(146,000)	(146,000)	(146,000)	-	-
Total - General Fund	(14,182,178)	(14,182,178)	(14,182,178)	(14,182,178)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$14,182,178 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Current Services

Fund Various Grants at Statutorily Required Level

Adult Education	2,752,114	3,024,946	2,752,114	3,024,946	-	-
Health and Welfare Services Pupils Private Schools	3,096,366	3,228,825	3,096,366	3,228,825	-	-
Excess Cost - Student Based	55,793,101	61,686,645	55,793,101	61,686,645	-	-
Total - General Fund	61,641,581	67,940,416	61,641,581	67,940,416	-	-

Governor

Provide funding of \$61,641,581 in FY 18 and \$67,940,416 in FY 19 to fund various formula based grants at statutorily required levels.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Provide Funding for Various School Choice Programs

Local Charter Schools	145,985	241,985	145,985	241,985	-	-
Charter Schools	2,134,192	9,262,192	2,134,192	9,262,192	-	-
Open Choice Program	1,857,895	4,344,395	1,857,895	4,344,395	-	-
Magnet Schools	47,941,842	56,941,842	47,941,842	56,941,842	-	-
Total - General Fund	52,079,914	70,790,414	52,079,914	70,790,414	-	-

Governor

Provide funding of \$52,079,914 in FY 18 and \$70,790,414 in FY 19 to increase funding in various choice programs.

Legislative

Same as Governor

Provide Additional Positions for JM Wright Technical School

Regional Vocational-Technical School System	266,098	309,325	266,098	309,325	-	-
Total - General Fund	266,098	309,325	266,098	309,325	-	-
Positions - General Fund	4	4	4	4	-	-

Governor

Provide funding of \$266,098 in FY 18 and \$309,325 in FY 19 for four positions at JM Wright Technical School. The four new positions, include: an (1) English, (2) Mathematics, and (3) Social Studies instructor, and (4) a custodian.

Legislative

Same as Governor

Eliminate Special Master Funding

Special Master	(903,614)	(903,614)	(903,614)	(903,614)	-	-
Total - General Fund	(903,614)	(903,614)	(903,614)	(903,614)	-	-

Background

This account funds the person(s) appointed by the State Board of Education (SBE) to collaborate with the board of education and school superintendent of a low-performing school district to: (1) implement the district's improvement plan developed under the state education accountability law, (2) manage and allocate the district's federal, state, and local funds, and (3) report regularly to the SBE on the (a) district's progress in implementing its improvement plan, and (b) effectiveness of its school board and superintendent. Appointments last for one year unless extended by SBE. Windham and New London have each been appointed a Special Master.

Governor

Eliminate funding for the Special Master account by \$903,614 in both FY 18 and FY 19.

Legislative

Same as Governor

Provide Additional Funding for Health and Nutrition Programs

Child Nutrition State Match	218,651	218,651	218,651	218,651	-	-
Health Foods Initiative	514,633	564,633	514,633	564,633	-	-
Total - General Fund	733,284	783,284	733,284	783,284	-	-

Governor

Provide funding of \$218,651 in both FY 18 and FY 19 to the Child Nutrition State Match program and \$514,633 in FY 18 and \$564,633 in FY 19 to Health Foods Initiative to maintain federal maintenance of effort requirements.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	2,991,600,442	2,991,600,442	2,991,600,442	2,991,600,442	-	-
Policy Revisions	(96,723,389)	(116,970,359)	(174,621,064)	(161,587,160)	(77,897,675)	(44,616,801)
Current Services	113,817,263	138,919,825	113,817,263	138,919,825	-	-
Total Recommended - GF	3,008,694,316	3,013,549,908	2,930,796,641	2,968,933,107	(77,897,675)	(44,616,801)
FY 17 Appropriation - MU	-	-	-	-	-	-
Policy Revisions	10,000,000	10,000,000	-	-	(10,000,000)	(10,000,000)
Total Recommended - MU	10,000,000	10,000,000	-	-	(10,000,000)	(10,000,000)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	1,815	1,815	1,815	1,815	-	-
Policy Revisions	(8)	(8)	-	-	8	8
Current Services	4	4	4	4	-	-
Total Recommended - GF	1,811	1,811	1,819	1,819	8	8

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	16,264,240	(638,287)	15,625,953	3.9%
Other Expenses	3,261,940	(163,097)	3,098,843	5.0%
Development of Mastery Exams Grades 4, 6, and 8	10,443,016	(50,299)	10,392,717	0.5%
Primary Mental Health	383,653	(38,365)	345,288	10.0%
Leadership, Education, Athletics in Partnership (LEAP)	462,534	(150,323)	312,211	32.5%
Adult Education Action	216,149	(21,615)	194,534	10.0%
Connecticut Writing Project	30,000	(9,750)	20,250	32.5%
Resource Equity Assessments	134,379	(13,438)	120,941	10.0%
Neighborhood Youth Centers	650,172	(211,306)	438,866	32.5%
Longitudinal Data Systems	1,212,945	(122,769)	1,090,176	10.1%
Sheff Settlement	11,027,361	(9,969)	11,017,392	0.1%
Parent Trust Fund Program	395,841	(128,648)	267,193	32.5%
Regional Vocational-Technical School System	133,875,227	(5,521,171)	128,354,056	4.1%
New or Replicated Schools	480,000	(48,000)	432,000	10.0%
Bridges to Success	40,000	(13,000)	27,000	32.5%
K-3 Reading Assessment Pilot	2,461,580	(246,158)	2,215,422	10.0%
Talent Development	650,000	(5,967)	644,033	0.9%
School-Based Diversion Initiative	1,000,000	(100,000)	900,000	10.0%

Technical High Schools Other Expenses	23,861,660	(1,193,083)	22,668,577	5.0%
American School For The Deaf	8,257,514	(825,000)	7,432,514	10.0%
Regional Education Services	350,000	(87,500)	262,500	25.0%
Youth Service Bureau Enhancement	648,859	(64,886)	583,973	10.0%
Vocational Agriculture	10,228,589	(255,715)	9,972,874	2.5%
Adult Education	20,383,960	(509,599)	19,874,361	2.5%
Health and Welfare Services Pupils Private Schools	3,526,579	(88,164)	3,438,415	2.5%
Education Equalization Grants	1,986,183,701	(57,939,706)	1,928,243,995	2.9%
Bilingual Education	2,848,320	(71,208)	2,777,112	2.5%
Priority School Districts	38,103,454	(952,586)	37,150,868	2.5%
Young Parents Program	106,159	(34,502)	71,657	32.5%
Interdistrict Cooperation	3,050,000	(1,512,500)	1,537,500	49.6%
School Breakfast Program	2,158,900	(53,973)	2,104,927	2.5%
Excess Cost - Student Based	142,542,860	(3,563,572)	138,979,288	2.5%
Youth Service Bureaus	2,598,486	(64,962)	2,533,524	2.5%
Open Choice Program	38,090,639	(952,266)	37,138,373	2.5%
Magnet Schools	328,058,158	(18,548,222)	309,509,936	5.7%
After School Program	4,720,695	(118,017)	4,602,678	2.5%

Office of Early Childhood

OEC64800

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	109	116	116	114	114	118	118

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	5,771,689	7,792,358	8,289,321	7,262,793	7,262,793	7,791,962	7,791,962
Other Expenses	8,819,274	970,423	321,367	411,727	411,727	411,727	411,727
Other Current Expenses							
Children's Trust Fund	11,302,845	11,092,651	11,320,721	-	-	-	-
Early Childhood Program	9,759,569	10,396,082	-	-	-	-	-
Birth to Three	-	30,930,270	24,686,804	-	-	21,446,804	21,446,804
Early Childhood Advisory Cabinet	76	-	-	-	-	-	-
Community Plans for Early Childhood	712,476	659,540	659,734	-	-	-	-
Improving Early Literacy	142,500	133,302	142,500	-	-	-	-
Child Care Services	17,304,300	16,999,688	-	-	-	-	-
Evenstart	451,250	438,938	451,250	-	-	437,713	437,713
2Gen - TANF	-	-	-	-	-	750,000	750,000
Nurturing Families Network	-	-	-	10,230,303	10,230,303	10,230,303	10,230,303
Other Than Payments to Local Governments							
Head Start Services	2,706,743	5,609,002	5,744,162	5,186,978	5,186,978	5,186,978	5,186,978
Head Start Enhancement	1,734,350	-	-	-	-	-	-
Care4Kids TANF/CCDF	104,776,111	123,830,082	122,130,084	114,730,084	109,530,084	124,981,059	130,032,034
Child Care Quality Enhancements	2,582,381	2,624,268	2,894,114	6,855,033	6,855,033	6,855,033	6,855,033
Head Start - Early Childhood Link	1,985,500	648,824	-	-	-	-	-
Early Head Start-Child Care Partnership	-	732,937	1,165,721	1,130,750	1,130,750	1,130,750	1,130,750
Early Care and Education	-	-	111,821,921	104,086,354	101,507,832	104,086,354	101,507,832
Smart Start	-	-	-	-	-	-	3,325,000
Grant Payments to Local Governments							
School Readiness Quality Enhancement	4,733,178	3,654,271	4,172,930	-	-	-	-
School Readiness	77,958,418	81,612,123	-	-	-	-	-
Nonfunctional - Change to Accruals	11,720,136	-	-	-	-	-	-
Agency Total - General Fund	262,460,796	298,124,759	293,800,629	249,894,022	242,115,500	283,308,683	289,106,136
Additional Funds Available							
Federal Funds	-	51,110,604	52,392,716	46,000,729	49,381,642	46,000,729	49,381,642
Private Contributions & Other Restricted	-	1,970,248	2,962,406	5,218,000	10,218,000	5,218,000	10,218,000
Private Contributions	-	8,665,849	7,402,327	127,000	-	127,000	-
Agency Grand Total	262,460,796	359,871,460	356,558,078	301,239,751	301,715,142	334,654,412	348,705,778

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Provide Funding to Open Care4Kids to New Applicants

Care4Kids TANF/CCDF	-	-	10,250,975	20,501,950	10,250,975	20,501,950
Total - General Fund	-	-	10,250,975	20,501,950	10,250,975	20,501,950

Legislative

Provide funding of \$10,250,975 in FY 18 and \$20,501,950 in FY 19 to reflect phasing in the current wait list for all priority groups in the Care4Kids program. OEC must report to the Appropriations Committee regarding the status of enrollees and anticipated funding requirements for FY 19 by January 2018.

Appropriate Smart Start

Smart Start	-	-	-	3,325,000	-	3,325,000
Total - General Fund	-	-	-	3,325,000	-	3,325,000

Background

Established by PA 14-217, the Smart Start competitive grant program provides funding to local and regional boards of education to establish or expand public Pre-K. Tobacco Settlement Funds of \$5 million were transferred in FY 16 and FY 17 to support Smart Start grantees' operating costs. PA 17-2, JSS eliminates the transfer of Tobacco Settlement funding for this program.

Legislative

Provide funding of \$3,250,000 in FY 19 to reflect General Fund support for Smart Start. FY 18 funding is supported by the remaining balance of Tobacco Settlement funds available for the program.

Fund 2Gen in OEC

2Gen - TANF	-	-	750,000	750,000	750,000	750,000
Total - General Fund	-	-	750,000	750,000	750,000	750,000

Background

The 2Gen-TANF program utilizes a two-generational approach to social services that focuses on the family by, among other things, linking the employment-related services that adults need with the early-childhood assistance that their children need.

Legislative

Transfer funding of \$750,000 in both FY 18 and FY 19 from the Department of Labor (DOL) to reflect Office of Early Childhood (OEC) as the coordinating agency for the two-generational initiative. Section 141 of PA 17-2 JSS, the biennial budget act, is related to this change.

Annualize FY 17 Holdbacks

Personal Services	(497,359)	(497,359)	(497,359)	(497,359)	-	-
Other Expenses	(9,640)	(9,640)	(9,640)	(9,640)	-	-
Children's Trust Fund	(113,207)	(113,207)	(113,207)	(113,207)	-	-
Birth to Three	(740,604)	(740,604)	(740,604)	(740,604)	-	-
Community Plans for Early Childhood	(107,981)	(107,981)	(107,981)	(107,981)	-	-
Improving Early Literacy	(142,500)	(142,500)	(142,500)	(142,500)	-	-
Evenstart	(13,537)	(13,537)	(13,537)	(13,537)	-	-
Head Start Services	(172,324)	(172,324)	(172,324)	(172,324)	-	-
Child Care Quality Enhancements	(86,823)	(86,823)	(86,823)	(86,823)	-	-
Early Head Start-Child Care Partnership	(34,971)	(34,971)	(34,971)	(34,971)	-	-
School Readiness Quality Enhancement	(125,188)	(125,188)	(125,188)	(125,188)	-	-
Total - General Fund	(2,044,134)	(2,044,134)	(2,044,134)	(2,044,134)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$2,044,134 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Same as Governor

Eliminate Funding for Various Programs

Children's Trust Fund	(977,211)	(977,211)	(977,211)	(977,211)	-	-
Community Plans for Early Childhood	(551,753)	(551,753)	(551,753)	(551,753)	-	-
Evenstart	(437,713)	(437,713)	-	-	437,713	437,713
Total - General Fund	(1,966,677)	(1,966,677)	(1,528,964)	(1,528,964)	437,713	437,713

Background

Evenstart is a state-funded, two-generational program, focusing on family literacy. Eligible families include a parent lacking a high school diploma and/or basic reading skills or needing English-as-a-second-language skills and have a child under the age of eight. Total funding of \$438,938 was distributed to Middletown, New London and Torrington (\$146,312 to each town) in FY 16.

Community Plans for Early Childhood provides matching funds to approximately 36 partnership grants for 40 Discovery communities to support their local early childhood councils or collaboratives. Funding of \$659,540 was distributed in FY 16 to 26 entities.

The Help Me Grow and Healthy Start programs are funded under the Children's Trust Fund.

- Help Me Grow is a prevention initiative that identifies and refers young children with behavioral health, development and psychosocial needs to community-based services. The program serves children who may not be eligible for the state's Birth to Three or Preschool Special Education programs, yet are still at risk for developmental issues.
- Healthy Start provides case management and assistance with obtaining Medicaid/HUSKY coverage for eligible pregnant women and their children who are under three years old and at or below 185% FPL. The program also assists undocumented pregnant immigrants, not eligible for HUSKY, to find resources in their communities to help cover the cost of prenatal care. The program is administered through five Office of Early Childhood contracts with community providers that in turn sub- contract with local providers for a total of 15 providers statewide.

Governor

Funding is reduced by \$1,966,677 in both FY 18 and FY 19 to reflect the elimination of Community Plans for Early Childhood, Evenstart and the Healthy Start and Help Me Grow programs under the Children's Trust Fund. Remaining funds in the Children's Trust Fund account will support Nurturing Families Network.

Legislative

Reduce funding by \$1,528,964 in both FY 18 and FY 19 to reflect the elimination of support for Community Plans for Early Childhood, Help Me Grown, and Healthy Start. Maintain funding for Evenstart.

Reduce Funding for Head Start Services

Head Start Services	(384,860)	(384,860)	(384,860)	(384,860)	-	-
Total - General Fund	(384,860)	(384,860)	(384,860)	(384,860)	-	-

Background

Head Start is a child development program that services children from birth to age five and their families. The purpose of the state program is to establish or expand extended-day, full-day, year-round Head Start program spaces; enhance program quality, and increase the number of children served. State Head Start funds can only be used to supplement and not to supplant, federal, state and/or local funds. All Head Start programs that receive State Head Start funding must be in compliance with Federal Head Start Performance Standards. Connecticut programs are administered by community action agencies, local education agencies and other nonprofit agencies.

Governor

Reduce funding by \$384,860 in both FY 18 and FY 19 for Head Start Services.

Legislative

Same as Governor

Realign TANF, SSBG and CCDF Funds to Streamline Programs

Early Care and Education	(7,735,567)	(10,314,089)	(7,735,567)	(10,314,089)	-	-
Total - General Fund	(7,735,567)	(10,314,089)	(7,735,567)	(10,314,089)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

Connecticut receives \$266.8 million per year under the Temporary Assistance for Needy Families (TANF) block grant and transfers 10% of this amount to the Social Services Block Grant (SSBG). Currently, TANF/SSBG funding is granted to Departments of Social Services (DSS), Housing (DOH), and Children and Families (DCF), as well as the Office of Early Childhood (OEC). The accounting period for the federal government begins on October 1 and ends on September 30.

Governor

Reduce funding by \$7,735,567 in FY 18 and \$10,314,089 in FY 19 to reflect the shifting of funds from the current TANF/SSBG recipient agencies (DSS, DOH and DCF) to the Child Care and Development Fund (CCDF) under OEC. This shift will have no net impact on revenue, or General Fund appropriations, and will not result in any reduction in services. This change provides General Fund support to former TANF/SSBG recipient agencies. (See the table below for further detail.) The purpose of this shift is to simplify administrative activities related to provision of block grant-funded services for all agencies involved.

General Fund Appropriations Related to TANF/SSBG Shift

Agency	FY 18	FY 19
Department of Housing	3,495,579	4,660,772
Department of Social Services	1,832,777	2,443,703
Department of Children and Families	2,407,211	3,209,614
Office of Early Childhood	(7,735,567)	(10,314,089)
TOTAL	-	-

Legislative

Same as Governor

Transfer Medicaid Birth to Three Funding to DSS

Personal Services	(529,169)	(529,169)	-	-	529,169	529,169
Birth to Three	(24,686,804)	(24,686,804)	(10,500,000)	(10,500,000)	14,186,804	14,186,804
Total - General Fund	(25,215,973)	(25,215,973)	(10,500,000)	(10,500,000)	14,715,973	14,715,973
Positions - General Fund	(5)	(5)	-	-	5	5

Governor

Transfer funding of \$19,965,973 in both FY 18 and FY 19 to reflect the transfer of the Birth to Three program from the Office of Early Childhood (OEC) to the Department of Social Services (DSS). Funding reflects program staff, provider contracts, as well as Medicaid-related service funding. Total funding of \$25,215,973 is transferred out of Birth to Three, while \$20 million is transferred into DSS due to the net appropriation of the Medicaid account (the transfer shows Medicaid funding of \$5.25 million transferred into the DSS General Fund account, while full Medicaid funding of \$10.5 million will be distributed to providers).

Legislative

Transfer funding of \$10.5 million in both FY 18 and FY 19 to the Department of Social Services (DSS) to reflect Medicaid related Birth to Three funding in the DSS Medicaid account. Due to net budgeting, the DSS budget reflects a transfer of \$5,250,000 in both years.

Reallocate CTF Funding to Nurturing Families Network

Children's Trust Fund	(10,230,303)	(10,230,303)	(10,230,303)	(10,230,303)	-	-
Nurturing Families Network	10,230,303	10,230,303	10,230,303	10,230,303	-	-
Total - General Fund	-	-	-	-	-	-

Governor

Reallocate funding of \$10,230,303 in both FY 18 and FY 19 from Children's Trust Fund to the new Nurturing Families Network (NFN) account. NFN is the only remaining program under the Children's Trust Fund as policy actions eliminate the other previously funded programs.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reallocate School Readiness Quality Enhancement Funding

Child Care Quality Enhancements	4,047,742	4,047,742	4,047,742	4,047,742	-	-
School Readiness Quality Enhancement	(4,047,742)	(4,047,742)	(4,047,742)	(4,047,742)	-	-
Total - General Fund	-	-	-	-	-	-

Governor

Reallocate funding of \$4,047,742 in both FY 18 and FY 19 from School Readiness Quality Enhancement to Child Care Quality Enhancements to consolidate quality enhancement funding.

Legislative

Same as Governor

Reallocate Personal Services to Other Expenses

Personal Services	(100,000)	(100,000)	(100,000)	(100,000)	-	-
Other Expenses	100,000	100,000	100,000	100,000	-	-
Total - General Fund	-	-	-	-	-	-

Governor

Reallocate funding of \$100,000 in both FY 18 and FY 19 from Personal Services to Other Expenses for anticipated expenditure requirements.

Legislative

Same as Governor

Current Services

Update Current Services- Birth to Three

Birth to Three	740,604	740,604	8,000,604	8,000,604	7,260,000	7,260,000
Total - General Fund	740,604	740,604	8,000,604	8,000,604	7,260,000	7,260,000

Background

The Birth to Three account is projecting a shortfall of \$8.1 million in FY 17. This is primarily due to a continuation of the FY 16 deficiency (\$6.3 million) as well as an increase in enrollment and the number of children who require more intensive services (\$1.8 million).

Governor

Provide funding of \$740,604 in both FY 18 and FY 19 to reflect anticipated expenditure requirements under the Birth to Three program.

Legislative

Provide funding of \$8,000,604 in both FY 18 and FY 19 to reflect anticipated requirements under the Birth to Three program based on FY 17 expenditures.

Increase Staff for Federal Background Check Requirements

Personal Services	100,000	100,000	100,000	100,000	-	-
Total - General Fund	100,000	100,000	100,000	100,000	-	-
Positions - General Fund	3	3	2	2	(1)	(1)

Governor

Provide funding of \$100,000 and two positions in both FY 18 and FY 19 associated with child care provider background checks.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Maintain Closure of Care4Kids Priority Groups to new Apps

Care4Kids TANF/CCDF	(7,400,000)	(12,600,000)	(7,400,000)	(12,600,000)	-	-
Total - General Fund	(7,400,000)	(12,600,000)	(7,400,000)	(12,600,000)	-	-

Governor

Reduce funding by \$7.4 million in FY 18 and \$12.6 million in FY 19 to reflect annualizing savings associated with closing priority groups 2 and 4 of the Care4Kids program to new applicants. Priority group 4 (working families) closed to new applicants in August 2016. Priority Group 2 (former TANF recipients) closed to new applicants as of January 2017.

Legislative

Same as Governor. Funding is provided to re-open the program under a separate policy adjustment.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	293,800,629	293,800,629	293,800,629	293,800,629	-	-
Policy Revisions	(37,347,211)	(39,925,733)	(11,192,550)	(195,097)	26,154,661	39,730,636
Current Services	(6,559,396)	(11,759,396)	700,604	(4,499,396)	7,260,000	7,260,000
Total Recommended - GF	249,894,022	242,115,500	283,308,683	289,106,136	33,414,661	46,990,636

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	116	116	116	116	-	-
Policy Revisions	(5)	(5)	-	-	5	5
Current Services	3	3	2	2	(1)	(1)
Total Recommended - GF	114	114	118	118	4	4

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$17,151, a Labor Concessions Savings of \$288,888, a Targeted Savings of \$368,097, and a Delayed Start Savings of \$235,986. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	7,791,962	(306,039)	7,485,923	3.9%
Other Expenses	411,727	(20,586)	391,141	5.0%
Evenstart	437,713	(142,257)	295,456	32.5%
2Gen - TANF	750,000	(337,500)	412,500	45.0%
Head Start Services	5,186,978	(103,740)	5,083,238	2.0%

State Library

CSL66000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	55	55	55	55	55	55	55

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	5,039,774	5,154,892	5,070,637	5,019,931	5,019,931	5,019,931	5,019,931
Other Expenses	650,230	598,845	439,868	426,673	426,673	426,673	426,673
Other Current Expenses							
State-Wide Digital Library	1,890,358	1,697,270	1,767,871	1,750,193	1,750,193	1,750,193	1,750,193
Interlibrary Loan Delivery Service	267,017	279,431	284,774	276,232	276,232	276,232	276,232
Legal/Legislative Library Materials	747,251	671,062	747,263	638,378	638,378	638,378	638,378
Computer Access	171,475	152,637	90,000	-	-	-	-
Other Than Payments to Local Governments							
Support Cooperating Library Service Units	315,875	185,844	190,000	184,300	184,300	184,300	184,300
Grant Payments to Local Governments							
Grants To Public Libraries	193,391	179,396	-	-	-	-	-
Connecticard Payments	965,217	837,540	806,000	-	-	781,820	781,820
Connecticut Humanities Council	1,947,265	1,762,129	-	-	-	-	-
Nonfunctional - Change to Accruals	17,644	-	-	-	-	-	-
Agency Total - General Fund	12,205,497	11,519,046	9,396,413	8,295,707	8,295,707	9,077,527	9,077,527
Additional Funds Available							
Carry Forward Funding	-	-	-	-	-	36,544	-
Federal Funds	-	2,073,845	2,117,000	2,117,000	2,117,000	2,117,000	2,117,000
Private Contributions & Other Restricted	-	803,988	825,000	825,000	825,000	825,000	825,000
Private Contributions	-	155,494	180,000	180,000	180,000	180,000	180,000
Agency Grand Total	12,205,497	14,552,373	12,518,413	11,417,707	11,417,707	12,236,071	12,199,527

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Maintain Funding for the Connecticard Program

Connecticard Payments	(781,820)	(781,820)	-	-	781,820	781,820
Total - General Fund	(781,820)	(781,820)	-	-	781,820	781,820

Background

The Connecticard program, now known as "borrowIT CT," allows Connecticut residents to borrow materials from any of the 192 participating public libraries. Grant payments are made annually. One-half of the total funds appropriated is used to reimburse participating libraries for all reported borrowIT CT loans. The other half is used to make an additional payment to those libraries that loaned more items to non-residents than their resident card holders borrowed from public libraries in other towns.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Eliminate funding of \$781,820 in both FY 18 and FY 19.

Legislative

Maintain funding of \$781,820 in both FY 18 and FY 19.

Annualize FY 17 Holdbacks

Personal Services	(50,706)	(50,706)	(50,706)	(50,706)	-	-
Other Expenses	(13,195)	(13,195)	(13,195)	(13,195)	-	-
State-Wide Digital Library	(17,678)	(17,678)	(17,678)	(17,678)	-	-
Interlibrary Loan Delivery Service	(8,542)	(8,542)	(8,542)	(8,542)	-	-
Legal/Legislative Library Materials	(108,885)	(108,885)	(108,885)	(108,885)	-	-
Computer Access	(90,000)	(90,000)	(90,000)	(90,000)	-	-
Support Cooperating Library Service Units	(5,700)	(5,700)	(5,700)	(5,700)	-	-
Connecticard Payments	(24,180)	(24,180)	(24,180)	(24,180)	-	-
Total - General Fund	(318,886)	(318,886)	(318,886)	(318,886)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$318,886 in both FY 18 and FY 19 to annualize FY 17 holdbacks. The FY 17 holdbacks included elimination of the Computer Access account, which provided for refurbishment of computers given to low-income families.

Legislative

Same as Governor

Carry Forward**Carry Forward for Support Cooperating Library Services**

Support Cooperating Library Service Units	-	-	36,544	-	36,544	-
Total - Carry Forward Funding	-	-	36,544	-	36,544	-

Legislative

Pursuant to CGS 4-89(c), funding of \$36,544 from the Support Cooperating Library Services account is carried forward into FY 18. This account funds a grant to the Connecticut Library Consortium. The consortium is a nonprofit that for its member libraries provides discounted purchasing prices, statewide contracts for certain items, and professional development.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	9,396,413	9,396,413	9,396,413	9,396,413	-	-
Policy Revisions	(1,100,706)	(1,100,706)	(318,886)	(318,886)	781,820	781,820
Total Recommended - GF	8,295,707	8,295,707	9,077,527	9,077,527	781,820	781,820

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	55	55	55	55	-	-
Total Recommended - GF	55	55	55	55	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$11,049, a Labor Concessions Savings of \$196,879, a Targeted Savings of \$377,326, and a Delayed Start Savings of \$48,568. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	5,019,931	(204,172)	4,815,759	4.1%
Other Expenses	426,673	(21,334)	405,339	5.0%
State-Wide Digital Library	1,750,193	(175,019)	1,575,174	10.0%
Interlibrary Loan Delivery Service	276,232	(31,379)	244,853	11.4%
Legal/Legislative Library Materials	638,378	(63,838)	574,540	10.0%
Support Cooperating Library Service Units	184,300	(59,898)	124,402	32.5%
Connecticard Payments	781,820	(78,182)	703,638	10.0%

Office of Higher Education

DHE66500

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	27	27	27	-	-	27	27

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	1,962,687	2,053,774	1,634,530	-	-	1,428,180	1,428,180
Other Expenses	135,243	75,770	77,738	-	-	69,964	69,964
Other Current Expenses							
Minority Advancement Program	2,219,797	2,690,972	1,845,041	-	-	1,789,690	1,789,690
Alternate Route to Certification	86,181	53,489	47,883	-	-	-	-
National Service Act	297,780	272,522	268,964	-	-	260,896	260,896
International Initiatives	64,917	-	-	-	-	-	-
Minority Teacher Incentive Program	422,068	362,544	366,705	-	-	355,704	355,704
English Language Learner Scholarship	12,500	-	-	-	-	-	-
Other Than Payments to Local Governments							
Roberta B. Willis Scholarship Fund	40,992,544	41,603,960	37,363,944	-	-	35,345,804	33,388,637
Nonfunctional - Change to Accruals	(90,874)	-	-	-	-	-	-
Agency Total - General Fund	46,102,843	47,113,031	41,604,805	-	-	39,250,238	37,293,071
Additional Funds Available							
Federal Funds	-	3,027,419	3,075,950	-	-	-	-
Private Contributions & Other Restricted	-	19,863	25,000	-	-	-	-
Private Contributions	-	554,573	375,000	-	-	-	-
Agency Grand Total	46,102,843	50,714,886	45,080,755	-	-	39,250,238	37,293,071

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Transfer the Office of Higher Education

Personal Services	(1,578,180)	(1,578,180)	-	-	1,578,180	1,578,180
Other Expenses	(69,964)	(69,964)	-	-	69,964	69,964
Minority Advancement Program	(1,789,690)	(1,789,690)	-	-	1,789,690	1,789,690
National Service Act	(260,896)	(260,896)	-	-	260,896	260,896
Minority Teacher Incentive Program	(355,704)	(355,704)	-	-	355,704	355,704
Roberta B. Willis Scholarship Fund	(35,123,826)	(32,923,826)	-	-	35,123,826	32,923,826
Total - General Fund	(39,178,260)	(36,978,260)	-	-	39,178,260	36,978,260
Positions - General Fund	(27)	(27)	-	-	27	27

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

The Office of Higher Education seeks to advance the promise of postsecondary education for all state residents. Key state responsibilities, in addition to student financial aid administration, include: the licensure and accreditation of Connecticut's independent colleges and universities (programmatic and institutional; non-profit and for-profit), licensure of in-state academic programs offered by out-of-state institutions, regulation of more than 150 postsecondary career schools and operation of the Alternate Route to Certification. The Office also serves as the portal agency in the administration of Connecticut's State Authorization Reciprocity Agreements (SARA). Major federal responsibilities include AmeriCorps, Veterans Program Approval, and the Teacher Quality Partnership Grant Program.

Governor

Transfer the Office of Higher Education, along with twenty-seven positions and corresponding funding of \$39,178,260 in FY 18 and \$36,978,260 in FY 19, to the State Department of Education.

Legislative

Do not transfer the Office of Higher Education to the State Department of Education.

Reduce Funding for the Roberta B. Willis Scholarship Program

Roberta B. Willis Scholarship Fund	(1,119,200)	(3,319,200)	(897,222)	(2,854,389)	221,978	464,811
Total - General Fund	(1,119,200)	(3,319,200)	(897,222)	(2,854,389)	221,978	464,811

Background

PA 13-247 established the Governor's Scholarship Program as a single, consolidated state financial aid program for Connecticut residents who are undergraduates at in-state public and private higher education institutions. The program replaced the state's previous undergraduate student aid programs: Connecticut Aid to Public College Students (CAPCS), Connecticut Independent College Student Grant (CICSG), the Capitol Scholarship, and Connecticut Aid to Charter Oak State College. PA 16-179 changed the name of the account to the Roberta B. Willis Scholarship.

In FY 16 the Roberta B. Willis Scholarship awarded approximately \$10.8 million in need-merit based aid, to 2,400 students, with an average award of \$4,500. Additionally, the program awarded approximately \$29.5 million in need based aid, to 14,900 students, with an average award of \$2,000.

Governor

Reduce funding for the Roberta B. Willis Scholarship Program by \$1,119,200 in FY 18 and \$3,319,200 in FY 19.

The reduction in funding will result in fewer scholarships awarded.

Legislative

Reduce funding for the Roberta B. Willis Scholarship Program by \$897,222 in FY 18 and \$2,854,389 in FY 19.

Annualize FY 17 Holdbacks

Personal Services	(49,036)	(49,036)	(49,036)	(49,036)	-	-
Other Expenses	(2,332)	(2,332)	(2,332)	(2,332)	-	-
Minority Advancement Program	(55,351)	(55,351)	(55,351)	(55,351)	-	-
Alternate Route to Certification	(1,436)	(1,436)	(1,436)	(1,436)	-	-
National Service Act	(8,068)	(8,068)	(8,068)	(8,068)	-	-
Minority Teacher Incentive Program	(11,001)	(11,001)	(11,001)	(11,001)	-	-
Roberta B. Willis Scholarship Fund	(1,120,918)	(1,120,918)	(1,120,918)	(1,120,918)	-	-
Total - General Fund	(1,248,142)	(1,248,142)	(1,248,142)	(1,248,142)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$1,248,142 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reduce Funding for Various Line Items

Personal Services	(7,314)	(7,314)	(7,314)	(7,314)	-	-
Other Expenses	(5,442)	(5,442)	(5,442)	(5,442)	-	-
Alternate Route to Certification	(46,447)	(46,447)	(46,447)	(46,447)	-	-
Total - General Fund	(59,203)	(59,203)	(59,203)	(59,203)	-	-

Governor

Reduce funding by \$59,203 in both FY 18 and FY 19 to achieve savings.

Legislative

Same as Governor

Reduce Funding for Personal Services

Personal Services	-	-	(150,000)	(150,000)	(150,000)	(150,000)
Total - General Fund	-	-	(150,000)	(150,000)	(150,000)	(150,000)

Legislative

Reduce funding for Personal Services by \$150,000 in both FY 18 and FY 19.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	41,604,805	41,604,805	41,604,805	41,604,805	-	-
Policy Revisions	(41,604,805)	(41,604,805)	(2,354,567)	(4,311,734)	39,250,238	37,293,071
Total Recommended - GF	-	-	39,250,238	37,293,071	39,250,238	37,293,071

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	27	27	27	27	-	-
Policy Revisions	(27)	(27)	-	-	27	27
Total Recommended - GF	-	-	27	27	27	27

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$3,144, a Labor Concessions Savings of \$60,706, and a Targeted Savings of \$244,127. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	1,428,180	(62,564)	1,365,616	4.4%
Other Expenses	69,964	(3,498)	66,466	5.0%
Minority Advancement Program	1,789,690	(179,569)	1,610,121	10.0%
National Service Act	260,896	(26,776)	234,120	10.3%
Minority Teacher Incentive Program	355,704	(35,570)	320,134	10.0%

University of Connecticut

UOC67000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	2,413	2,413	2,413	2,413	2,413	2,413	2,413

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Other Current Expenses							
Operating Expenses	221,360,440	218,081,088	207,699,685	192,839,983	192,839,983	179,422,908	176,494,509
Workers' Compensation Claims	-	2,080,095	3,045,682	2,827,782	2,827,782	2,299,505	2,271,228
CommPACT Schools	451,250	-	-	-	-	-	-
Next Generation Connecticut	-	19,104,214	19,072,546	17,708,016	17,708,016	17,530,936	17,353,856
Other Than Payments to Local Governments							
Kirklyn M. Kerr Grant Program	400,000	400,000	100,000	-	-	-	-
Agency Total - General Fund	222,211,690	239,665,397	229,917,913	213,375,781	213,375,781	199,253,349	196,119,593
Additional Funds Available							
University of Connecticut Operating Fd	-	937,228,604	933,096,867	1,008,915,638	1,054,630,251	1,008,915,638	1,054,630,251
UCONN Research Foundation	-	35,849,764	35,617,513	35,682,125	36,695,748	35,682,125	36,695,748
Federal Funds	-	105,731,232	120,771,965	123,587,500	126,469,358	123,587,500	126,469,358
Agency Grand Total	222,211,690	1,318,474,997	1,319,404,258	1,381,561,044	1,431,171,138	1,367,438,612	1,413,914,950

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Reduce Funding for Various Line Items

Operating Expenses	(8,628,712)	(8,628,712)	(20,117,388)	(21,117,388)	(11,488,676)	(12,488,676)
Workers' Compensation Claims	(126,530)	(126,530)	(126,530)	(126,530)	-	-
Next Generation Connecticut	(792,354)	(792,354)	(792,354)	(792,354)	-	-
Kirklyn M. Kerr Grant Program	(4,154)	(4,154)	(4,154)	(4,154)	-	-
Total - General Fund	(9,551,750)	(9,551,750)	(21,040,426)	(22,040,426)	(11,488,676)	(12,488,676)

Background

Agency funding has four line items: (1) Operating Expenses which for this agency is the block grant, (2) Workers' Compensation Claims, (3) Next Generation Connecticut, and (4) the Kirklyn M. Kerr Grant Program. Next Generation Connecticut is a multi-year initiative to improve facilities, increase the numbers of students and faculty, and raise academic quality. See below for information on the Kerr grant program.

Governor

Reduce funding by \$9,551,750 in both FY 18 and FY 19 to achieve savings.

Legislative

Reduce funding by \$21,040,426 in FY 18 and \$22,040,426 in FY 19 to achieve savings.

Eliminate the Kirklyn M. Kerr Veterinary Scholarship Program

Kirklyn M. Kerr Grant Program	(92,846)	(92,846)	(92,846)	(92,846)	-	-
Total - General Fund	(92,846)	(92,846)	(92,846)	(92,846)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

The Kirklyn M. Kerr Program provides slots for Connecticut veterinary students at Iowa State University. The program was established by PA 11-70.

Program funding was reduced from \$400,000 to \$100,000 in FY 17. In prior fiscal years, the program provided five students in each incoming class with \$20,000 annually for the four-year veterinary program. In FY 17, program funding was split among three incoming students, who received funding for their first year of study and part of the second.

Governor

Repeal C.G.S. Sec. 10a-19g and h to eliminate the program and achieve savings of \$92,846 in both FY 18 and FY 19.

Legislative

Eliminate the program and achieve cost savings of \$92,846 in both FY 18 and FY 19.

Reduce Funding for Workers' Compensation Claims

Workers' Compensation Claims	-	-	(500,000)	(500,000)	(500,000)	(500,000)
Total - General Fund	-	-	(500,000)	(500,000)	(500,000)	(500,000)

Background

In both FY 16 and FY 17, Workers' Compensation Claims expenditures did not exceed \$2.1 million.

Legislative

Reduce funding for Workers' Compensation Claims by \$500,000 in both FY 18 and FY 19 to reflect recent spending trends.

Annualize FY 17 Holdbacks

Operating Expenses	(6,230,990)	(6,230,990)	(6,230,990)	(6,230,990)	-	-
Workers' Compensation Claims	(91,370)	(91,370)	(91,370)	(91,370)	-	-
Next Generation Connecticut	(572,176)	(572,176)	(572,176)	(572,176)	-	-
Kirklyn M. Kerr Grant Program	(3,000)	(3,000)	(3,000)	(3,000)	-	-
Total - General Fund	(6,897,536)	(6,897,536)	(6,897,536)	(6,897,536)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$6,897,536 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Annualize FY 17 Rescissions

Operating Expenses	-	-	(1,928,399)	(3,856,798)	(1,928,399)	(3,856,798)
Workers' Compensation Claims	-	-	(28,277)	(56,554)	(28,277)	(56,554)
Next Generation Connecticut	-	-	(177,080)	(354,160)	(177,080)	(354,160)
Total - General Fund	-	-	(2,133,756)	(4,267,512)	(2,133,756)	(4,267,512)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies.

Legislative

Reduce funding by \$2,133,756 in FY 18 and \$4,267,512 in FY 19 to reflect the rollout of the Governor's FY 17 rescissions.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	229,917,913	229,917,913	229,917,913	229,917,913	-	-
Policy Revisions	(16,542,132)	(16,542,132)	(30,664,564)	(33,798,320)	(14,122,432)	(17,256,188)
Total Recommended - GF	213,375,781	213,375,781	199,253,349	196,119,593	(14,122,432)	(17,256,188)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	2,413	2,413	2,413	2,413	-	-
Total Recommended - GF	2,413	2,413	2,413	2,413	-	-

*Other Significant Legislation***PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019**

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$433,507 and a Labor Concessions Savings of \$7,488,909. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Operating Expenses	179,422,908	(7,433,927)	171,988,981	4.1%
Next Generation Connecticut	17,530,936	(488,489)	17,042,447	2.8%

University of Connecticut Health Center

UHC72000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	1,698	1,698	1,698	1,698	1,698	1,698	1,698

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Other Current Expenses							
Operating Expenses	130,992,004	123,032,783	115,911,785	107,846,204	107,850,120	106,746,887	106,746,848
AHEC	456,401	399,546	406,723	378,349	378,349	374,566	374,566
Workers' Compensation Claims	-	7,982,024	6,910,804	7,721,978	7,964,811	4,320,855	4,324,771
Bioscience	-	12,458,333	11,310,000	11,095,801	14,209,275	10,984,843	11,567,183
Nonfunctional - Change to Accruals	772,822	-	-	-	-	-	-
Agency Total - General Fund	132,221,227	143,872,686	134,539,312	127,042,332	130,402,555	122,427,151	123,013,368
Additional Funds Available							
Private Contributions & Other Restricted	-	765,718,731	802,352,004	821,418,028	837,547,251	821,418,028	837,547,251
Agency Grand Total	132,221,227	909,591,417	936,891,316	948,460,360	967,949,806	943,845,179	960,560,619

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Reduce Funding for Various Line Items

Operating Expenses	(4,609,083)	(4,609,083)	(4,609,083)	(4,609,083)	-	-
AHEC	(16,173)	(16,173)	(32,157)	(32,157)	(15,984)	(15,984)
Workers' Compensation Claims	(274,799)	(274,799)	(274,799)	(274,799)	-	-
Bioscience	(449,728)	(449,728)	-	-	449,728	449,728
Total - General Fund	(5,349,783)	(5,349,783)	(4,916,039)	(4,916,039)	433,744	433,744

Background

The agency budget includes: (1) Operating Expenses which for this agency is the block grant, (2) Workers' Compensation Claims, (3) Bioscience, and (4) Area Health Education Centers (AHEC). AHECs recruit minority students into health professions, provide continuing education, and work on health issues in Bridgeport, Hartford, Waterbury, and Willimantic. See below for information on Bioscience.

Governor

Reduce funding by \$5,349,783 in both FY 18 and FY 19 to achieve savings.

Legislative

Reduce funding by \$4,916,039 in both FY 18 and FY 19 to achieve savings.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Annualize FY 17 Holdbacks

Operating Expenses	(3,477,353)	(3,477,353)	(3,477,353)	(3,477,353)	-	-
AHEC	(12,201)	(12,201)	-	-	12,201	12,201
Workers' Compensation Claims	(207,324)	(207,324)	(207,324)	(207,324)	-	-
Bioscience	(339,300)	(339,300)	-	-	339,300	339,300
Total - General Fund	(4,036,178)	(4,036,178)	(3,684,677)	(3,684,677)	351,501	351,501

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$4,036,178 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Reduce funding by \$3,684,677 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Annualize FY 17 Rescissions

Operating Expenses	-	-	(1,078,462)	(1,078,501)	(1,078,462)	(1,078,501)
Total - General Fund	-	-	(1,078,462)	(1,078,501)	(1,078,462)	(1,078,501)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies.

Legislative

Reduce funding by \$1,078,462 in FY 18 and \$1,078,501 in FY 19 to reflect the rollout of the Governor's FY 17 rescissions.

Current Services

Adjust Funding for Workers' Compensation Claims

Operating Expenses	20,855	24,771	-	-	(20,855)	(24,771)
Workers' Compensation Claims	1,293,297	1,536,130	(2,107,826)	(2,103,910)	(3,401,123)	(3,640,040)
Total - General Fund	1,314,152	1,560,901	(2,107,826)	(2,103,910)	(3,421,978)	(3,664,811)

Background

In FY 17, \$6,910,804 was appropriated for Workers' Compensation Claims at the UConn Health Center, and actual spending was \$7,357,671. The agency anticipates needing additional funding for FY 18 and FY 19, compared to FY 17 appropriation.

Governor

Increase funding for Workers' Compensation Claims by \$1,314,152 in FY 18 and \$1,560,901 in FY 19.

Legislative

Reduce funding for Workers' Compensation Claims by \$2,107,826 in FY 18 and \$2,103,910 in FY 19. It is anticipated this reduction will be more than offset by additional federal revenue to the Health Center, totaling approximately \$3.2 million in both FY 18 and FY 19.

Adjust Funding for Bioscience Initiative

Bioscience	574,829	3,688,303	(325,157)	257,183	(899,986)	(3,431,120)
Total - General Fund	574,829	3,688,303	(325,157)	257,183	(899,986)	(3,431,120)

Background

The Bioscience Initiative is a multi-year effort, begun in 2011, to support the bioscience industry and the health center. The initiative involves construction, hiring, equipment, and community programs. The Governor's budget recommends Bioscience increases in FY 18 and FY 19. However, holdbacks and reductions result in a \$214,199 net decrease in FY 18 and a \$2,899,275 net increase in FY 19 to Bioscience funding.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Increase funding by \$574,829 in FY 18 and \$3,688,303 in FY 19.

Legislative

Reduce funding for Bioscience by \$325,157 in FY 18 and increase it by \$257,183 in FY 19.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	134,539,312	134,539,312	134,539,312	134,539,312	-	-
Policy Revisions	(9,385,961)	(9,385,961)	(9,679,178)	(9,679,217)	(293,217)	(293,256)
Current Services	1,888,981	5,249,204	(2,432,983)	(1,846,727)	(4,321,964)	(7,095,931)
Total Recommended - GF	127,042,332	130,402,555	122,427,151	123,013,368	(4,615,181)	(7,389,187)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	1,698	1,698	1,698	1,698	-	-
Total Recommended - GF	1,698	1,698	1,698	1,698	-	-

Other Significant Legislation**PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019**

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$259,134 and a Labor Concessions Savings of \$4,485,142. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Operating Expenses	106,746,887	(4,437,991)	102,308,896	4.2%
AHEC	374,566	(199)	374,367	0.1%
Bioscience	10,984,843	(306,086)	10,678,757	2.8%

Teachers' Retirement Board

TRB77500

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	27	27	27	27	27	27	27

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	1,671,275	1,686,764	1,691,365	1,606,365	1,606,365	1,606,365	1,606,365
Other Expenses	342,412	378,944	490,868	480,060	480,060	468,134	468,134
Other Than Payments to Local Governments							
Retirement Contributions	984,110,000	975,578,000	1,012,162,000	882,785,617	911,476,189	1,290,429,000	1,332,368,000
Retirees Health Service Cost	13,675,316	14,566,860	14,566,860	25,354,500	29,075,250	14,554,500	14,575,250
Municipal Retiree Health Insurance Costs	5,154,045	5,392,897	5,392,897	4,644,673	4,644,673	4,644,673	4,644,673
Nonfunctional - Change to Accruals	20,217	-	-	-	-	-	-
Agency Total - General Fund	1,004,973,265	997,603,465	1,034,303,990	914,871,215	947,282,537	1,311,702,672	1,353,662,422

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Adjust Funding to Provide Full Pension Contribution

Retirement Contributions	(407,643,383)	(420,891,811)	-	-	407,643,383	420,891,811
Total - General Fund	(407,643,383)	(420,891,811)	-	-	407,643,383	420,891,811

Background

The June 30, 2106 actuarial valuation set the Actuarially Determined Employer Contribution (ADEC) for the Teachers' Retirement System (TRS) of \$1,290,429,000 in FY 18 and \$1,332,368,000 FY 19. Payment of the full contribution is required by both statute (CGS 10-183z) and the Bond Covenant for the Pension Obligation Bonds, issued pursuant to PA 07-186.

Governor

Reduce funding by \$407,643,383 in FY 18 and \$420,891,811 in FY 19 to reflect the requirement that towns contribute one-third of the cost of the municipal share of the ADEC for the Teachers' Retirement System.

Legislative

Maintain full state funding for the TRS retirement contribution. PA 17-2, JSS Section 586 increases the teachers' mandatory regular contribution by 1% point from 6% to 7% on and after January 1, 2018. The teachers' mandatory contributions are deposited to the Teachers' Retirement Fund. Section 587 requires the Teachers' Retirement Board to: (1) request a revised actuarial valuation establishing the state's annual required contribution for FY 18 and FY 19 based on the 1% point increase in the mandatory contribution required in Section 586 and (2) certify to the General Assembly the revised retirement contribution for FY 18 and FY 19. Savings of \$18 million in FY 18 and \$38 million in FY 19 associated with this provision have been reflected in the FY 18 and FY 19 budget as "targeted savings" lapse. The revised actuarial valuation, completed in November, resulted in a state retirement contribution savings of \$19.4 million in FY 18 and \$40.1 million in FY 19. The revised actuarial valuation results in additional savings over the budgeted targeted savings by \$1.4 million in FY 18 and \$2.1 in FY 19.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reduce State Share of Retiree Health Service Cost

Retirees Health Service Cost	(8,451,500)	(9,691,750)	(19,251,500)	(24,191,750)	(10,800,000)	(14,500,000)
Total - General Fund	(8,451,500)	(9,691,750)	(19,251,500)	(24,191,750)	(10,800,000)	(14,500,000)

Background

The Teachers' Retirement Board (TRB) is required to offer one or more health plans to retired Teachers' Retirement System members who are participating in Medicare. The TRB health plan is funded on a self-insured basis. CGS Sec. 10-183t provides a cost sharing arrangement which requires that retirees, the state, and the TRB health fund each pay one-third of the total cost for the basic plan. The TRB health fund is funded through active teachers' 1.25% contributions. For FY 16 and FY 17 the state share of the municipal subsidy was reduced to the FY 15 level of appropriation. This resulted in a state share of approximately 17% in FY 16.

Governor

Reduce funding by \$8,451,500 in FY 18 and \$9,691,750 in FY 19 for the Retirees Health Service Cost account to reflect a state share of 25%.

Legislative

Reduce funding by \$18,951,000 in FY 18 and \$24,191,750 in FY 19 for the Retiree Health service Cost account to reflect a state share at approximately the FY 17 level.

Reduce State Share of Health Insurance Subsidy

Municipal Retiree Health Insurance Costs	(1,548,224)	(1,548,224)	(1,548,224)	(1,548,224)	-	-
Total - General Fund	(1,548,224)	(1,548,224)	(1,548,224)	(1,548,224)	-	-

Background

The municipal subsidy is provided to those retirees and dependents with health insurance through their last employing board of education. The amount that eligible retirees receive is statutorily set at \$110 per month for most members and \$220 per month for members who are 65 or older, not Medicare eligible and paying more than \$220 per month for health insurance. The state is required to pay one-third of the cost of the subsidy according to CGS Sec.10 - 183t. For FY 16 and FY 17 the state share of the municipal subsidy was reduced to the FY 15 level of appropriation. This resulted in a state share of approximately 29% in FY 16.

Governor

Reduce funding by \$1,548,224 in both FY 18 and FY 19 to reflect a state contribution equal to 25%. The balance of the subsidy (75%) is paid from the TRB health fund.

Legislative

Same as Governor

Annualize FY 17 Holdbacks

Personal Services	(54,657)	(54,657)	(54,657)	(54,657)	-	-
Other Expenses	(10,808)	(10,808)	(10,808)	(10,808)	-	-
Total - General Fund	(65,465)	(65,465)	(65,465)	(65,465)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$65,465 in both FY 18 and in FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Eliminate Funding for Vacant Position

Personal Services	(30,343)	(30,343)	(30,343)	(30,343)	-	-
Total - General Fund	(30,343)	(30,343)	(30,343)	(30,343)	-	-

Governor

Reduce funding by \$30,343 in both FY 18 and FY 19 to reflect the elimination of funding for one position that is currently vacant.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Same as Governor

Annualize FY 17 Rescissions

Other Expenses	-	-	(11,926)	(11,926)	(11,926)	(11,926)
Total - General Fund	-	-	(11,926)	(11,926)	(11,926)	(11,926)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies.

Legislative

Reduce funding by \$11,926 in both FY 18 and FY 19 to partially annualize the FY 17 rescissions.

Current Services**Fully Fund Pension at Actuarially Determined Level**

Retirement Contributions	278,267,000	320,206,000	278,267,000	320,206,000	-	-
Total - General Fund	278,267,000	320,206,000	278,267,000	320,206,000	-	-

Background

The Teachers' Retirement System (TRS) is funded on an actuarial basis and requires full funding of the annual required contribution. Based on the 6/30/16 valuation, the system has assets of \$16.7 billion and liabilities of \$29.8 billion resulting in an unfunded liability of \$13.2 billion and a funded ratio of 56%.

Governor

Provide funding of \$278,267,000 in FY 18 and \$320,206,000 in FY 19 to fully fund the state's annual required contribution to the TRS.

Legislative

Same as Governor

Adjust Operating Expenses to Reflect Current Requirements

Retirees Health Service Cost	19,239,140	24,200,140	19,239,140	24,200,140	-	-
Municipal Retiree Health Insurance Costs	800,000	800,000	800,000	800,000	-	-
Total - General Fund	20,039,140	25,000,140	20,039,140	25,000,140	-	-

Governor

Provide funding of \$20,039,140 in FY 18 and \$25,000,140 in FY 19 in the TRB health accounts to reflect anticipated expenditure requirements. These costs reflect projected healthcare costs, enrollment trends, and the statutory requirement of a 33% state share.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	1,034,303,990	1,034,303,990	1,034,303,990	1,034,303,990	-	-
Policy Revisions	(417,738,915)	(432,227,593)	(20,907,458)	(25,847,708)	396,831,457	406,379,885
Current Services	298,306,140	345,206,140	298,306,140	345,206,140	-	-
Total Recommended - GF	914,871,215	947,282,537	1,311,702,672	1,353,662,422	396,831,457	406,379,885

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	27	27	27	27	-	-
Total Recommended - GF	27	27	27	27	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Section 59 establishes the Teachers Retirement System (TRS) Viability Commission and charges it with developing and implementing a plan to maintain the system's financial viability. The commission membership consists of the members of the Teachers' Retirement Board and requires OPM or OLM, within available appropriations, to contract with a global consulting firm with significant experience. The commission, in developing the plan, is required to give significance to the state's financial capability, which includes the state's : (1) fiscal health; (2) Budget Reserve Fund balance; (3) long and short-term liabilities, including the ability to meet minimum funding levels required by law, contract, or court order; (4) initial budgeted revenue vs. actual revenue received for the last five fiscal years; (5) revenue projections; (6) economic outlook; and (7) access to capital markets. Within 90 days after a contract is entered with the consulting firm, the commission must submit the plan and any proposed legislation to the Appropriations and Education committees.

Holdbacks

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$3,536, a Labor Concessions Savings of \$60,676, and a Targeted Savings of \$23,407. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	1,606,365	(64,212)	1,542,153	4.0%
Other Expenses	468,134	(23,407)	444,727	5.0%

Connecticut State Colleges and Universities

BOR77700

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	4,617	4,625	4,633	4,633	4,633	4,633	4,633

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Other Current Expenses							
Operating Expenses	-	-	-	306,701,286	306,701,286	-	-
Workers' Compensation Claims	-	3,737,996	3,571,674	3,322,501	3,322,501	3,289,276	3,289,276
Charter Oak State College	2,532,166	2,689,233	2,424,330	-	-	2,263,617	2,263,617
Community Tech College System	155,307,974	161,936,816	161,446,565	-	-	150,743,937	138,243,937
Connecticut State University	152,665,084	162,485,587	153,640,756	-	-	140,932,908	142,230,435
Board of Regents	629,770	524,777	446,390	-	-	366,875	366,875
Transform C SCU	19,018,383	19,291,569	-	-	-	-	-
Developmental Services	-	-	9,469,836	-	-	9,168,168	9,168,168
Outcomes-Based Funding Incentive	-	-	1,662,925	-	-	1,236,481	1,236,481
Institute for Municipal and Regional Policy	-	-	-	-	-	994,650	994,650
Nonfunctional - Change to Accruals	479,439	-	-	-	-	-	-
Agency Total - General Fund	330,632,816	350,665,978	332,662,476	310,023,787	310,023,787	308,995,912	297,793,439
Additional Funds Available							
Federal Funds	-	144,930,499	136,841,881	135,831,958	135,574,325	135,831,958	135,574,325
Private Contributions & Other Restricted	-	771,576,714	792,409,618	806,315,195	819,305,131	806,315,195	819,305,131
Private Contributions	-	156,342	5,400	5,400	5,400	5,400	5,400
Agency Grand Total	330,632,816	1,267,329,533	1,261,919,375	1,252,176,340	1,264,908,643	1,251,148,465	1,252,678,295

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Reduce Funding for Various Line Items

Workers' Compensation Claims	(142,024)	(142,024)	(175,249)	(175,249)	(33,225)	(33,225)
Charter Oak State College	(112,227)	(112,227)	(112,227)	(112,227)	-	-
Community Tech College System	(7,473,697)	(7,473,697)	(7,473,697)	(19,973,697)	-	(12,500,000)
Connecticut State University	(6,109,326)	(6,109,326)	(7,103,976)	(5,806,449)	(994,650)	302,877
Board of Regents	(66,124)	(66,124)	(66,124)	(66,124)	-	-
Developmental Services	(17,573)	(17,573)	(17,573)	(17,573)	-	-
Outcomes-Based Funding Incentive	(376,556)	(376,556)	(376,556)	(376,556)	-	-
Total - General Fund	(14,297,527)	(14,297,527)	(15,325,402)	(26,527,875)	(1,027,875)	(12,230,348)

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

The agency budget includes multiple line items for public colleges and universities, the Board of Regents for Higher Education, Workers' Compensation Claims, and two additional line items: (1) the Developmental Services line item provides the community technical colleges and Connecticut State Universities with dedicated funding to provide enhanced remedial education and (2) the Outcomes-Based Funding Incentive line item was established in the final FY 17 budget to support the goals of the Planning Commission for Higher Education.

Governor

Reduce funding by \$14,297,527 in both FY 18 and FY 19 to achieve savings.

Legislative

Reduce funding by \$15,325,402 in FY 18 and \$26,527,875 in FY 19 to achieve savings.

Reallocate Funding to the Public Policy Institute at CCSU

Connecticut State University	-	-	(994,650)	(994,650)	(994,650)	(994,650)
Institute for Municipal and Regional Policy	-	-	994,650	994,650	994,650	994,650
Total - General Fund	-	-	-	-	-	-

Background

The Institute for Municipal and Regional Policy at Central Connecticut State University provides public policy analysis and development, research, and evaluation.

Legislative

Transfer \$994,650 in both FY 18 and FY 19 to the Institute for Municipal and Regional Policy account, from the Connecticut State University account.

Consolidate Appropriations for Agency Operations

Operating Expenses	306,701,286	306,701,286	-	-	(306,701,286)	(306,701,286)
Charter Oak State College	(2,263,617)	(2,263,617)	-	-	2,263,617	2,263,617
Community Tech College System	(150,743,937)	(150,743,937)	-	-	150,743,937	150,743,937
Connecticut State University	(142,922,208)	(142,922,208)	-	-	142,922,208	142,922,208
Board of Regents	(366,875)	(366,875)	-	-	366,875	366,875
Developmental Services	(9,168,168)	(9,168,168)	-	-	9,168,168	9,168,168
Outcomes-Based Funding Incentive	(1,236,481)	(1,236,481)	-	-	1,236,481	1,236,481
Total - General Fund	-	-	-	-	-	-

Background

Currently, state appropriations for Connecticut State Colleges and Universities are distributed among multiple line items. The Governor's FY 18 and FY 19 budget collapses all line items except Workers' Compensation Claims into a single Operating Expenses item.

Governor

Consolidate multiple agency appropriations into one account.

Legislative

Maintain agency appropriations in separate accounts.

Annualize FY 17 Holdbacks

Workers' Compensation Claims	(107,149)	(107,149)	(107,149)	(107,149)	-	-
Charter Oak State College	(48,486)	(48,486)	(48,486)	(48,486)	-	-
Community Tech College System	(3,228,931)	(3,228,931)	(3,228,931)	(3,228,931)	-	-
Connecticut State University	(4,609,222)	(4,609,222)	(4,609,222)	(4,609,222)	-	-
Board of Regents	(13,391)	(13,391)	(13,391)	(13,391)	-	-
Developmental Services	(284,095)	(284,095)	(284,095)	(284,095)	-	-
Outcomes-Based Funding Incentive	(49,888)	(49,888)	(49,888)	(49,888)	-	-
Total - General Fund	(8,341,162)	(8,341,162)	(8,341,162)	(8,341,162)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$8,341,162 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	332,662,476	332,662,476	332,662,476	332,662,476	-	-
Policy Revisions	(22,638,689)	(22,638,689)	(23,666,564)	(34,869,037)	(1,027,875)	(12,230,348)
Total Recommended - GF	310,023,787	310,023,787	308,995,912	297,793,439	(1,027,875)	(12,230,348)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	4,633	4,633	4,633	4,633	-	-
Total Recommended - GF	4,633	4,633	4,633	4,633	-	-

Other Significant Legislation**PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019**

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$669,881, a Labor Concessions Savings of \$13,380,987, and a Targeted Savings of \$994,650. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Charter Oak State College	2,263,617	(77,861)	2,185,756	3.4%
Community Tech College System	150,743,937	(6,904,764)	143,839,173	4.6%
Connecticut State University	140,932,908	(6,773,688)	134,159,220	4.8%
Board of Regents	366,875	(4,635)	362,240	1.3%
Developmental Services	9,168,168	(255,466)	8,912,702	2.8%
Outcomes-Based Funding Incentive	1,236,481	(34,454)	1,202,027	2.8%
Institute for Municipal and Regional Policy	994,650	(994,650)	-	100.0%

Department of Correction

DOC88000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	6,352	6,216	6,117	6,117	6,117	6,117	6,117

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	444,431,489	433,255,563	399,926,993	383,406,998	382,105,228	383,924,663	382,622,893
Other Expenses	77,718,060	74,327,692	71,015,325	67,151,773	66,906,331	66,973,023	66,727,581
Other Current Expenses							
Stress Management	9,234	24,280	-	-	-	-	-
Workers' Compensation Claims	28,218,144	26,454,667	23,677,850	26,871,594	26,871,594	26,871,594	26,871,594
Inmate Medical Services	85,967,101	86,746,265	85,297,457	80,426,658	80,426,658	80,426,658	72,383,992
Board of Pardons and Paroles	5,226,840	5,613,997	7,165,288	6,950,330	6,950,330	6,415,288	6,415,288
STRIDE	-	-	-	-	-	108,656	108,656
Program Evaluation	39,516	91,546	254,669	75,000	75,000	75,000	75,000
Other Than Payments to Local Governments							
Aid to Paroled and Discharged Inmates	2,738	3,102	7,623	3,000	3,000	3,000	3,000
Legal Services To Prisoners	827,065	815,986	773,446	797,000	797,000	797,000	797,000
Volunteer Services	121,500	127,500	137,180	129,460	129,460	129,460	129,460
Community Support Services	41,275,776	39,443,375	34,803,726	33,759,614	33,759,614	33,909,614	33,909,614
Nonfunctional - Change to Accruals	(129,162)	-	-	-	-	-	-
Agency Total - General Fund	683,708,301	666,903,974	623,059,557	599,571,427	598,024,215	599,633,956	590,044,078
Additional Funds Available							
Carry Forward Funding	-	-	-	-	-	337,536	-
Federal Funds	-	2,481,168	2,410,943	2,393,500	2,303,500	2,393,500	2,303,500
Private Contributions & Other Restricted	-	25,250,385	25,160,000	25,105,000	25,050,000	25,105,000	25,050,000
Private Contributions	-	402,297	502,000	552,000	552,000	552,000	552,000
Agency Grand Total	683,708,301	695,037,824	651,132,500	627,621,927	625,929,715	628,021,992	617,949,578

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Modify Administration of Inmate Medical Services to Achieve Savings

Inmate Medical Services	-	-	-	(8,042,666)	-	(8,042,666)
Total - General Fund	-	-	-	(8,042,666)	-	(8,042,666)

Background

The Department of Correction contracts inmate medical services with an outside provider. The current contract is with the University of Connecticut Health Center.

Legislative

Funding is reduced by \$8.0 million beginning in FY 19 due to modifying the administration of inmate medical services.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reduce Funding based on Facility and Unit Closures

Personal Services	(10,134,626)	(11,436,396)	(9,955,876)	(11,257,646)	178,750	178,750
Other Expenses	(1,734,642)	(1,980,084)	(1,913,392)	(2,158,834)	(178,750)	(178,750)
Inmate Medical Services	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	-	-
Total - General Fund	(14,869,268)	(16,416,480)	(14,869,268)	(16,416,480)	-	-

Background

Based on projected decreases in the state's prison population and additional Second Chance Society Initiatives contained in Public Act No. 17-145 the budget includes savings related to the closure of a full prison facility, a 250 bed housing unit, a 120 bed housing unit, and two additional housing units of unspecified size. Based on current population and facility utilization, a reduction of approximately 1,200 inmates would be necessary to achieve the closure of a facility and four housing units. Both the FY 16 -17 Budget and the FY 17 budget revisions contained savings related to a prison closure. The last full prison facility closure was completed in 2011.

Governor

Reduce funding by \$14,869,268 in FY 18 and \$16,416,480 in FY 19 to reflect the closure of a prison facility and four housing units and associated reductions to costs for inmate health care.

Legislative

Reduce funding by \$14,869,268 in FY 18 and \$16,416,480 in FY 19 to reflect the closure of a prison facility and four housing units and associated reductions to costs for inmate health care.

Provide Funding for EMERGE CT

Community Support Services	-	-	150,000	150,000	150,000	150,000
Total - General Fund	-	-	150,000	150,000	150,000	150,000

Background

EMERGE Connecticut is a nonprofit corporation committed to helping formerly incarcerated persons make a successful return to their families as responsible members, and to their communities as law-abiding, contributing citizens.

Legislative

Increase funding by \$150,000 in Community Support Services in FY 18 and FY 19 for EMERGE Connecticut.

Transfer STRIDE from DOL

STRIDE	-	-	108,656	108,656	108,656	108,656
Total - General Fund	-	-	108,656	108,656	108,656	108,656

Background

The STRIDE program supports a reentry transitional support workforce development program for people released from the York Correctional Institution and New Haven, Corrigan, Radgowski, and Bridgeport Correctional Centers.

Legislative

Transfers STRIDE from the Department of Labor to the Department of Correction at the funding level of \$108,656 for FY 18 and FY 19.

Reduce Funding for the Board of Pardons and Parole

Personal Services	(285,042)	(285,042)	-	-	285,042	285,042
Board of Pardons and Paroles	-	-	(535,042)	(535,042)	(535,042)	(535,042)
Total - General Fund	(285,042)	(285,042)	(535,042)	(535,042)	(250,000)	(250,000)

Background

The Board of Pardons and Parole lapsed approximately \$100,000 in FY 14 and \$200,000 in FY 15. In FY 16, the combined actions of a Finance Advisory Committee transfer, holdbacks, and two deficit mitigation plans reduced the agency's available appropriation by approximately \$1.5 million.

Governor

Reduce funding by \$285,042 in both FY 18 and FY 19 for the Board of Pardons and Parole.

Legislative

Reduce funding by \$535,042 in both FY 18 and FY 19 for the Board of Pardons and Parole. The Governor's budget misattributed the cut to the Personal Services account instead of the Board of Pardons and Parole account.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Reduce Overtime Training for Tactical Operations Squad

Personal Services	(53,873)	(53,873)	-	-	53,873	53,873
Total - General Fund	(53,873)	(53,873)	-	-	53,873	53,873

Background

Training for the agency's Tactical Operations Squad is conducted by utilizing overtime hours in excess of the officer's regular schedule. The agency is currently evaluating several options that will allow training to occur while reducing overtime usage.

Governor

Reduce funding by \$53,873 in both FY 18 and 19 to reflect overtime savings.

Legislative

Funding is maintained for the tactical operations squad.

Annualize FY 17 Holdbacks

Personal Services	(3,999,269)	(3,999,269)	(3,999,269)	(3,999,269)	-	-
Other Expenses	(1,950,430)	(1,950,430)	(1,950,430)	(1,950,430)	-	-
Workers' Compensation Claims	(710,335)	(710,335)	(710,335)	(710,335)	-	-
Inmate Medical Services	(2,558,923)	(2,558,923)	(2,558,923)	(2,558,923)	-	-
Board of Pardons and Paroles	(214,958)	(214,958)	(214,958)	(214,958)	-	-
Program Evaluation	(179,669)	(179,669)	(179,669)	(179,669)	-	-
Aid to Paroled and Discharged Inmates	(4,623)	(4,623)	(4,623)	(4,623)	-	-
Legal Services To Prisoners	(23,203)	(23,203)	(23,203)	(23,203)	-	-
Volunteer Services	(7,720)	(7,720)	(7,720)	(7,720)	-	-
Community Support Services	(1,044,112)	(1,044,112)	(1,044,112)	(1,044,112)	-	-
Total - General Fund	(10,693,242)	(10,693,242)	(10,693,242)	(10,693,242)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$10,693,242 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Current Services

Adjust Funding to Reflect the FY 17 Deficiency

Workers' Compensation Claims	3,904,079	3,904,079	3,904,079	3,904,079	-	-
Total - General Fund	3,904,079	3,904,079	3,904,079	3,904,079	-	-

Background

HB 7026, the Governor's deficiency bill, results in no net increase to the General Fund. Increases of \$28.4 million are offset by funding reductions in various accounts. The bill includes \$3.5 million in deficiency funding in FY 17 for this agency in the Workers' Compensation Claims account. This funding is required due to unachieved budgeted savings. Expenditures through January 2017 are down 0.65% from last fiscal year, while the adjusted appropriation is 10.65% lower than the previous fiscal year.

Governor

Provide funding of \$3,904,079 in both FY 18 and FY 19 to reflect the annualization of the agency's FY 17 deficiency.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Annualize Various FY 17 Agency Operation Changes

Personal Services	(2,047,185)	(2,047,185)	(2,047,185)	(2,047,185)	-	-
Other Expenses	(178,480)	(178,480)	(178,480)	(178,480)	-	-
Total - General Fund	(2,225,665)	(2,225,665)	(2,225,665)	(2,225,665)	-	-

Background

Annualization refers to providing the amount of resources necessary for a 12 month period of operation.

Governor

Reduce funding of \$2,225,665 in both FY 18 and FY 19 to reflect full year funding for the closure of a unit at Osborne Correctional Institute based on population reductions, a memorandum of agreement between NP-4 and the agency for Correctional Maintenance Supervisors, and the net staff changes from FY 17.

Legislative

Same as Governor

Provide Funding for Projected Pharmaceutical Cost Growth

Inmate Medical Services	688,124	688,124	688,124	688,124	-	-
Total - General Fund	688,124	688,124	688,124	688,124	-	-

Background

The Correctional Managed Health Care system is projecting drug cost increases for drugs including those that treat Hepatitis C, HIV, other autoimmune disorders, chemotherapy drugs and antipsychotic drugs. Total drug costs for FY 17 are projected to total \$12.5 million.

Governor

Provide funding of \$688,124 in both FY 18 and 19 for projected drug cost increases.

Legislative

Same as Governor

Provide Funding for Legal Services to Prisoners Contract

Legal Services To Prisoners	46,757	46,757	46,757	46,757	-	-
Total - General Fund	46,757	46,757	46,757	46,757	-	-

Background

The Legal Services to Prisoners account provides prisoners access to the judicial system and legal counsel/assistance for civil matters through a contract with an outside law firm.

Governor

Provide funding of \$46,757 in both FY 18 and 19 to reflect projected costs based on the current contract.

Legislative

Same as Governor

Carry Forward

Carry Forward for Community Support Services

Community Support Services	-	-	295,606	-	295,606	-
Total - Carry Forward Funding	-	-	295,606	-	295,606	-

Background

The Community Support Services account provides funding to various programs designed to help offenders re-enter society and to prevent recidivism.

Legislative

Pursuant to CGS Sec. 4-89(c), \$295,606 is carried forward into FY 18 in the Community Support Services account.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Carry Forward for Stress Management

Stress Management	-	-	41,930	-	41,930	-
Total - Carry Forward Funding	-	-	41,930	-	41,930	-

Background

The stress management account is contractually mandated and provides funding for stress management programs and/or procedures for correctional officers.

Legislative

Pursuant to Article 29 of the NP-4 Contract Section 3, \$41,930 is carried forward into FY 18 in the Stress Management account.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	623,059,557	623,059,557	623,059,557	623,059,557	-	-
Policy Revisions	(25,901,425)	(27,448,637)	(25,838,896)	(35,428,774)	62,529	(7,980,137)
Current Services	2,413,295	2,413,295	2,413,295	2,413,295	-	-
Total Recommended - GF	599,571,427	598,024,215	599,633,956	590,044,078	62,529	(7,980,137)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	6,117	6,117	6,117	6,117	-	-
Total Recommended - GF	6,117	6,117	6,117	6,117	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$857,276, a Labor Concessions Savings of \$11,052,686, a Targeted Savings of \$3,428,713, and a Delayed Start Savings of \$72,327. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	383,924,663	(11,734,179)	372,190,484	3.1%
Other Expenses	66,973,023	(3,348,651)	63,624,372	5.0%
Board of Pardons and Paroles	6,415,288	(175,783)	6,239,505	2.7%
STRIDE	108,656	(35,314)	73,342	32.5%
Program Evaluation	75,000	(75,000)	-	100.0%
Volunteer Services	129,460	(42,075)	87,385	32.5%

Department of Children and Families

DCF91000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	3,240	3,240	3,240	3,235	3,235	3,240	3,240

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	275,916,401	278,017,624	273,254,796	272,940,437	272,940,437	273,254,796	273,254,796
Other Expenses	34,573,498	34,672,070	30,636,026	30,876,026	30,876,026	30,576,026	30,416,026
Other Current Expenses							
Workers' Compensation Claims	10,551,940	12,966,989	10,650,996	12,578,720	12,578,720	12,578,720	12,578,720
Family Support Services	937,082	916,268	913,974	983,377	983,377	867,677	867,677
Homeless Youth	2,515,707	2,278,767	2,329,087	-	-	-	-
Differential Response System	8,246,817	8,065,069	7,748,997	8,346,386	8,346,386	7,809,192	7,764,046
Regional Behavioral Health Consultation	1,487,473	1,615,294	1,592,156	1,826,968	1,826,968	1,699,624	1,619,023
Other Than Payments to Local Governments							
Health Assessment and Consultation	868,298	976,549	949,199	1,402,046	1,402,046	1,349,199	1,082,532
Grants for Psychiatric Clinics for Children	14,972,924	15,360,515	14,956,541	15,933,208	15,933,208	15,046,541	14,979,041
Day Treatment Centers for Children	6,783,292	6,855,876	6,740,978	7,208,293	7,208,293	6,815,978	6,759,728
Juvenile Justice Outreach Services	10,546,301	10,229,197	12,318,836	11,634,473	11,865,723	5,443,769	-
Child Abuse and Neglect Intervention	8,598,548	8,614,550	9,199,620	13,575,122	13,575,122	11,949,620	10,116,287
Community Based Prevention Programs	7,793,791	7,562,153	7,631,690	8,004,587	8,004,587	7,945,305	7,637,305
Family Violence Outreach and Counseling	1,372,634	2,019,660	2,316,969	3,458,610	3,458,610	3,061,579	2,547,289
Supportive Housing	13,931,363	16,446,504	18,479,526	20,099,070	20,099,070	18,479,526	18,479,526
No Nexus Special Education	1,780,771	1,804,042	1,662,733	2,151,861	2,151,861	2,151,861	2,151,861
Family Preservation Services	5,613,084	5,496,503	5,808,601	6,049,574	6,049,574	6,133,574	6,070,574
Substance Abuse Treatment	9,222,146	9,823,248	9,696,273	9,816,296	9,816,296	9,913,559	9,840,612
Child Welfare Support Services	2,310,730	2,406,841	2,339,675	1,918,775	1,918,775	1,757,237	1,757,237
Board and Care for Children - Adoption	91,616,524	94,274,631	96,346,170	97,105,408	98,735,921	97,105,408	98,735,921
Board and Care for Children - Foster	125,895,821	125,650,355	128,733,472	138,087,832	139,275,326	134,738,432	135,345,435
Board and Care for Children - Short-term and Residential	111,326,748	104,790,087	102,579,761	96,101,210	96,903,613	92,819,051	90,339,295
Individualized Family Supports	8,382,176	7,560,171	9,696,350	6,523,616	6,552,680	6,523,616	6,552,680
Community Kidcare	35,275,657	37,379,824	37,912,186	41,041,905	41,041,905	38,268,191	37,968,191
Covenant to Care	151,824	145,432	140,487	155,600	155,600	136,273	136,273
Neighborhood Center	237,667	232,784	207,047	-	-	-	-
Nonfunctional - Change to Accruals	2,135,557	-	-	-	-	-	-
Agency Total - General Fund	793,044,774	796,161,004	794,842,146	807,819,400	811,700,124	786,424,754	777,000,075

Additional Funds Available

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Federal Funds	-	15,363,147	18,030,746	11,166,233	8,947,310	11,166,233	8,947,310
Private Contributions	-	3,398,743	1,626,918	1,548,121	1,548,121	1,548,121	1,548,121
Agency Grand Total	793,044,774	814,922,894	814,499,810	820,533,754	822,195,555	799,139,108	787,495,506

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Provide Funding to Support Juan F. Compliance

Other Expenses	240,000	240,000	240,000	80,000	-	(160,000)
Family Support Services	69,403	69,403	-	-	(69,403)	(69,403)
Differential Response System	597,389	597,389	60,195	15,049	(537,194)	(582,340)
Regional Behavioral Health Consultation	234,812	234,812	107,468	26,867	(127,344)	(207,945)
Health Assessment and Consultation	452,847	452,847	400,000	133,333	(52,847)	(319,514)
Grants for Psychiatric Clinics for Children	976,667	976,667	90,000	22,500	(886,667)	(954,167)
Day Treatment Centers for Children	467,315	467,315	75,000	18,750	(392,315)	(448,565)
Juvenile Justice Outreach Services	150,386	150,386	150,386	50,129	-	(100,257)
Child Abuse and Neglect Intervention	4,375,502	4,375,502	2,750,000	916,667	(1,625,502)	(3,458,835)
Community Based Prevention Programs	372,897	372,897	462,000	154,000	89,103	(218,897)
Family Violence Outreach and Counseling	1,141,641	1,141,641	744,610	230,320	(397,031)	(911,321)
Supportive Housing	1,619,544	1,619,544	-	-	(1,619,544)	(1,619,544)
Family Preservation Services	240,973	240,973	324,973	261,973	84,000	21,000
Substance Abuse Treatment	120,023	120,023	217,286	144,339	97,263	24,316
Child Welfare Support Services	161,538	161,538	-	-	(161,538)	(161,538)
Community Kidcare	3,223,714	3,223,714	450,000	150,000	(2,773,714)	(3,073,714)
Covenant to Care	19,327	19,327	-	-	(19,327)	(19,327)
Total - General Fund	14,463,978	14,463,978	6,071,918	2,203,927	(8,392,060)	(12,260,051)

Background

DCF operates under a federal consent decree resulting from the 1989 *Juan F.* lawsuit. The lawsuit charged that DCF's predecessor agency was failing to provide necessary services for children and youth who had been, or who could become, abused or neglected. The consent decree called for a number of reforms and a court monitor to oversee them. The court approved the 2006 *Juan F.* Exit Plan to enable DCF to end monitoring if it achieved 22 benchmarks for at least six months. DCF maintained compliance with 13 measures during the 4th quarter of 2016 and 15 measures for the 1st quarter of 2017.

Governor

Provide funding of \$14,463,978 in both FY 18 and FY 19 to support the fulfillment of currently-unmet performance benchmarks included in the 2006 *Juan F.* Exit Plan. This amount reflects the partial restoration of previous cuts to various accounts totaling \$8,280,592. It also reflects new funding of \$6,183,386 to increase the service capacity and geographic reach of an array of existing programs including: Cognitive Behavioral Intervention for Trauma in Schools, Intensive Family Preservation, Extended Day Treatment, and Emergency Mobile Psychiatric Services.

Legislative

Provide funding of \$6,071,918 in FY 18 and \$2,203,927 in FY 19 to support the fulfillment of currently-unmet performance benchmarks included in the 2006 *Juan F.* Exit Plan.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Transfer Various Juvenile Justice Functions to CSSD

Juvenile Justice Outreach Services	-	-	(5,574,763)	(11,149,525)	(5,574,763)	(11,149,525)
Board and Care for Children - Short-term and Residential	-	-	(3,282,159)	(6,564,318)	(3,282,159)	(6,564,318)
Total - General Fund	-	-	(8,856,922)	(17,713,843)	(8,856,922)	(17,713,843)

Background

The Juvenile Justice Outreach Services account supports a variety of juvenile justice related programs for children, youth, and their families. These include the Fostering Responsibility, Education, and Employment program, Multi-Dimensional Family Therapy - Family Substance Abuse Treatments Services, Juvenile Review Boards, Multisystemic Therapy for Transition Age Youth, Juvenile Justice Intermediate Evaluations, employment programs (e.g., Work to Learn), and Functional Family Therapy.

The Board and Care for Children - Short-Term and Residential account primarily supports private residential facilities for children and youth placed into congregate care by the agency, or the courts. Placements are made according to the specific needs of the individual and the treatment and expertise available at each facility. Types of placements include therapeutic group homes, Short-term Family Integrated Treatment homes, and substance abuse treatment homes.

Legislative

Transfer funding of \$8,856,922 in FY 18 (half-year) and \$17,713,843 in FY 19 (full-year) from DCF to the Court Support Services Division (CSSD) of the Judicial Branch. This reflects the reassignment of: (1) the entirety of the Juvenile Justice Outreach Services account (\$11,149,525 in FY 19), and (2) the funding in the Board and Care for Children - Short-Term and Residential account that supports juvenile justice individuals in residential care settings (\$6,564,318 in FY 19).

Suspend SCAS Residential Treatment Center Rate Increases

Board and Care for Children - Short-term and Residential	(3,632,959)	(4,578,442)	(3,632,959)	(4,578,442)	-	-
Total - General Fund	(3,632,959)	(4,578,442)	(3,632,959)	(4,578,442)	-	-

Background

Pursuant to CGS Sec. 17a-17 and agency regulations, DCF's Single Cost Accounting System (SCAS) determines the per diem payment rates for in-state, private residential treatment centers. Under SCAS, increases in the allowable residential care components over the previous year rates are limited to the increase in the consumer price index plus 2%, or the actual increase in allowable costs, whichever is less.

Governor

Eliminate funding of \$3,632,959 in FY 18 and \$4,578,442 in FY 19 to reflect the suspension of SCAS per diem rate increases for in-state, private residential treatment centers. Section 26 of PA 17-2 JSS authorizes this change.

Legislative

Same as Governor

Maintain Day Care Support

Board and Care for Children - Foster	3,349,400	3,929,891	-	-	(3,349,400)	(3,929,891)
Total - General Fund	3,349,400	3,929,891	-	-	(3,349,400)	(3,929,891)

Background

Care 4 Kids, within the Office of Early Childhood (OEC), helps low to moderate income families in Connecticut pay for child care costs. Effective 8/1/16, the Care 4 Kids program ceased to accept new applications from working families in priority group 4. This group includes families fostering DCF children and others whose household income is below 50% of the state median.

Governor

Provide funding of \$3,349,400 in FY 18 and \$3,929,891 in FY 19 to cover day care costs for DCF children and families that are no longer covered by Care 4 Kids.

Legislative

Do not provide funding of \$3,349,400 in FY 18 and \$3,929,891 in FY 19 in DCF as funding of \$10,250,975 in FY 18 and \$20,501,950 in FY 19 is provided to OEC to reflect the phasing-in of the current waitlist for all priority groups in the Care 4 Kids program.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Provide TANF/SSBG Funding to CCDF

Board and Care for Children - Short-term and Residential	2,407,211	3,209,614	2,407,211	3,209,614	-	-
Total - General Fund	2,407,211	3,209,614	2,407,211	3,209,614	-	-

Background

Connecticut receives \$266.8 million per year under the Temporary Assistance for Needy Families (TANF) block grant and transfers 10% of this amount to the Social Services Block Grant (SSBG). Currently, SSBG/TANF funding is granted to Departments of Social Services (DSS), Housing (DOH), and Children and Families (DCF), as well as the Office of Early Childhood (OEC). The accounting period for the federal government begins on October 1 and ends on September 30.

Governor

Shift funding of \$7,735,567 in FY 18 and \$10,314,089 in FY 19 from the current SSBG/TANF recipient agencies (DSS, DOH and DCF) to the Child Care and Development Fund (CCDF) under OEC. This shift will have no net impact on revenue, or General Fund appropriations, and will not result in any reduction in services. Provide General Fund support to the former SSBG/TANF recipient agencies of \$7,735,567 in FY 18 and \$10,314,089 in FY 19 and decrease OEC General Fund support by equal amounts. This includes funding of \$2,407,211 (partial year due to federal accounting period) and \$3,209,614 (full-year) to DCF. (See the General Fund accounts in the table below for further details.) The purpose of this shift is to simplify administrative activities related to provision of block grant-funded services for all agencies involved.

General Fund Appropriations Related to SSBG/TANF Shift

Agency	FY 18	FY 19
Department of Housing	3,495,579	4,660,772
Department of Social Services	1,832,777	2,443,703
Department of Children and Families	2,407,211	3,209,614
Office of Early Childhood	(7,735,567)	(10,314,089)
TOTAL	-	-

Legislative

Same as Governor

Reduce Funding for Underutilized STAR Beds

Board and Care for Children - Short-term and Residential	(1,487,630)	(1,487,630)	(1,487,630)	(1,487,630)	-	-
Total - General Fund	(1,487,630)	(1,487,630)	(1,487,630)	(1,487,630)	-	-

Background

A Short-Term Assessment and Respite home (STAR) is a temporary, congregate care setting that provides short-term care, assessment and a range of clinical and nursing services to children removed from their homes due to abuse, neglect or other high-risk circumstances. Youth receive assessment services, educational support, and care coordination related to family reunification, foster care, or other discharge planning as appropriate. STAR homes have six beds and are operated by one of three private providers: Bridge Family Center, Community Residences, and Waterford Country School. There were eight STARs in FY 17 provided with average funding of \$699,928 each.

Governor

Reduce funding by \$1,487,630 in both FY 18 and FY 19 for STAR homes to reflect below capacity utilization of beds.

Legislative

Same as Governor

Rollout of FY 17 Rescissions

Other Expenses	-	-	(300,000)	(300,000)	(300,000)	(300,000)
Juvenile Justice Outreach Services	-	-	(615,941)	(615,941)	(615,941)	(615,941)
Total - General Fund	-	-	(915,941)	(915,941)	(915,941)	(915,941)

Background

The Governor implemented General Fund rescissions totaling \$70.5 million across state agencies.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Reduce funding by \$915,941 in both FY 18 and FY 19 to reflect the rollout of the Governor's FY 17 rescissions.

Annualize FY 17 Holdbacks

Juvenile Justice Outreach Services	(369,565)	(369,565)	(369,565)	(369,565)	-	-
Covenant to Care	(4,214)	(4,214)	(4,214)	(4,214)	-	-
Neighborhood Center	(207,047)	(207,047)	(207,047)	(207,047)	-	-
Total - General Fund	(580,826)	(580,826)	(580,826)	(580,826)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$580,826 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Maintain Juvenile Justice (JJ) Social Workers

Personal Services	(314,359)	(314,359)	-	-	314,359	314,359
Total - General Fund	(314,359)	(314,359)	-	-	314,359	314,359
Positions - General Fund	(5)	(5)	-	-	5	5

Background

In 2017, there were 26 JJ Social Workers with 240 cases or an average of just over 9 cases per JJ Social Worker. Among its other responsibilities, DCF's Juvenile Justice Office:

- Assesses each juvenile's trauma history and its impact on functioning, as well as general mental health and substance abuse needs,
- Provides juveniles with effective treatment/rehabilitative services that meet their individualized behavioral health needs,
- Provides services in the community whenever possible,
- Involves youth and families in service planning, decision making, and behavioral health treatment if indicated, and
- Responds after hours to emergency and non-emergency situations involving juveniles.

Governor

Reduce funding by \$314,359 and eliminate five JJ Social Worker positions in both FY 18 and FY 19. This will increase the average caseload per JJ Social Worker to approximately 12 cases per JJ Social Worker.

Legislative

Maintain funding of \$314,359 in both fiscal years to support five JJ Social Workers.

Eliminate Funding for Low Priority Contracts

Family Support Services	-	-	(46,297)	(46,297)	(46,297)	(46,297)
Community Based Prevention Programs	-	-	(148,385)	(148,385)	(148,385)	(148,385)
Total - General Fund	-	-	(194,682)	(194,682)	(194,682)	(194,682)

Legislative

Reduce funding by a total of \$194,682 in both FY 18 and FY 19 to reflect the elimination of support for low priority contracts under the Family Support Services account and the Community Based Prevention account. This includes: (1) \$46,297 for African Caribbean Family Parents under the Family Support Services account, (2) \$49,462 for the Children's Community Programs under the Community Based Prevention account, and (3) \$98,923 for the Klingberg Family Centers' Anna Grace Project.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Current Services

Provide SCAS Residential Treatment Center Rate Increases

Board and Care for Children - Short-term and Residential	3,632,959	4,578,442	3,632,959	4,578,442	-	-
Total - General Fund	3,632,959	4,578,442	3,632,959	4,578,442	-	-

Background

Pursuant to CGS Sec. 17a-17 and agency regulations, the DCF single Cost Accounting System (SCAS) determines the per diem payment rates for in-state, private residential treatment centers. Under SCAS, increases in the allowable residential care components over the previous year rates are limited to the increase in the consumer price index plus 2%, or the actual increase in allowable costs, whichever is less.

Governor

Provide funding of \$3,632,959 in FY 18 and \$4,578,442 in FY 19 to reflect SCAS rate increases.

Legislative

Same as Governor

Adjust Funding to Reflect Current Requirements and Caseloads

Workers' Compensation Claims	1,927,724	1,927,724	1,927,724	1,927,724	-	-
Juvenile Justice Outreach Services	(465,184)	(233,934)	(465,184)	(233,934)	-	-
No Nexus Special Education	489,128	489,128	489,128	489,128	-	-
Board and Care for Children - Adoption	759,238	2,389,751	759,238	2,389,751	-	-
Board and Care for Children - Foster	5,422,522	6,029,525	5,422,522	6,029,525	-	-
Board and Care for Children - Short-term and Residential	(7,398,132)	(7,398,132)	(7,398,132)	(7,398,132)	-	-
Individualized Family Supports	(3,172,734)	(3,143,670)	(3,172,734)	(3,143,670)	-	-
Community Kidcare	(93,995)	(93,995)	(93,995)	(93,995)	-	-
Total - General Fund	(2,531,433)	(33,603)	(2,531,433)	(33,603)	-	-

Governor

Reduce funding by a net \$2,531,433 in FY 18 and \$33,603 in FY 19 to reflect anticipated expenditure and caseload requirements. Net amounts include funding decreases to the following accounts:

- Board and Care for Children - Short-Term and Residential (\$7,398,132 in both FY 18 and FY 19),
- Individualized Family Supports (\$3,172,734 in FY 18 and \$3,143,670 in FY 19),
- Juvenile Justice Outreach Services (\$465,184 in FY 18 and \$233,934 in FY 19) and
- Community KidCare (\$93,995 in both FY 18 and FY 19).

Net amounts also include a funding increase of \$1,927,724 in both FY 18 and FY 19 to the Workers' Compensation account, \$489,128 in both FY 18 and FY 19 for the No Nexus Special Education account, \$759,238 in FY 18 and \$2,389,751 in FY 19 for the Board and Care for Children - Adoption account, and \$5,422,522 in FY 18 and \$6,029,525 in FY 19 for the Board and Care for Children - Foster account.

Legislative

Same as Governor

Transfer Homeless Youth Program to DOH

Homeless Youth	(2,329,087)	(2,329,087)	(2,329,087)	(2,329,087)	-	-
Total - General Fund	(2,329,087)	(2,329,087)	(2,329,087)	(2,329,087)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

The Start program, currently funded under DCF's Homeless Youth account, is run by a non-profit provider, The Connection, Inc., to provide an array of outreach and survival support services for homeless youth, or youth who have unstable housing, between the ages of 16 and 24 in the Hartford area. Sections 418 and 419 of PA 15-5 JSS transfer the homeless youth program under DCF to the Department of Housing (DOH).

Governor

Transfer funding of \$2,329,087 for homeless youth from DCF to DOH.

Legislative

Same as Governor

Transfer Funding Between Accounts

Child Welfare Support Services	(582,438)	(582,438)	(582,438)	(582,438)	-	-
Board and Care for Children - Foster	582,438	582,438	582,438	582,438	-	-
Total - General Fund	-	-	-	-	-	-

Governor

Transfer funding of \$582,438 in both FY 18 and FY 19 for community-based life skills programming from the Child Welfare Support Services account to the Board and Care for Children-Foster account to reflect the implementation of a credentialed, fee-for-service model.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	794,842,146	794,842,146	794,842,146	794,842,146	-	-
Policy Revisions	14,204,815	14,642,226	(7,189,831)	(20,057,823)	(21,394,646)	(34,700,049)
Current Services	(1,227,561)	2,215,752	(1,227,561)	2,215,752	-	-
Total Recommended - GF	807,819,400	811,700,124	786,424,754	777,000,075	(21,394,646)	(34,700,049)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	3,240	3,240	3,240	3,240	-	-
Policy Revisions	(5)	(5)	-	-	5	5
Total Recommended - GF	3,235	3,235	3,240	3,240	5	5

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$601,450, a Labor Concessions Savings of \$10,352,453, and a Targeted Savings of \$1,640,401. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	273,254,796	(10,953,903)	262,300,893	4.0%
Other Expenses	30,576,026	(1,528,801)	29,047,225	5.0%
Juvenile Justice Outreach Services	5,443,769	(108,875)	5,334,894	2.0%
Covenant to Care	136,273	(2,725)	133,548	2.0%

Judicial Department

JUD95000

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	4,329	4,329	4,329	4,329	4,329	4,329	4,329
Banking Fund	51	51	51	20	20	20	20

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	335,057,239	344,116,163	350,277,435	327,305,520	327,305,520	326,270,877	325,432,553
Other Expenses	65,253,424	64,532,101	62,021,594	62,880,702	62,833,144	61,067,995	60,639,025
Other Current Expenses							
Forensic Sex Evidence Exams	1,277,983	1,388,690	1,348,010	1,348,010	1,348,010	1,348,010	1,348,010
Alternative Incarceration Program	55,047,806	56,343,513	52,747,603	49,538,792	49,538,792	49,538,792	49,538,792
Justice Education Center, Inc.	545,828	491,714	466,217	466,217	466,217	466,217	466,217
Juvenile Alternative Incarceration	27,802,826	27,807,807	25,788,309	20,683,458	20,683,458	20,683,458	20,683,458
Juvenile Justice Centers	3,095,671	2,940,338	2,786,379	-	-	-	-
Probate Court	10,250,000	-	6,000,000	4,450,000	4,450,000	2,000,000	4,450,000
Workers' Compensation Claims	-	6,411,833	6,042,106	6,042,106	6,042,106	6,042,106	6,042,106
Insurance Recovery	-	4,040	-	-	-	-	-
Youthful Offender Services	15,792,582	14,227,298	13,311,287	10,445,555	10,445,555	10,445,555	10,445,555
Victim Security Account	4,329	2,142	8,792	8,792	8,792	8,792	8,792
Children of Incarcerated Parents	516,625	582,250	544,503	544,503	544,503	544,503	544,503
Legal Aid	1,500,000	1,660,000	1,552,382	1,552,382	1,552,382	1,552,382	1,552,382
Youth Violence Initiative	2,187,499	2,030,663	1,925,318	1,925,318	1,925,318	1,925,318	1,925,318
Youth Services Prevention	-	3,273,968	3,187,174	2,708,174	2,708,174	3,187,174	3,187,174
Judge's Increases	3,612,434	-	-	-	-	-	-
Children's Law Center	109,838	109,838	102,717	102,717	102,717	102,717	102,717
Juvenile Planning	-	250,000	233,792	233,792	233,792	333,792	333,792
Other Than Payments to Local Governments							
Juvenile Justice Outreach Services	-	-	-	-	-	5,574,763	11,149,525
Board and Care for Children - Short-term and Residential	-	-	-	-	-	3,282,159	6,564,318
Nonfunctional - Change to Accruals	2,095,090	-	-	-	-	-	-
Agency Total - General Fund	524,149,174	526,172,358	528,343,618	490,236,038	490,188,480	494,374,610	504,414,237
Foreclosure Mediation Program	5,647,479	5,938,239	6,350,389	3,610,565	3,610,565	3,610,565	3,610,565
Nonfunctional - Change to Accruals	42,310	-	-	-	-	-	-
Agency Total - Banking Fund	5,689,789	5,938,239	6,350,389	3,610,565	3,610,565	3,610,565	3,610,565
Criminal Injuries Compensation	2,383,747	2,764,350	2,934,088	2,934,088	2,934,088	2,934,088	2,934,088
Nonfunctional - Change to Accruals	61,119	-	-	-	-	-	-
Agency Total - Criminal Injuries Compensation Fund	2,444,866	2,764,350	2,934,088	2,934,088	2,934,088	2,934,088	2,934,088
Total - Appropriated Funds	532,283,829	534,874,946	537,628,095	496,780,691	496,733,133	500,919,263	510,958,890

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Additional Funds Available							
Federal Funds	-	10,115,771	14,727,565	8,206,111	4,897,671	8,206,111	4,897,671
Private Contributions & Other Restricted	-	8,697,023	5,966,000	5,966,000	5,966,000	5,966,000	5,966,000
Private Contributions	-	1,305,325	387,907	34,990	25,500	34,990	25,500
Agency Grand Total	532,283,829	554,993,065	558,709,567	510,987,792	507,622,304	515,126,364	521,848,061

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Delay Funding for Judges' Salary Increases

Personal Services	(1,480,333)	(1,480,333)	(1,110,250)	(1,480,333)	370,083	-
Total - General Fund	(1,480,333)	(1,480,333)	(1,110,250)	(1,480,333)	370,083	-

Background

Raises for judges were provided in the FY 14, FY 15, and FY 16 budget, as part of a four-year plan to increase the salary of judges. The fourth year, FY 17, was delayed to FY 18 pursuant to PA 16-3 MSS.

Governor

Reduce funding of Personal Services by \$1,480,333 in both FY 18 and FY 19 to reflect a delay to the 3% increase for judges' salaries.

Legislative

Reduce funding of Personal Services by \$1,110,250 in FY 18 and \$1,480,333 in FY 19 to reflect a delay, effective from the passage of the budget, to the 3% increase of judges' salaries to FY 20. Sections 254-257 of PA 17-2 JSS implement this change.

Reduce Funding for the Probate Court Account

Probate Court	(1,000,000)	(1,000,000)	(3,450,000)	(1,000,000)	(2,450,000)	-
Total - General Fund	(1,000,000)	(1,000,000)	(3,450,000)	(1,000,000)	(2,450,000)	-

Background

The Probate Court Administration Fund (PCAF) provides funding for all Probate Court Administration and individual probate court costs. Funding for the PCAF comes from: 1) a General Fund appropriation 2) fees on decedent's estates that must go through the probate court system, and 3) other various probate court fees. The FY 17 Probate Administration budget of approximately \$44.5 million included approximately \$38.3 million from probate fees and a General Fund appropriation of \$6 million. As of February 1, 2017, the PCAF is anticipated to end FY 17 with a balance of approximately \$11 million.

Governor

Reduce funding of the Probate Court account by \$1 million in both FY 18 and FY 19 to reflect the growth of the PCAF balance.

Legislative

Reduce funding of the Probate Court account by \$3.45 million in FY 18 and \$1 million in FY 19 to reflect the growth of the PCAF balance.

Annualize FY 2017 Holdback

Personal Services	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	-	-
Alternative Incarceration Program	(3,208,811)	(3,208,811)	(3,208,811)	(3,208,811)	-	-
Juvenile Alternative Incarceration	(5,104,851)	(5,104,851)	(5,104,851)	(5,104,851)	-	-
Juvenile Justice Centers	(2,786,379)	(2,786,379)	(2,786,379)	(2,786,379)	-	-
Probate Court	(550,000)	(550,000)	(550,000)	(550,000)	-	-
Youthful Offender Services	(2,865,732)	(2,865,732)	(2,865,732)	(2,865,732)	-	-
Youth Services Prevention	(479,000)	(479,000)	-	-	479,000	479,000
Total - General Fund	(19,994,773)	(19,994,773)	(19,515,773)	(19,515,773)	479,000	479,000

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$19,994,773 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Reduce funding by \$19,515,773 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Transfer Juvenile Justice from DCF to CSSD

Juvenile Justice Outreach Services	-	-	5,574,763	11,149,525	5,574,763	11,149,525
Board and Care for Children - Short-term and Residential	-	-	3,282,159	6,564,318	3,282,159	6,564,318
Total - General Fund	-	-	8,856,922	17,713,843	8,856,922	17,713,843

Background

The Department of Children and Families' (DCF) Juvenile Justice Outreach Services account supports a variety of juvenile justice related programs for children, youth, and their families. These include the Fostering Responsibility, Education, and Employment program, Multi-Dimensional Family Therapy - Family Substance Abuse Treatments Services, Juvenile Review Boards, Multisystemic Therapy for Transition Age Youth, Juvenile Justice Intermediate Evaluations, employment programs (e.g., Work to Learn), and Functional Family Therapy.

DCF's Board and Care for Children - Short-Term and Residential account primarily supports private residential facilities for children and youth placed into congregate care by the agency, or the courts. Placements are made according to the specific needs of the individual and the treatment and expertise available at each facility. Types of placements include therapeutic group homes, Short-term Family Integrated Treatment homes, and substance abuse treatment homes.

Legislative

Transfer funding of \$8,856,922 in FY 18 (half-year) and \$17,713,843 in FY 19 (full-year) from DCF to the Court Support Services Division (CSSD) of the Judicial Branch, which reflects the reassignment of: (1) the entirety of DCF's Juvenile Justice Outreach Services account (\$11,149,525 in FY 19), and (2) the funding in DCF's Board and Care for Children - Short-Term and Residential account that supports juvenile justice individuals in residential care settings (\$6,564,318 in FY 19). Sections 321-323 of PA 17-2 JSS implements this change.

Provide Funding for JJPOC

Juvenile Planning	-	-	100,000	100,000	100,000	100,000
Total - General Fund	-	-	100,000	100,000	100,000	100,000

Legislative

Provide funding of \$100,000 in FY 18 and FY 19 to continue to conduct juvenile justice research with the University of New Haven.

Achieve Efficiencies

Personal Services	-	-	(1,404,726)	(1,872,967)	(1,404,726)	(1,872,967)
Other Expenses	-	-	(141,527)	(188,703)	(141,527)	(188,703)
Total - General Fund	-	-	(1,546,253)	(2,061,670)	(1,546,253)	(2,061,670)

Legislative

Reduce funding by \$1,546,253 in FY 18 and \$2,061,670 in FY 19 to reflect savings.

Achieve Savings Due to Consolidation

Other Expenses	-	-	(1,671,180)	(2,005,416)	(1,671,180)	(2,005,416)
Total - General Fund	-	-	(1,671,180)	(2,005,416)	(1,671,180)	(2,005,416)

Legislative

Reduce funding by \$1,671,180 in FY 18 and \$2,005,416 in FY 19 to reflect savings due to consolidation of juvenile justice functions from the Department of Children and Families to Judicial.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Redistribute Hartford's Youth Violence Initiative Grant

Legislative

Redistribute the Hartford portion of the Youth Violence Initiative account as follows: YMCA of Metropolitan Hartford - Wilson Gray \$200,000, Urban League \$120,000, Legacy Foundation of Hartford \$100,000, West Indian Foundation \$75,000, Upper Albany Collaborative \$50,000, Hartford Hurricanes \$38,773, Hartford Knights \$33,000, and Girls for Technology \$25,000.

Current Services

Reduce Funding for Personal Services

Personal Services	(17,971,915)	(17,971,915)	(17,971,915)	(17,971,915)	-	-
Total - General Fund	(17,971,915)	(17,971,915)	(17,971,915)	(17,971,915)	-	-

Governor

Reduce funding by \$17,971,915 in both FY 18 and FY 19 to reflect current payroll costs.

Legislative

Same as Governor

Provide Funding for Judges' Salary Increases

Personal Services	1,480,333	1,480,333	1,480,333	1,480,333	-	-
Total - General Fund	1,480,333	1,480,333	1,480,333	1,480,333	-	-

Background

PA 16-3 MSS delayed the 3% raises for judges in FY 17 to FY 18.

Governor

Provide funding of \$1,480,333 in Personal Services in both FY 18 and FY 19 to reflect funding for the increases to judges' salaries. This funding is eliminated in a separate policy action.

Legislative

Same as Governor

Annualize Savings from Opening the Torrington Courthouse

Other Expenses	(701,392)	(748,950)	(701,392)	(748,950)	-	-
Total - General Fund	(701,392)	(748,950)	(701,392)	(748,950)	-	-

Background

The new Torrington Courthouse is anticipated to open April 2017. This new courthouse will consolidate the Judicial District Courthouse in Litchfield, Bantam Superior Court, a Family Services Office in Litchfield and the Juvenile Court in Torrington.

Governor

Reduce funding by \$701,392 in FY 18 and \$748,950 in FY 19 to reflect elimination of the lease costs as a result of the opening of the Torrington Courthouse.

Legislative

Same as Governor

Annualize the Cost to Open the Torrington Courthouse

Other Expenses	1,502,180	1,502,180	1,502,180	1,502,180	-	-
Total - General Fund	1,502,180	1,502,180	1,502,180	1,502,180	-	-

Background

The new Torrington Courthouse is anticipated to open April 2017. This new courthouse will consolidate the Judicial District Courthouse in Litchfield, Bantam Superior Court, a Family Services Office in Litchfield and the Juvenile Court in Torrington.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Provide funding of \$1,502,180 in both FY 18 and FY 19 for increased costs to operate the Torrington courthouse. These costs include operating expenses such as utilities and custodial/cleaning costs.

Legislative

Same as Governor

Annualize FY 17 Funding for Lease Parking

Other Expenses	58,320	58,320	58,320	58,320	-	-
Total - General Fund	58,320	58,320	58,320	58,320	-	-

Governor

Provide funding of \$58,320 in both FY 18 and FY 19 for 50 parking spaces for the Marshal Transport Vans at 150 Sargent Drive, New Haven.

Legislative

Same as Governor

Eliminate Vacant Positions in Foreclosure Mediation Program

Foreclosure Mediation Program	(2,739,824)	(2,739,824)	(2,739,824)	(2,739,824)	-	-
Total - Banking Fund	(2,739,824)	(2,739,824)	(2,739,824)	(2,739,824)	-	-
Positions - Banking Fund	(31)	(31)	(31)	(31)	-	-

Background

Under current law (PA 15-124, An Act Extending the Foreclosure Mediation Program), the Foreclosure Mediation Program is scheduled to be eliminated on June 30, 2019. The caseload for the program has been decreasing each year with 9,064 cases eligible and referred to the program in FY 10 to 3,458 in FY 16.

Governor

Reduce funding by \$2,739,824 in both FY 18 and FY 19 to reflect the elimination of 31 positions that are currently vacant.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	528,343,618	528,343,618	528,343,618	528,343,618	-	-
Policy Revisions	(22,475,106)	(22,475,106)	(18,336,534)	(8,249,349)	4,138,572	14,225,757
Current Services	(15,632,474)	(15,680,032)	(15,632,474)	(15,680,032)	-	-
Total Recommended - GF	490,236,038	490,188,480	494,374,610	504,414,237	4,138,572	14,225,757
FY 17 Appropriation - BF	6,350,389	6,350,389	6,350,389	6,350,389	-	-
Current Services	(2,739,824)	(2,739,824)	(2,739,824)	(2,739,824)	-	-
Total Recommended - BF	3,610,565	3,610,565	3,610,565	3,610,565	-	-
FY 17 Appropriation - CIF	2,934,088	2,934,088	2,934,088	2,934,088	-	-
Total Recommended - CIF	2,934,088	2,934,088	2,934,088	2,934,088	-	-

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	4,329	4,329	4,329	4,329	-	-
Total Recommended - GF	4,329	4,329	4,329	4,329	-	-
FY 17 Appropriation - BF	51	51	51	51	-	-
Current Services	(31)	(31)	(31)	(31)	-	-
Total Recommended - BF	20	20	20	20	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Hiring Reduction Savings of \$710,088, a Labor Concessions Savings of \$13,661,689, a Targeted Savings of \$8,075,823, an Unallocated Lapse of \$2,641,467, and a Delayed Start Savings of \$100,572. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	326,270,877	(19,476,672)	306,794,205	5.97%
Other Expenses	61,067,995	(800,000)	60,267,995	1.31%
Alternative Incarceration Program	49,538,792	(85,955)	49,452,837	0.17%
Justice Education Center, Inc.	466,217	(155,406)	310,811	33.33%
Juvenile Alternative Incarceration	20,683,458	(764,172)	19,919,286	3.69%
Probate Court	2,000,000	(100,000)	1,900,000	5.00%
Youthful Offender Services	10,445,555	(792,278)	9,653,277	7.58%
Children of Incarcerated Parents	544,503	(54,450)	490,053	10.00%
Legal Aid	1,552,382	(155,238)	1,397,144	10.00%
Youth Violence Initiative	1,925,318	(721,995)	1,203,323	37.50%
Youth Services Prevention	3,187,174	(1,195,190)	1,991,984	37.50%
Children's Law Center	102,717	(10,272)	92,445	10.00%
Juvenile Planning	333,792	(125,172)	208,620	37.50%
Juvenile Justice Outreach Services	5,574,763	(473,855)	5,100,908	8.50%
Board and Care for Children - Short-term and Residential	3,282,159	(278,984)	3,003,175	8.50%

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 150-151 provide \$200,000 in both FY 18 and FY 19 to the Judicial Department and the Public Defender Services Commission in FY 18 and FY 19 to establish a one-year pilot program, from July 1, 2018 to June 30, 2019. The purpose of the pilot program is to provide legal counsel in certain civil hearing proceedings for relief from abuse when the applicant is deemed indigent.

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Section 208 distributes the grants under the Youth Services Prevention accounts to the following organizations:

Organization	Amount \$
Advocacy Academy Accomplish Education Inc.	8,000
Archipelago Inc. Project Music	37,500
Arte Inc.	80,000
Artist Collective	10,000
Artist Collective	10,000
Beat the Street Community Center	15,000
BIMEC (Believe In Me Corp)	15,000
Boys & Girls Club of Greater Waterbury	18,333
Boys & Girls Club of Greater Waterbury	18,333
Boys & Girls Club of Southeastern Connecticut	5,000
Boys and Girls Club of Lower Naugatuck Valley	30,000
Boys and Girls Club of Meriden	10,000
Boys and Girls Club of Stamford	37,500
Boys and Girls Club/Chandler Street	30,000
Bregamos Theater	10,000
Bridgeport CaribeYouth Leaders, Inc.	25,000
Bridgeport CaribeYouth League, Inc.	85,000
BSL Education Foundation	20,000
Buddy Jordan Foundation	40,000
C.U.R.E.T.	10,000
C.U.R.E.T.	10,000
Caribe Youth Leaders	55,000
Central CT Coast YMCA/Hamden	40,000
Central CT Coast YMCA/Valley	40,000
CHAMP Community Hands in Action Mentoring Program	10,000
Charter Oak Boxing	15,000
Church of the Good Shepard	110,000
Citadel of Love	20,000
City of Meriden/Police Cadets	10,000
Computer Center Pope Park	30,000
Cross Street Training and Academic Center, Inc.	5,000
East Hampton Youth and Family Services	55,000
Ebonyhorse Woman, Inc.	10,000
Ebonyhorse Woman, Inc.	10,000
Family Reentry Organization, Inc./Transition Mentoring Program	10,000
Friends of Pope Park Troop 105	35,000
Garde Arts Center	15,000
Girls, Inc.	10,000
Goodworks, Inc.	10,000

Organization	Amount \$
Goodworks, Inc.	10,000
GVI	25,000
Haitian Woman Association - Anacaona Youth Enrichment Program	25,000
Hartford Drill, Drum and Dance Corp.	20,000
Hartford Urban League	7,500
Hartford Urban League	7,500
Headquarters & Church Care of Kanaan Baptist Church	110,000
Heavy Hitters USA	5,000
Higher Heights Youth Empowerment Programs, Inc.	20,000
Hispanic Coalition of Greater Waterbury, Inc.	18,333
Hispanic Coalition of Greater Waterbury, Inc.	18,333
Historically Black College Alumni, Inc.	5,000
Human Resources Agency of New Britain, Inc.	65,000
Kids Kook Association, Inc.	10,000
M.G. LL	45,000
McGivney Center	25,000
Meriden Wallingford Chrysalis	15,000
Meriden YMCA	10,000
Mi Casa	40,000
Middlesex United Way	85,000
Mount Olive Ministries	15,000
New Haven Reads Community Book Bank	50,000
New London Babe Ruth League, Inc.	5,000
New London Football League	15,000
New London Little League, Inc.	10,000
New London NAACP	5,000
New Opportunities of Greater Meriden/Boys to Men Program	12,000
NH Symphony Orchestra	25,000
O.P.M. Afterschool Program	25,000
Oddfellows Playhouse	20,000
OIC	25,000
Orcutt Boys and Girls Club	55,000
Original Works, Inc.	10,000
Our Piece of the Pie	10,000
Our Piece of the Pie	10,000
Pathways Sandero Center/Greater New Britain Teen Pregnancy Prevention, Inc.	20,000
Patrons of the Trumbull Nature & Arts Center, Inc.	20,000
Police Activity League of Waterbury C/O Waterbury Young Men's Christian Association dba Greater Waterbury YMCA	18,333
Police Activity League of Waterbury C/O Waterbury Young Men's Christian Association dba Greater Waterbury YMCA	18,333

Organization	Amount \$
Police Athletic League/NH PAL	45,000
Project Overcome Inc.	20,000
R' Kids, Inc.	35,000
Riv Memorial Foundation, Inc.	18,333
Riv Memorial Foundation, Inc.	18,333
Rushford Hospital Youth Program	10,000
Safe Futures, Inc.	20,000
Solar Youth	40,000
Sound Community Services, Inc.	10,000
St. Margaret Willow Plaza NRZ, Assoc. Inc.	18,333
St. Margaret Willow Plaza NRZ, Assoc. Inc.	18,333
Stamford YMCA	10,000
Stamford YMCA	40,000
Stratford Police Athletic League	10,000
Sullivan Basketball Academy, Inc.	20,000
Supreme Athletes	15,000
Take a Chance Foundation Inc.	20,000
The Pillar	10,000
The Village Initiative Project, Inc.	25,000
The Walter E. Lockett Jr. Foundation	100,000
Town of Clinton/Partner in Community	55,000
Town of East Hartford: Youth Services/Youth Task Force	55,000
Town of Manchester	55,000
United Mentoring Academy, Inc.	20,000
Upper Albany Collaborative	12,500
Upper Albany Collaborative	12,500
Upper Albany Collaborative	32,500
Upper Albany Collaborative	32,500
VETTS, Inc.	65,000
Village Initiative Project, Inc.	110,000
Walnut Orange Walsh Neighborhood Revitalization Zone Association, Inc.	18,333
Walnut Orange Walsh Neighborhood Revitalization Zone Association, Inc.	18,333
William E. Edwards Academic College Tours, Inc.	15,000
Windsor Collaborative	10,000
Windsor Collaborative	10,000
Windsor Collaborative	5,000
Windsor Collaborative	5,000
With These Hands	70,000
Women & Family Center	10,000
Writer's Block Ink	15,000

Public Defender Services Commission

PDS98500

Permanent Full-Time Positions

Fund	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
General Fund	447	447	447	447	447	447	447

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Personal Services	41,616,366	43,031,058	39,491,615	40,392,553	40,392,553	40,130,053	40,042,553
Other Expenses	1,491,477	1,237,753	1,336,440	1,185,863	1,185,863	1,176,487	1,173,363
Other Current Expenses							
Assigned Counsel - Criminal	22,647,884	23,891,496	21,454,202	22,442,284	22,442,284	22,442,284	22,442,284
Expert Witnesses	2,392,236	3,122,079	3,153,478	3,234,137	3,234,137	3,234,137	3,234,137
Training And Education	130,000	92,896	119,748	119,748	119,748	119,748	119,748
Contracted Attorneys Related Expenses	54,882	39,999	-	-	-	-	-
Nonfunctional - Change to Accruals	832,279	-	-	-	-	-	-
Agency Total - General Fund	69,165,124	71,415,281	65,555,483	67,374,585	67,374,585	67,102,709	67,012,085
Additional Funds Available							
Federal Funds	-	7,695	-	-	-	-	-
Agency Grand Total	69,165,124	71,422,976	65,555,483	67,374,585	67,374,585	67,102,709	67,012,085

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Annualize FY 17 Holdbacks

Personal Services	(1,499,062)	(1,499,062)	(1,499,062)	(1,499,062)	-	-
Other Expenses	(150,577)	(150,577)	(150,577)	(150,577)	-	-
Assigned Counsel - Criminal	(711,918)	(711,918)	(711,918)	(711,918)	-	-
Expert Witnesses	(119,341)	(119,341)	(119,341)	(119,341)	-	-
Total - General Fund	(2,480,898)	(2,480,898)	(2,480,898)	(2,480,898)	-	-

Background

The Governor implemented FY 17 holdbacks totaling \$149.5 million. The Governor's FY 18 and FY 19 Budget annualizes \$81.7 million of FY 17 holdbacks in FY 18 and \$81.8 million in FY 19 across various agencies.

Governor

Reduce funding by \$2,480,898 in both FY 18 and FY 19 to annualize FY 17 holdbacks.

Legislative

Same as Governor

Achieve Efficiencies

Personal Services	-	-	(262,500)	(350,000)	(262,500)	(350,000)
Other Expenses	-	-	(9,376)	(12,500)	(9,376)	(12,500)
Total - General Fund	-	-	(271,876)	(362,500)	(271,876)	(362,500)

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Reducing funding by \$271,876 in FY 18 and \$362,500 in FY 19 to reflect savings that will be achieved.

Current Services**Adjust Funding to Reflect the FY 17 Deficiency**

Personal Services	2,400,000	2,400,000	2,400,000	2,400,000	-	-
Assigned Counsel - Criminal	1,700,000	1,700,000	1,700,000	1,700,000	-	-
Expert Witnesses	200,000	200,000	200,000	200,000	-	-
Total - General Fund	4,300,000	4,300,000	4,300,000	4,300,000	-	-

Background

HB 7026, the Governor's deficiency bill, results in no net increase to the General Fund. Increases of \$28.4 million are offset by funding reductions in various accounts. The bill includes \$4.3 million in deficiency funding in FY 17 for this agency in the Personal Services, Assigned Counsel - Criminal, and Expert Witnesses Account. This funding is required due to the agency's inability to meet reductions made in the FY 17 budget.

Governor

Provide funding of \$4.3 million in both FY 18 and FY 19 to reflect the annualization of the agency's FY 17 deficiency.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	65,555,483	65,555,483	65,555,483	65,555,483	-	-
Policy Revisions	(2,480,898)	(2,480,898)	(2,752,774)	(2,843,398)	(271,876)	(362,500)
Current Services	4,300,000	4,300,000	4,300,000	4,300,000	-	-
Total Recommended - GF	67,374,585	67,374,585	67,102,709	67,012,085	(271,876)	(362,500)

Positions	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	447	447	447	447	-	-
Total Recommended - GF	447	447	447	447	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes an Unallocated Lapse of \$358,533 and a Delayed Start Savings of \$13,651. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	40,130,053	(2,606,227)	37,523,826	-6.49%
Expert Witnesses	3,234,137	(358,533)	2,875,604	-11.09%

Debt Service - State Treasurer

OTT14100

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Other Current Expenses							
Debt Service	1,417,188,349	1,682,659,701	1,765,932,976	1,981,094,017	1,916,204,257	1,955,817,562	1,858,767,569
UConn 2000 - Debt Service	136,543,508	148,249,734	172,057,219	189,526,253	210,955,639	189,526,253	210,955,639
CHEFA Day Care Security	4,268,356	4,085,086	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
Pension Obligation Bonds - TRB	133,528,190	132,732,646	119,597,971	140,219,021	118,400,521	140,219,021	118,400,521
Grant Payments to Local Governments							
Municipal Restructuring	-	-	-	-	-	20,000,000	20,000,000
Agency Total - General Fund	1,691,528,403	1,967,727,167	2,063,088,166	2,316,339,291	2,251,060,417	2,311,062,836	2,213,623,729
Debt Service	460,022,123	493,938,883	562,993,251	614,679,938	680,223,716	614,679,938	680,223,716
Agency Total - Special Transportation Fund	460,022,123	493,938,883	562,993,251	614,679,938	680,223,716	614,679,938	680,223,716
Total - Appropriated Funds	2,151,550,526	2,461,666,050	2,626,081,417	2,931,019,229	2,931,284,133	2,925,742,774	2,893,847,445

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Make Miscellaneous Updates and Changes

Debt Service	-	-	(25,276,455)	(32,978,355)	(25,276,455)	(32,978,355)
Total - General Fund	-	-	(25,276,455)	(32,978,355)	(25,276,455)	(32,978,355)

Legislative

Adjust debt service related to the following programs:

- 1) Capital Region Development Authority (CRDA) - reflect expiration of debt (\$1.8 million each year in the CRDA program related to retirement of Series A bonds in 2016);
- 2) Connecticut Health and Educational Facilities (CHEFA) day care program - reflect net projected expenditures for the CHEFA day care program based on the current amortization schedule less anticipated reimbursements from day care providers (\$1.4 million each year); and
- 3) Department of Correction (DOC) - elimination of funding for the debt service component related to a potential DOC energy conservation capital lease (\$3.5 million in each year of the biennium).

In addition, adjust debt service to reflect possible savings due to several debt management and issuance strategies, along with updating expected borrowing costs to reflect market rates. Debt reduction strategies include pursuing bond refunding opportunities (and reflecting the impact of previous refundings), reassessing arbitrage rebates and fees, use of excess premiums, and updating interest rate projections for variable rate bonds.

Reduce Debt Service to Reflect General Obligation Bond Caps

Debt Service	-	-	-	(24,458,333)	-	(24,458,333)
Total - General Fund	-	-	-	(24,458,333)	-	(24,458,333)

Background

The amount of funding provided for debt service depends on both existing outstanding debt and projections of the costs of repayment of newly issued debt. New debt issued is related to the recent and anticipated spending in bond-funded programs. Based on the Treasurer's estimates, the Governor's recommended budget assumes \$2.3 billion of General Obligation bond issuance each year of the biennium.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Legislative

Reflect savings of \$24.45 million in FY 19 associated with the bond caps established in P.A. 17-2 (JSS). The new caps on General Obligation bond use are for bond allocation (\$2 billion), issuance (\$1.9 billion), and allotment (\$1.9 billion). Based on these caps, it is expected that bond spending will be reduced, leading to lower than expected bond issuances for the biennium and lower debt service payments necessary for FY 19.

Establish Municipal Restructuring

Municipal Restructuring	-	-	20,000,000	20,000,000	20,000,000	20,000,000
Total - General Fund	-	-	20,000,000	20,000,000	20,000,000	20,000,000

Legislative

Provide \$20,000,000 in each of FY 18 and FY 19 for assistance for financially distressed municipalities.

Current Services**Increase Debt Service**

Debt Service	215,161,041	150,271,281	215,161,041	150,271,281	-	-
Total - General Fund	215,161,041	150,271,281	215,161,041	150,271,281	-	-

Background

Debt service reflects the state's obligation to make payments on services and goods provided in previous years. The State Bond Commission approved the allocation of \$2.4 billion in FY 15 and \$2.9 billion in FY 16 for capital projects.

In FY 18, approximately 95 percent of the general fund debt service payment is to repay bonds that were issued prior to FY 17. The payments for FY 18 and FY 19 include \$58 million towards the FY 13 GAAP Deficit Conversation Bonds in each year. The 2009 Economic Recovery Notes are scheduled to be retired after the FY 18 payment of \$179 million.

Governor

Provide funding of \$215 million in FY 18 and \$150 million in FY 19 to fund the increase in debt service due to increased bond spending in previous years. The decrease from FY 18 to FY 19 reflects retirement of 2009 Economic Recovery Notes in FY 18, which is partially offset by projected issuance of new bonds.

Legislative

Same as Governor

Increase UConn 2000 Debt Service

UConn 2000 - Debt Service	17,469,034	38,898,420	17,469,034	38,898,420	-	-
Total - General Fund	17,469,034	38,898,420	17,469,034	38,898,420	-	-

Background

The state first established a major bonding program for the University of Connecticut under PA 95-230 (UConn 2000). This program has been extended under the title UConn 21st Century and, most recently, as Next Generation Connecticut (PA 13-233). Since FY 11, over \$1.5 billion has been authorized for UConn bond projects. Under current law, another \$1.3 billion is scheduled to be authorized from FY 18 through FY 24, including \$295 million in FY 18 and \$251 million in FY 19. The Governor's proposal delays \$29.6 million of the previously scheduled FY 18 authorization and \$25.1 million of the FY 19 authorization until after the biennium.

Governor

Provide funding of \$17.5 million in FY 18 and \$38.9 million in FY 19 to fund the increase in debt service for UConn bond programs due to increased spending in previous years.

Legislative

Same as Governor

Follow Pension Obligation Bond Repayment Schedule

Pension Obligation Bonds - TRB	20,621,050	(1,197,450)	20,621,050	(1,197,450)	-	-
Total - General Fund	20,621,050	(1,197,450)	20,621,050	(1,197,450)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

In 2008, \$2.3 billion in Pension Obligation Bonds (POBs) were issued by the state. Proceeds of the bond sale were added to the Teachers' Retirement Fund. A repayment schedule was developed when the bonds were issued that requires specific semi-annual payments until the bond is fully repaid in FY 32. While set by the bond covenant, the state's annual contribution to the debt service of the POBs varies from year to year.

Governor

Provide funding of \$20.6 million in FY 18 and reduce funding by \$1.2 million in FY 19 to meet POBs repayment schedule. The Governor's proposal follows the POB repayment schedule.

Legislative

Same as Governor

Increase Special Transportation Fund Debt Service

Debt Service	51,686,687	117,230,465	51,686,687	117,230,465	-	-
Total - Special Transportation Fund	51,686,687	117,230,465	51,686,687	117,230,465	-	-

Background

Debt service reflects the state's obligation to make payments on services and goods provided in previous years. Approximately 90 percent of the transportation fund FY 18 debt service payment is to repay bonds that were issued prior to FY 17. In FY 16, the state began a funding ramp up for capital transportation programs known as Let's Go! CT, including bond authorization for the program of over \$795 million.

Governor

Increase Special Transportation Fund debt service by \$51.7 million in FY 18 and \$117.2 million in FY 19 to reflect the increased STO bond issuance in FY 16 and FY 17, along with projected increase in issuances in FY 18 and FY 19.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	2,063,088,166	2,063,088,166	2,063,088,166	2,063,088,166	-	-
Policy Revisions	-	-	(5,276,455)	(37,436,688)	(5,276,455)	(37,436,688)
Current Services	253,251,125	187,972,251	253,251,125	187,972,251	-	-
Total Recommended - GF	2,316,339,291	2,251,060,417	2,311,062,836	2,213,623,729	(5,276,455)	(37,436,688)
FY 17 Appropriation - TF	562,993,251	562,993,251	562,993,251	562,993,251	-	-
Current Services	51,686,687	117,230,465	51,686,687	117,230,465	-	-
Total Recommended - TF	614,679,938	680,223,716	614,679,938	680,223,716	-	-

State Comptroller - Miscellaneous

OSC15100

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Other Current Expenses							
Adjudicated Claims	14,212,582	43,911,555	-	-	-	-	-
Nonfunctional - Change to Accruals	-	-	13,392,147	546,139	2,985,705	546,139	2,985,705
Agency Total - General Fund	14,212,582	43,911,555	13,392,147	546,139	2,985,705	546,139	2,985,705
Nonfunctional - Change to Accruals	-	9,029,529	1,629,447	675,402	213,133	675,402	213,133
Agency Total - Special Transportation Fund	-	9,029,529	1,629,447	675,402	213,133	675,402	213,133
Nonfunctional - Change to Accruals	-	6,176	2,845	2,845	2,845	2,845	2,845
Agency Total - Regional Market Operation Fund	-	6,176	2,845	2,845	2,845	2,845	2,845
Nonfunctional - Change to Accruals	-	199,530	95,178	95,178	95,178	95,178	95,178
Agency Total - Banking Fund	-	199,530	95,178	95,178	95,178	95,178	95,178
Nonfunctional - Change to Accruals	-	291,264	116,945	116,945	116,945	116,945	116,945
Agency Total - Insurance Fund	-	291,264	116,945	116,945	116,945	116,945	116,945
Nonfunctional - Change to Accruals	-	266,964	89,658	89,658	89,658	89,658	89,658
Agency Total - Consumer Counsel and Public Utility Control Fund	-	266,964	89,658	89,658	89,658	89,658	89,658
Nonfunctional - Change to Accruals	-	29,886	72,298	72,298	72,298	72,298	72,298
Agency Total - Workers' Compensation Fund	-	29,886	72,298	72,298	72,298	72,298	72,298
Nonfunctional - Change to Accruals	-	63,293	-	-	-	-	-
Agency Total - Criminal Injuries Compensation Fund	-	63,293	-	-	-	-	-
Total - Appropriated Funds	14,212,582	53,798,196	15,398,518	1,598,465	3,575,762	1,598,465	3,575,762

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Current Services

Reduce Funding for GAAP Accruals

Nonfunctional - Change to Accruals	(12,846,008)	(10,406,442)	(12,846,008)	(10,406,442)	-	-
Total - General Fund	(12,846,008)	(10,406,442)	(12,846,008)	(10,406,442)	-	-
Nonfunctional - Change to Accruals	(954,045)	(1,416,314)	(954,045)	(1,416,314)	-	-
Total - Special Transportation Fund	(954,045)	(1,416,314)	(954,045)	(1,416,314)	-	-

Governor

Reduce funding by \$12,846,008 in FY 18 and \$10,406,442 in FY 19 in the General Fund for GAAP accrual payments to reflect current requirements. Reduce funding by \$954,045 in FY 18 and \$1,416,314 in FY 19 in the Special Transportation Fund for GAAP accrual payments to reflect current requirements.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	13,392,147	13,392,147	13,392,147	13,392,147	-	-
Current Services	(12,846,008)	(10,406,442)	(12,846,008)	(10,406,442)	-	-
Total Recommended - GF	546,139	2,985,705	546,139	2,985,705	-	-
FY 17 Appropriation - TF	1,629,447	1,629,447	1,629,447	1,629,447	-	-
Current Services	(954,045)	(1,416,314)	(954,045)	(1,416,314)	-	-
Total Recommended - TF	675,402	213,133	675,402	213,133	-	-
FY 17 Appropriation - RF	2,845	2,845	2,845	2,845	-	-
Total Recommended - RF	2,845	2,845	2,845	2,845	-	-
FY 17 Appropriation - BF	95,178	95,178	95,178	95,178	-	-
Total Recommended - BF	95,178	95,178	95,178	95,178	-	-
FY 17 Appropriation - IF	116,945	116,945	116,945	116,945	-	-
Total Recommended - IF	116,945	116,945	116,945	116,945	-	-
FY 17 Appropriation - PF	89,658	89,658	89,658	89,658	-	-
Total Recommended - PF	89,658	89,658	89,658	89,658	-	-
FY 17 Appropriation - WF	72,298	72,298	72,298	72,298	-	-
Total Recommended - WF	72,298	72,298	72,298	72,298	-	-

State Comptroller - Fringe Benefits

OSC15200

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Other Current Expenses							
Unemployment Compensation	5,127,929	5,068,428	6,348,001	13,479,501	6,348,301	7,272,256	6,465,764
State Employees Retirement Contributions	970,863,047	1,096,800,201	1,124,661,963	1,202,148,583	1,327,077,738	1,200,988,149	1,324,658,878
Higher Education Alternative Retirement System	941,763	(34,354)	4,924,234	500,000	500,000	1,000	1,000
Pensions and Retirements - Other Statutory	1,638,996	1,602,498	1,760,804	1,706,796	1,757,248	1,606,796	1,657,248
Judges and Compensation Commissioners Retirement	17,731,131	18,258,707	19,163,487	25,457,910	27,427,480	25,457,910	27,427,480
Insurance - Group Life	7,554,075	7,754,314	7,867,871	8,111,900	8,355,900	7,991,900	8,235,900
Employers Social Security Tax	225,966,607	228,290,741	227,723,020	213,998,720	213,886,020	198,812,550	197,818,172
State Employees Health Service Cost	635,096,886	662,862,284	693,865,044	700,685,888	744,535,304	665,642,460	707,332,481
Retired State Employees Health Service Cost	598,635,039	645,975,176	731,109,000	794,899,000	864,599,000	774,399,000	844,099,000
Tuition Reimbursement - Training and Travel	3,302,800	2,961,860	-	115,000	-	115,000	-
Death Benefits For St Employ	-	16,200	-	-	-	-	-
Other Post-Employment Benefits	-	-	-	120,000,000	120,000,000	91,200,000	91,200,000
Nonfunctional - Change to Accruals	13,941,239	-	-	-	-	-	-
Agency Total - General Fund	2,480,799,512	2,669,556,055	2,817,423,424	3,081,103,298	3,314,486,991	2,973,487,021	3,208,895,923
Unemployment Compensation	255,946	287,591	305,000	305,000	305,000	203,548	203,548
State Employees Retirement Contributions	130,144,053	122,166,623	129,227,978	134,130,000	146,268,000	132,842,942	144,980,942
Insurance - Group Life	264,721	268,204	285,063	275,000	279,000	273,357	277,357
Employers Social Security Tax	15,647,684	15,498,733	18,178,987	18,327,587	18,346,887	15,655,534	15,674,834
State Employees Health Service Cost	44,606,243	46,708,551	56,549,838	53,544,606	57,652,322	46,110,687	50,218,403
Other Post-Employment Benefits	-	-	-	-	-	6,000,000	6,000,000
Nonfunctional - Change to Accruals	1,182,574	-	-	-	-	-	-
Agency Total - Special Transportation Fund	192,101,221	184,929,702	204,546,866	206,582,193	222,851,209	201,086,068	217,355,084
Total - Appropriated Funds	2,672,900,733	2,854,485,757	3,021,970,290	3,287,685,491	3,537,338,200	3,174,573,089	3,426,251,007
Additional Funds Available							
Carry Forward Funding	-	-	-	-	-	3,390,170	-
Agency Grand Total	2,672,900,733	2,854,485,757	3,021,970,290	3,287,685,491	3,537,338,200	3,177,963,259	3,426,251,007

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Eliminate Fringe Benefit Subsidy for CT Airport Authority

Unemployment Compensation	-	-	(1,452)	(1,452)	(1,452)	(1,452)
State Employees Retirement Contributions	-	-	(1,287,058)	(1,287,058)	(1,287,058)	(1,287,058)
Insurance - Group Life	-	-	(1,643)	(1,643)	(1,643)	(1,643)
Employers Social Security Tax	-	-	(172,053)	(172,053)	(172,053)	(172,053)
State Employees Health Service Cost	-	-	(433,919)	(433,919)	(433,919)	(433,919)
Total - Special Transportation Fund	-	-	(1,896,125)	(1,896,125)	(1,896,125)	(1,896,125)

Background

PA 11-84 established the Connecticut Airport Authority (CAA) and transferred existing Department of Transportation staff over to the CAA. These employees retained their classification as state employees for the purposes of state administered benefits, including health and pension. The Special Transportation Fund (STF) has been providing a subsidy to the CAA since FY 12, which has historically been used to pay for salaries of CAA employees. In addition, the STF has provided fringe benefit support for those salaries charged to the STF subsidy. The fringe benefit support is paid for out of the State Comptroller's centralized fringe benefit accounts.

Legislative

Eliminate funding of \$1,896,125 in both FY 18 and FY 19 to reflect eliminating the fringe benefit subsidy for CAA employees. The budget eliminates the direct STF subsidy for the CAA. The elimination of the fringe benefit is a complement to the reduction within the Department of Transportation.

Establish Passport to Parks Program

Unemployment Compensation	-	-	(5,333)	(10,665)	(5,333)	(10,665)
State Employees Retirement Contributions	-	-	(1,160,434)	(2,418,860)	(1,160,434)	(2,418,860)
Employers Social Security Tax	-	-	(156,899)	(327,046)	(156,899)	(327,046)
State Employees Health Service Cost	-	-	-	(42,899)	-	(42,899)
Total - General Fund	-	-	(1,322,666)	(2,799,470)	(1,322,666)	(2,799,470)

Background

The Passport to Parks program establishes a \$10 surcharge on certain motor vehicle registrations (passenger, motorcycle, motor home, combination, and antique) effective January 1, 2018. The surcharge will support a new Passport to Parks Fund, which must be used to operate state parks and campgrounds, fund soil and water conservation districts and environmental review teams, and beginning with FY 19, fund the Council on Environmental Quality.

Legislative

Eliminate funding of \$1,322,666 in FY 18 and \$2,799,470 in FY 19 from the General Fund which reflects the fringe benefit support for seasonal positions within the Department of Energy and Environmental Protection and two positions in FY 19 from the Council on Environmental Quality. These positions will be funded out of the new Passport to Parks Fund. Sections 325-331 of PA 17-2 JSS, the biennial budget act implement this change.

Reduce Funding Based on FY 17 Expenditure Trends

Higher Education Alternative Retirement System	-	-	(499,000)	(499,000)	(499,000)	(499,000)
Pensions and Retirements - Other Statutory	-	-	(100,000)	(100,000)	(100,000)	(100,000)
Insurance - Group Life	-	-	(120,000)	(120,000)	(120,000)	(120,000)
Employers Social Security Tax	-	-	(14,000,000)	(14,000,000)	(14,000,000)	(14,000,000)
State Employees Health Service Cost	-	-	(30,000,000)	(30,000,000)	(30,000,000)	(30,000,000)
Retired State Employees Health Service Cost	-	-	(20,500,000)	(20,500,000)	(20,500,000)	(20,500,000)
Total - General Fund	-	-	(65,219,000)	(65,219,000)	(65,219,000)	(65,219,000)
Unemployment Compensation	-	-	(100,000)	(100,000)	(100,000)	(100,000)
Employers Social Security Tax	-	-	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)
State Employees Health Service Cost	-	-	(7,000,000)	(7,000,000)	(7,000,000)	(7,000,000)

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
Total - Special Transportation Fund	-	-	(9,600,000)	(9,600,000)	(9,600,000)	(9,600,000)

Legislative

Reduce funding by \$65,219,000 million in both FY 18 and FY 19 in the General Fund and \$9.6 million in both FY 18 and FY 19 in the Special Transportation Fund to reflect expenditure trends.

Reduce Fringe Benefits to Reflect Higher Education Funding

Employers Social Security Tax	-	-	(4,663,375)	(5,522,137)	(4,663,375)	(5,522,137)
State Employees Health Service Cost	-	-	(15,300,746)	(18,118,384)	(15,300,746)	(18,118,384)
Total - General Fund	-	-	(19,964,121)	(23,640,521)	(19,964,121)	(23,640,521)

Legislative

Reduce funding by \$19,964,121 in FY 18 and \$23,640,521 in FY 19 to reflect the General Fund fringe benefit impact of block grant reductions to the constituent units of higher education.

Adjust Fringe Benefits to Reflect Reduction of Positions

Unemployment Compensation	6,890,600	-	688,688	128,128	(6,201,912)	128,128
Employers Social Security Tax	(3,902,600)	(4,063,300)	(388,135)	(442,450)	3,514,465	3,620,850
State Employees Health Service Cost	(10,489,900)	(11,712,400)	(293,142)	(1,117,060)	10,196,758	10,595,340
Total - General Fund	(7,501,900)	(15,775,700)	7,411	(1,431,382)	7,509,311	14,344,318

Governor

Reduce funding by \$7,501,900 in FY 18 and \$15,775,700 in FY 19 to reflect the reduction of personnel and Personal Services accounts across state agencies.

Legislative

Provide funding by \$7,411 in FY 18 and reduce funding by \$1,431,382 in FY 19 to reflect the reduction of personnel and Personal Services accounts across state agencies.

Adjust Fringe Benefits for the Transfer of Positions

Unemployment Compensation	-	300	-	300	-	-
State Employees Retirement Contributions	(23,100)	245,600	(23,100)	245,600	-	-
Insurance - Group Life	(100)	900	(100)	900	-	-
Employers Social Security Tax	(3,200)	34,200	(3,200)	34,200	-	-
State Employees Health Service Cost	(124,500)	(5,500)	(124,500)	(5,500)	-	-
Total - General Fund	(150,900)	275,500	(150,900)	275,500	-	-

Governor

Reduce funding by \$150,900 in FY 18 and provide funding of \$275,000 in FY 19 to reflect the net impact to various fringe benefit accounts within the General Fund from the transfer of state personnel.

Legislative

Same as Governor

Provide Funding for Fringe Benefits for Additional Positions

Employers Social Security Tax	23,600	33,500	143,239	193,985	119,639	160,485
State Employees Health Service Cost	79,800	124,600	140,360	487,720	60,560	363,120
Total - General Fund	103,400	158,100	283,599	681,705	180,199	523,605
Employers Social Security Tax	-	-	-	-	-	-
State Employees Health Service Cost	-	-	-	-	-	-
Total - Special Transportation Fund	-	-	-	-	-	-

Governor

Provide funding of \$103,400 in FY 18 and \$158,100 in FY 19 to reflect the addition of positions across state agencies.

Legislative

Provide funding of \$283,599 in FY 18 and \$681,705 in FY 19 to reflect the addition of positions across state agencies.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Current Services

Adjust Operating Expenses to Reflect Current Requirements

Unemployment Compensation	240,900	-	240,900	-	-	-
Higher Education Alternative Retirement System	(4,424,234)	(4,424,234)	(4,424,234)	(4,424,234)	-	-
Pensions and Retirements - Other Statutory	(54,008)	(3,556)	(54,008)	(3,556)	-	-
Insurance - Group Life	244,129	487,129	244,129	487,129	-	-
Employers Social Security Tax	(9,842,100)	(9,841,400)	(9,842,100)	(9,841,400)	-	-
State Employees Health Service Cost	17,355,444	62,263,560	17,355,444	62,263,560	-	-
Retired State Employees Health Service Cost	63,790,000	133,490,000	63,790,000	133,490,000	-	-
Total - General Fund	67,310,131	181,971,499	67,310,131	181,971,499	-	-
Insurance - Group Life	(10,063)	(6,063)	(10,063)	(6,063)	-	-
Employers Social Security Tax	148,600	167,900	148,600	167,900	-	-
State Employees Health Service Cost	(3,005,232)	1,102,484	(3,005,232)	1,102,484	-	-
Total - Special Transportation Fund	(2,866,695)	1,264,321	(2,866,695)	1,264,321	-	-

Governor

Provide funding of \$67,310,131 in FY 18 and \$181,971,499 in FY 19 in the General Fund to reflected anticipated expenditure requirements. Reduce funding by \$2,866,695 in FY 18 and provide funding of \$1,264,321 in FY 19 in the Special Transportation Fund to reflect anticipated expenditures requirements.

Legislative

Same as Governor.

Fund the Actuarial Determined Employer Contribution for SERS

State Employees Retirement Contributions	77,509,720	202,170,175	77,509,720	202,170,175	-	-
Total - General Fund	77,509,720	202,170,175	77,509,720	202,170,175	-	-
State Employees Retirement Contributions	4,902,022	17,040,022	4,902,022	17,040,022	-	-
Total - Special Transportation Fund	4,902,022	17,040,022	4,902,022	17,040,022	-	-

Background

The State Employees' Retirement System (SERS) is the state's defined benefit plan for approximately 50,000 active state employees and 48,000 retired state employees. SERS is currently funded using an actuarial reserve funding method, whereby the normal cost and past service liability are calculated in order to determine the state's annual actuarial determined employer contribution (ADEC, formerly known as the actuarially required contribution (ARC)) (CGS 5-156a). SERS is a collectively bargained benefit. The current agreement governing pension benefits was last revised in 2011 and is effective until 2022. On February 1, 2017, HR8/SR7, a *Resolution Proposing Approval of an Agreement Between the State of Connecticut and the State Employees' Bargaining Agency Coalition*, was approved in the House and the Senate. These resolutions made modifications to actuarial methodologies and assumptions. In addition, in a separate, but related action, on December 19, 2016, the state's Retirement Commission decreased the discount rate for SERS from 8% to 6.9%. These changes to the actuarial methods and assumptions impact the state's ADEC.

Governor

Provide funding of \$82,411,742 in FY 18 and \$219,210,197 in FY 19 to fund the General Fund and Special Transportation Fund's portion of the actuarial determined employer contribution in the biennium.

Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Fund the Actuarial Determined Employer Contribution for JRS

Judges and Compensation Commissioners Retirement	6,294,423	8,263,993	6,294,423	8,263,993	-	-
Total - General Fund	6,294,423	8,263,993	6,294,423	8,263,993	-	-

Background

The Judges, Family Support Magistrates, and Compensation Commissioners' Retirement System (JRS) is the state's defined benefit plan for approximately 204 active and 250 retired Judges, Family Support Magistrates, and Compensation Commissioners. JRS is currently funded using an actuarial reserve funding method, whereby the normal cost and past service liability are calculated in order to determine the state's annual actuarial determined employer contribution (ADEC, formerly known as the actuarially required contribution (ARC)). On February 1, 2017, HR8/SR7, a *Resolution Proposing Approval of an Agreement Between the State of Connecticut and the State Employees' Bargaining Agency Coalition*, was approved in the House and the Senate. These resolutions made modifications to actuarial methodologies and assumptions for the State Employees' Retirement System. The majority of the changes were adopted by the Retirement Commission for JRS. In addition, in a separate, but related action, on December 19, 2016, the state's Retirement Commission decreased the discount rate for JRS from 8% to 6.9%. These changes to the actuarial methods and assumptions impact the state's ADEC.

Governor

Provide funding of \$6,294,423 in FY 18 and \$8,263,993 in FY 19 to fund the actuarial determined employer contribution for the biennium.

Legislative

Same as Governor

Provide for Employer Matching Funds for OPEB

Other Post-Employment Benefits	120,000,000	120,000,000	91,200,000	91,200,000	(28,800,000)	(28,800,000)
Total - General Fund	120,000,000	120,000,000	91,200,000	91,200,000	(28,800,000)	(28,800,000)
Other Post-Employment Benefits	-	-	6,000,000	6,000,000	6,000,000	6,000,000
Total - Special Transportation Fund	-	-	6,000,000	6,000,000	6,000,000	6,000,000

Background

The 2011 agreement between the state and the State Employees' Bargaining Agent Coalition governing pension and health benefits, including retiree health included a provision requiring all state employees to contribute 3% of their salary towards retiree health, for a period of 10 years. This was an expansion of the provision contained in the 2009 agreement, which only required new hires to make the 3% contribution. In addition, the 2011 agreement required the state to match employee contributions to retiree health in the Other Post Employment Benefit Fund (OPEB) beginning in FY 18.

Governor

Provide funding of \$120 million in both FY 18 and FY 19 to reflect the state's matching contribution to the OPEB Fund for retiree health pursuant to the SEBAC 2011 Agreement.

Legislative

Provide funding of \$91.2 million in both FY 18 and FY 19 in the General Fund and \$6 million in both FY 18 and FY 19 in the Special Transportation Fund to reflect the state's matching contribution to the OPEB Fund for retiree health pursuant to the SEBAC 2011 Agreement.

Provide Tuition and Training Funds for Settled Contracts

Tuition Reimbursement - Training and Travel	115,000	-	115,000	-	-	-
Total - General Fund	115,000	-	115,000	-	-	-

Background

Pursuant to individual collective bargaining contracts, funding is provided for the Tuition Reimbursement - Training and Travel account. This is a non-lapsing account within the General Fund. Historically, this account is approximately \$3.1 million, with average annual expenditures of approximately an equivalent amount. For unsettled contracts, tuition and training funding is budgeted in the Reserve for Salary Adjustment (RSA) account under the purview of the Office of Policy and Management.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Governor

Provide funding of \$115,000 in FY 18 in the Tuition Reimbursement - Training and Travel account for the NP 1 - State Police bargaining unit, whose contract is effective until June 30, 2018 (end of FY 18). This funding was previously budgeted within the RSA account.

Legislative

Same as Governor

Carry Forward**Carry Forward Tuition and Training Funds**

Tuition Reimbursement - Training and Travel	-	-	3,390,170	-	3,390,170	-
Total - Carry Forward Funding	-	-	3,390,170	-	3,390,170	-

Legislative

Pursuant to individual collective bargaining contracts, \$3,390,170 is carried forward in the Tuition Reimbursement - Training and Travel account.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	2,817,423,424	2,817,423,424	2,817,423,424	2,817,423,424	-	-
Policy Revisions	(7,549,400)	(15,342,100)	(86,365,677)	(92,133,168)	(78,816,277)	(76,791,068)
Current Services	271,229,274	512,405,667	242,429,274	483,605,667	(28,800,000)	(28,800,000)
Total Recommended - GF	3,081,103,298	3,314,486,991	2,973,487,021	3,208,895,923	(107,616,277)	(105,591,068)
FY 17 Appropriation - TF	204,546,866	204,546,866	204,546,866	204,546,866	-	-
Policy Revisions	-	-	(11,496,125)	(11,496,125)	(11,496,125)	(11,496,125)
Current Services	2,035,327	18,304,343	8,035,327	24,304,343	6,000,000	6,000,000
Total Recommended - TF	206,582,193	222,851,209	201,086,068	217,355,084	(5,496,125)	(5,496,125)

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Labor Concessions Savings of \$277,100,000. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
State Employees Retirement Contributions	1,333,831,091	(166,100,000)	1,167,731,091	24.8%
State Employees Health Service Cost	711,753,147	(46,000,000)	665,753,147	12.6%
Retired State Employees Health Service Cost	774,399,000	(65,000,000)	709,399,000	8.4%

*Other Significant Legislation***SR 51 and HR 202, Resolution Proposing Approval of an Agreement Between the State of Connecticut and the State Employees' Bargaining Agent Coalition (SEBAC)**

SR 51 and HR 202 resulted in various labor concessions. PA 17-2 JSS, the budget, included bottom-line savings (lapses) of \$700 million in FY 18 and \$867.6 million in FY 19 related to labor-management/SEBAC savings. In FY 18, the Office of Policy and Management administratively allocated these savings targets to state agencies through reductions of funds available for expenditures (holdbacks). The FY 18 holdbacks allocated to the Office of the State Comptroller - Fringe Benefits for SEBAC are reflected in the table above and total \$277.1 million in FY 18 (\$257.9 million from the General Fund and \$19.2 million from the Special Transportation Fund).

Reserve for Salary Adjustments

OPM20100

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Other Current Expenses							
Reserve For Salary Adjustments	-	-	18,473,255	317,050,763	484,497,698	317,050,763	484,497,698
Agency Total - General Fund	-	-	18,473,255	317,050,763	484,497,698	317,050,763	484,497,698
Reserve For Salary Adjustments	-	-	7,301,186	2,301,186	2,301,186	2,301,186	2,301,186
Agency Total - Special Transportation Fund	-	-	7,301,186	2,301,186	2,301,186	2,301,186	2,301,186
Total - Appropriated Funds	-	-	25,774,441	319,351,949	486,798,884	319,351,949	486,798,884
Additional Funds Available							
Carry Forward Funding	-	-	-	-	-	33,462,326	-
Carry Forward Transportation Fund	-	-	-	-	-	11,667,593	-
Agency Grand Total	-	-	25,774,441	319,351,949	486,798,884	364,481,868	486,798,884

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Current Services

Provide Funding for Wage Increases

Reserve For Salary Adjustments	300,591,650	468,216,721	300,591,650	468,216,721	-	-
Total - General Fund	300,591,650	468,216,721	300,591,650	468,216,721	-	-

Background

All collective bargaining contracts, with the exception of the State Police (NP-1) contract, expired June 30, 2016.

Governor

Provide funding of \$300,591,650 in FY 18 and \$468,216,721 in FY 19 to reflect anticipated wage increases, primarily for unsettled collective bargaining contracts. The \$300.6 million in FY 18 funding is anticipated to cover collective bargaining wage increases in FY 17 (retroactive) and FY 18. The \$468.2 million in FY 19 includes the FY 17 and FY 18 wage increases, plus an additional \$167.2 million for anticipated wage increases in FY 19.

Legislative

Same as Governor

Provide Funding for General Fund Accrual Payouts

Reserve For Salary Adjustments	6,579,444	6,286,308	6,579,444	6,286,308	-	-
Total - General Fund	6,579,444	6,286,308	6,579,444	6,286,308	-	-

Governor

Provide funding of \$6,579,444 in FY 18 and \$6,286,308 in FY 19 for General Fund accrual payouts.

Legislative

Same as Governor

Transfer Funding from RSA to DESPP for NP-1 Contract Costs

Reserve For Salary Adjustments	(8,593,586)	(8,478,586)	(8,593,586)	(8,478,586)	-	-
Total - General Fund	(8,593,586)	(8,478,586)	(8,593,586)	(8,478,586)	-	-

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Background

In FY 17, \$8,478,586 was transferred from the Reserve for Salary Adjustment to the Department of Emergency Services and Public Protection (DESPP) for the settlement of the NP-1 contract.

Governor

Transfer funding of \$8,593,586 in FY 18 and \$8,478,586 in FY 19 to (DESPP) for the wage and compensation costs of the settled NP-1 contract.

Legislative

Same as Governor

Reduce Funding for Transportation Fund Accrual Payouts

Reserve For Salary Adjustments	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	-	-
Total - Special Transportation Fund	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	-	-

Governor

Reduce funding by \$5 million in both FY 18 and FY 19 to reflect anticipated STF accrual payouts.

Legislative

Same as Governor

Carry Forward**Carry Forward Funding for RSA**

Reserve For Salary Adjustments	-	-	33,462,326	-	33,462,326	-
Total - Carry Forward Funding	-	-	33,462,326	-	33,462,326	-
Reserve For Salary Adjustments	-	-	11,667,593	-	11,667,593	-
Total - Carry Forward Transportation Fund	-	-	11,667,593	-	11,667,593	-

Legislative

Section 19 (a) of PA17-2 JSS, the FY 18 and FY 19 budget, carries forward funding of \$45,129,919 (\$33,462,326 in the GF and \$11,667,593 in the STF) for collective bargaining costs.

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	18,473,255	18,473,255	18,473,255	18,473,255	-	-
Current Services	298,577,508	466,024,443	298,577,508	466,024,443	-	-
Total Recommended - GF	317,050,763	484,497,698	317,050,763	484,497,698	-	-
FY 17 Appropriation - TF	7,301,186	7,301,186	7,301,186	7,301,186	-	-
Current Services	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	-	-
Total Recommended - TF	2,301,186	2,301,186	2,301,186	2,301,186	-	-

Other Significant Legislation

PA 17-2 JSS, An Act Concerning the State Budget for the Biennium Ending June 30, 2019

Sections 12 - 16 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 18 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 17-2 JSS and amended in PA 17-4 JSS. This includes a Labor Concessions Savings of \$300,600,000. See the FY 18 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Reserve For Salary Adjustments	317,050,763	(300,600,000)	16,450,763	94.8%

SR 51 and HR 202, Resolution Proposing Approval of an Agreement Between the State of Connecticut and the State Employees' Bargaining Agent Coalition (SEBAC)

SR 51 and HR 202 resulted in various labor concessions. PA 17-2 JSS, the budget, included bottom-line savings (lapses) of \$700 million in FY 18 and \$867.6 million in FY 19 related to labor-management/SEBAC savings. In FY 18, the Office of Policy and Management administratively allocated these savings targets to state agencies through reductions of funds available for expenditures (holdbacks). The FY 18 holdbacks allocated to the Reserve for Salary Adjustment account within the Office of Policy and Management for SEBAC are reflected in the table above and total \$300.6 million in FY 18 from the General Fund.

Workers' Compensation Claims - Administrative Services

DAS23100

Budget Summary

Account	Actual FY 15	Actual FY 16	Appropriation FY 17	Governor Recommended		Legislative	
				FY 18	FY 19	FY 18	FY 19
Other Current Expenses							
Workers' Compensation Claims	28,783,653	7,235,801	8,105,530	7,605,530	7,605,530	7,605,530	7,605,530
Agency Total - General Fund	28,783,653	7,235,801	8,105,530	7,605,530	7,605,530	7,605,530	7,605,530
Workers' Compensation Claims	5,521,126	6,076,764	7,223,297	6,723,297	6,723,297	6,723,297	6,723,297
Agency Total - Special Transportation Fund	5,521,126	6,076,764	7,223,297	6,723,297	6,723,297	6,723,297	6,723,297
Total - Appropriated Funds	34,304,779	13,312,565	15,328,827	14,328,827	14,328,827	14,328,827	14,328,827

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19

Policy Revisions

Reduce Claims Account to Reflect Expenditure Trends

Workers' Compensation Claims	(500,000)	(500,000)	(500,000)	(500,000)	-	-
Total - General Fund	(500,000)	(500,000)	(500,000)	(500,000)	-	-
Workers' Compensation Claims	(500,000)	(500,000)	(500,000)	(500,000)	-	-
Total - Special Transportation Fund	(500,000)	(500,000)	(500,000)	(500,000)	-	-

Governor

Reduce Workers' Compensation Claims account in the General Fund and the Special Transportation Fund by \$500,000 in both FY 18 and FY 19 to reflect expenditure trends.

Legislative

Same as Governor

Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
FY 17 Appropriation - GF	8,105,530	8,105,530	8,105,530	8,105,530	-	-
Policy Revisions	(500,000)	(500,000)	(500,000)	(500,000)	-	-
Total Recommended - GF	7,605,530	7,605,530	7,605,530	7,605,530	-	-
FY 17 Appropriation - TF	7,223,297	7,223,297	7,223,297	7,223,297	-	-
Policy Revisions	(500,000)	(500,000)	(500,000)	(500,000)	-	-
Total Recommended - TF	6,723,297	6,723,297	6,723,297	6,723,297	-	-

VI. REVENUE

Revenue Impact of Policy Changes (in millions)

General Fund

Enacting Authority	Policy	FY 18 \$	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$
Personal Income Tax						
Sec. 1 of PA 17-2 JSS	Reflect Impact of Added Resources for Tax Enforcement	7.5	7.5	7.5	7.5	7.5
Sec. 641 of PA 17-2 JSS, as amended by Sec. 18 of PA 17-4 JSS	Expand Social Security Exemption from Income Tax	-	(7.9)	(16.3)	(17.4)	(18.4)
Sec. 641 of PA 17-2 JSS	Exempt Certain Pension and Annuity Income from Income Tax	-	(8.2)	(24.6)	(41.1)	(57.5)
Sec. 641 of PA 17-2 JSS	Delay Increasing the Exemption for Teachers' Pension Income	8.0	8.0	-	-	-
Secs. 642-643 of PA 17-2 JSS	Establish Deduction for Expenses related to Organ Donation	-	-	-	-	-
Sec. 648 of PA 17-2 JSS	Establish Income Tax Credit for STEM Graduates	-	-	(3.9)	(7.9)	(11.8)
Sec. 656 of PA 17-2 JSS	Authorize DRS "Fresh Start" Tax Collection Initiative	15.0	10.0	2.0	2.0	2.0
Subtotal		30.5	9.4	(35.3)	(56.9)	(78.2)
Sales and Use Tax						
Sec. 1 of PA 17-2 JSS	Reflect Impact of Added Resources for Tax Enforcement	12.6	12.6	12.6	12.6	12.6
Secs. 637-638 of PA 17-2 JSS	Suspend Sales Tax Transfer to MRSA	327.8	335.4	-	-	-
Secs. 637-638 of PA 17-2 JSS	Suspend Transfer to Regional Performance Incentive Acct.	10.7	10.9	-	-	-
Secs. 637-638 of PA 17-2 JSS	Transfer Certain Sales Tax Revenues to the STF	-	-	-	(66.9)	(145.6)
Secs. 637, 639 of PA 17-2 JSS	Set aside a Portion of Hotel Tax to Support Tourism	-	(12.7)	(13.1)	(13.5)	(13.9)

General Fund

Enacting Authority	Policy	FY 18 \$	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$
Sec. 640 of PA 17-2 JSS	Expand Sales Tax Exemption for Affiliates	-	-	(1.0)	(1.0)	(1.0)
Sec. 653 of PA 17-2 JSS	Replace the Rental Car Surcharge with Fees	0.7	1.5	1.5	1.5	1.5
Sec. 656 of PA 17-2 JSS	Authorize DRS "Fresh Start" Tax Collection Initiative	25.0	8.0	2.0	2.0	2.0
Secs. 628-631 of PA 17-2 JSS	Reflect Sales Tax Impact of Tobacco (Excise) Tax Changes	2.2	3.5	3.3	3.2	3.1
Sec. 12-14 of PA 17-174	Impose a uniform occupancy tax rate on rent charged at bed and breakfast establishments - net neutral impact	-	-	-	-	-
Subtotal		379.0	359.2	5.3	(62.1)	(141.3)
Corporation Tax						
Sec. 1 of PA 17-2 JSS	Reflect Impact of Added Resources for Tax Enforcement	7.5	7.5	7.5	7.5	7.5
Sec. 626 of PA 17-2 JSS	Expand Applicability of Certain Tax Credits at a Discount	12.7	32.0	32.0	32.0	32.0
Sec. 646 of PA 17-2 JSS	Keep the \$5 Million Cap on Neighbd. Assist. Act Tax Credits	5.0	5.0	5.0	5.0	5.0
Sec. 647 of PA 17-2 JSS	Eliminate the Green Building Tax Credit	0.7	0.7	0.7	0.7	-
Sec. 656 of PA 17-2 JSS	Authorize DRS "Fresh Start" Tax Collection Initiative	15.0	7.0	1.5	1.5	1.5
Sec. 661, Sec. 19 of PA 17-2 JSS, as amended by PA 17-4 JSS	Defer until 2021 and Extend "FAS 109" Corp. Tax Deduction	20.3	34.0	34.0	29.2	26.0
Subtotal		61.2	86.2	80.7	75.9	72.0
Public Service Companies Tax						
Sec. 626 of PA 17-2 JSS	Expand Applicability of Certain Tax Credits at a Discount	(19.8)	(50.3)	(50.3)	(50.3)	(50.3)
Sec. 662 of PA 17-2 JSS	Reduce Funding for CT-N	1.6	1.6	1.6	1.6	1.6
Sec. 679 of PA 17-2 JSS	Continue to Suspend the Muni. Video Competition Trust Acct.	2.0	2.0	2.0	2.0	2.0

General Fund

Enacting Authority	Policy	FY 18 \$	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$
Sec. 680 of PA 17-2 JSS	Continue to Retain PEGPETIA Surtax Revenue	3.5	3.5	3.5	3.5	3.5
Subtotal		(12.7)	(43.2)	(43.2)	(43.2)	(43.2)
Inheritance and Estate Tax						
Secs. 632-636 of PA 17-2 JSS	Adopt Federal Exemption Levels for Estate and Gift Tax	-	(15.6)	(35.0)	(57.8)	(57.8)
Secs. 632-636 of PA 17-2 JSS	Lower Lifetime Cap on Gift and Estate Tax	-	-	(4.5)	(4.5)	(4.5)
Subtotal		-	(15.6)	(39.5)	(62.3)	(62.3)
Insurance Companies Tax						
Secs. 622-624 of PA 17-2 JSS	Reduce Insurance Premiums Tax Rate	(11.0)	(22.4)	(22.9)	(24.3)	(25.7)
Sec. 625 of PA 17-2 JSS	Make 3-Tier Credit Cap on Insurance Premiums Tax Permanent	17.4	16.0	16.0	16.0	16.0
Sec. 626 of PA 17-2 JSS	Expand Applicability of Certain Tax Credits at a Discount	8.5	21.6	21.6	21.6	21.6
Sec. 626 of PA 17-2 JSS	Cease Issuing Tax Credits for Certain Motion Pictures	4.0	4.0	4.0	4.0	4.0
Subtotal		18.9	19.2	18.7	17.3	15.9
Cigarette Tax						
Secs. 628-629 of PA 17-2 JSS	Increase Cigarette Tax Rate	22.9	38.9	37.0	35.2	33.4
Sec. 630 of PA 17-2 JSS	Impose Tax Changes on Existing Tobacco Inventory	5.0	-	-	-	-
Sec. 631 of PA 17-2 JSS	Increase Tax Rate on Snuff	7.4	11.1	11.3	11.5	11.8
Subtotal		35.3	50.0	48.3	46.7	45.2
Admissions and Dues Tax						
Sec. 627 of PA 17-2 JSS	Repeal Admissions Tax Exemptions for Various Venues	2.0	2.0	2.0	2.0	2.0
Subtotal		2.0	2.0	2.0	2.0	2.0
Health Provider Tax						
Secs. 601-621 of PA 17-2 JSS, as amended by Secs. 1-10, 28 of PA 17-4 JSS	Modify Hospital Tax	343.9	343.9	(172.1)	(172.1)	(172.1)

General Fund

Enacting Authority	Policy	FY 18 \$	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$
Subtotal		343.9	343.9	(172.1)	(172.1)	(172.1)
Miscellaneous						
Sec. 1 of PA 17-2 JSS	Reflect Impact of Added Resources for Tax Enforcement	2.4	2.4	2.4	2.4	2.4
Sec. 653 of PA 17-2 JSS	Replace the Rental Car Surcharge with Fees	(0.2)	(0.4)	(0.4)	(0.4)	(0.4)
Sec. 656 of PA 17-2 JSS	Authorize DRS "Fresh Start" Tax Collection Initiative	5.0	-	-	-	-
Sec. 658 of PA 17-2 JSS	Re-examine Tax Expenditures	-	10.0	10.0	10.0	10.0
Subtotal		7.2	12.0	12.0	12.0	12.0
Refunds / Earned Income Tax Credit						
Sec. 644 of PA 17-2 JSS	Temporarily Reduce Eligibility for the \$200 Prop. Tax Credit	55.3	55.3	-	-	-
Sec. 645 of PA 17-2 JSS	Reduce Earned Income Tax Credit	35.0	35.0	35.0	35.0	35.0
Subtotal		90.3	90.3	35.0	35.0	35.0
Total Taxes		955.6	913.4	(88.1)	(207.7)	(315.0)
Transfers-Special Revenue						
Secs. 649-652 of PA 17-2 JSS	Authorize Daily Fantasy Sports Contests	-	-	0.7	0.7	0.7
Sec. 660 of PA 17-2 JSS	Achieve Efficiencies at the CT Lottery Corporation	1.0	1.0	-	-	-
Subtotal		1.0	1.0	0.7	0.7	0.7
Indian Gaming Payments						
Sec. 655 of PA 17-2 JSS	Reflect Advance Payment of Casino Gross Gaming Revenues	-	-	(10.0)	(10.0)	(10.0)
Subtotal		-	-	(10.0)	(10.0)	(10.0)
Licenses, Permits, Fees						
Secs. 326-331 of PA 17-2 JSS	Assign Certain Fee Revenues to Passport to Parks Account	(0.7)	(2.9)	(2.9)	(2.9)	(2.9)
Secs. 649-652 of PA 17-2 JSS	Authorize Daily Fantasy Sports Contests	-	0.5	-	-	-
Sec. 654 of PA 17-2 JSS	Impose a 25 cent Fee on Ridesharing Services	3.0	5.0	5.0	5.0	5.0
Sec. 655 of PA 17-2 JSS	Reflect Advance Payment of Casino Gross Gaming Revenues	-	30.0	-	-	-

General Fund

Enacting Authority	Policy	FY 18 \$	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$
Sec. 659 of PA 17-2 JSS	Increase State Fees to Cover Administrative Costs	-	20.0	20.2	20.4	20.6
Sec. 665 of PA 17-2 JSS	Increase the Document Recording Fee	1.2	1.7	1.7	1.7	1.7
Sec. 666 of PA 17-2 JSS	Increase the State Fee for Criminal History Record Checks	1.7	2.6	2.6	2.6	2.6
Sec. 667 of PA 17-2 JSS	Establish a Fee for Auto Trade-Ins Payable by the Dealer	2.6	5.3	5.3	5.3	5.3
Secs. 674-675 of PA 17-2 JSS	Implement Licensure of Urgent Care Centers	0.4	-	-	0.4	0.1
Sec. 676-677 of PA 17-2 JSS	Establish a Safe Drinking Water State "Primacy" Assessment	-	2.5	2.5	2.5	2.5
Secs. 678, 728 of PA 17-2 JSS	Reallocate Support for the Newborn Screening Program	3.1	3.1	3.1	3.1	3.1
Subtotal		11.3	67.8	37.5	38.1	38.0
Rents, Fines, Escheats						
Secs. 234-235 of PA 17-2 JSS	Increase Civil Penalties for Certain Healthcare Violations	0.3	0.3	0.3	0.3	0.3
Sec. 270 of PA 17-2 JSS	Temporarily Freeze Inflation Adjustments for CEP Grants	1.4	-	-	-	-
Subtotal		1.7	0.3	0.3	0.3	0.3
Miscellaneous						
Secs. 150-151 of PA 17-2 JSS	Divert Settlement Revenues for Indigent Legal Counsel Pilot	(0.4)	(0.4)	-	-	-
N/A	Implement Auditor's Recommendations re: DAS Collections	4.5	4.5	4.5	4.5	4.5
N/A	Reflect PURA Settlement with PALMCO Power, CT	5.0	-	-	-	-
N/A	Reflect Settlement with General Motors Auto Co.	2.9	-	-	-	-
Subtotal		12.0	4.1	4.5	4.5	4.5
Total Other Revenue		26.0	73.2	33.0	33.6	33.5
Federal Grants						

General Fund

Enacting Authority	Policy	FY 18 \$	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$
Sec. 1 of PA 17-2 JSS	Reflect the Federal Revenue Impact of State Appropriations	483.8	519.0	519.0	519.0	519.0
Subtotal		483.8	519.0	519.0	519.0	519.0
Transfer from Tobacco Fund						
Sec. 663 of PA 17-2 JSS	Suspend Tobacco Fund Transfer to Tobacco Health Trust Fund	6.0	6.0	-	-	-
Sec. 664 of PA 17-2 JSS	Suspend Tobacco Fund Transfer to Smart Start Account	10.0	10.0	-	-	-
Subtotal		16.0	16.0	-	-	-
Transfers From / (To) Other Funds						
Sec. 657 of PA 17-2 JSS	Identify Additional Fund Sweeps	-	20.0	-	-	-
Sec. 681 of PA 17-2 JSS	Transfer from Seat Belt Account	2.0	2.0	-	-	-
Sec. 682 of PA 17-2 JSS	Transfer from Regional Greenhouse Gas Initiative Acct.	10.0	10.0	-	-	-
Sec. 683 of PA 17-2 JSS	Transfer from CT Energy Efficiency Fund	63.5	63.5	-	-	-
Sec. 684 of PA 17-2 JSS	Transfer from Public Utility Control Fund to General Fund	2.5	-	-	-	-
Secs. 685 of PA 17-2 JSS	Transfer from Green Bank	14.0	14.0	-	-	-
Sec. 686 of PA 17-2 JSS	Suspend CHEFA Grants to Non-Profits	0.9	0.9	-	-	-
Sec. 687 of PA 17-2 JSS	Transfer from Banking Fund to General Fund	11.2	9.2	-	-	-
Sec. 688 of PA 17-2 JSS	Transfer from Emissions Enterprise Fund	1.5	-	-	-	-
Sec. 689 of PA 17-2 JSS	Transfer from Technical Services Revolving Fund	3.0	-	-	-	-
Sec. 690 of PA 17-2 JSS	Transfer from Correctional Commissaries Account	1.0	-	-	-	-
Sec. 691 of PA 17-2 JSS	Transfer from Correctional Industries Account	1.0	-	-	-	-
Sec. 692 of PA 17-2 JSS	Transfer from EdNet Account	1.0	-	-	-	-

General Fund

Enacting Authority	Policy	FY 18 \$	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$
Sec. 693 of PA 17-2 JSS	Transfer from Probation Transition-Technical Violation Acct.	8.3	-	-	-	-
Sec. 694 of PA 17-2 JSS	Transfer from Tobacco Litigation Settlement Account	5.0	-	-	-	-
Sec. 695 of PA 17-2 JSS	Transfer from Judicial Department Technology Fund	0.1	0.1	-	-	-
Sec. 696 of PA 17-2 JSS	Transfer from Passport to Parks Account	2.6	5.0	-	-	-
Sec. 697 of PA 17-2 JSS	Transfer from Community Investment Act Account	5.0	5.0	-	-	-
Sec. 698 of PA 17-2 JSS	Transfer FY 2018 Resources to FY 2019	(17.8)	17.8	-	-	-
N/A	Reduce transfer to Pequot and Mohegan Fund	0.5	8.1	-	-	-
N/A	Delay Amortization of Remaining FY 13 GAAP Deficit	57.5	57.5	(17.9)	(17.9)	(17.9)
Subtotal		172.8	213.1	(17.9)	(17.9)	(17.9)
Total Other Sources		672.6	748.1	501.1	501.1	501.1
Structural Reforms						
Secs. 704-708 of PA 17-2 JSS	Establish Budgeted Surplus Requirement	-	-	(90.2)	(137.0)	(184.9)
Sec. 704 of PA 17-2 JSS	Establish Revenue Volatility Cap	-	-	(64.6)	(128.9)	(194.5)
Total Structural Reforms		-	-	(154.8)	(265.9)	(379.4)
GRAND TOTAL		1,654.2	1,734.7	291.2	61.1	(159.8)

Special Transportation Fund

Enacting Authority	Policy	FY 18 \$	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$
Sales and Use Tax						
Secs. 637-638 of PA 17-2 JSS	Transfer Certain Sales Tax Revenues to the STF	-	-	-	66.9	145.6
Subtotal		-	-	-	66.9	145.6
Oil Companies Tax						
Sec. 672 of PA 17-2 JSS	Set Aside Petroleum Gross Earnings Taxes on Aviation Fuel	(7.0)	(7.8)	(8.7)	(9.4)	(10.1)
Subtotal		(7.0)	(7.8)	(8.7)	(9.4)	(10.1)

General Fund

Enacting Authority	Policy	FY 18 \$	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$
Licenses, Permits, Fees						
Sec. 673 of PA 17-2 JSS	Modify Fees for Highway Right-Of-Way Encroachment	1.0	1.0	1.0	1.0	1.0
Subtotal		1.0	1.0	1.0	1.0	1.0
Transfers From / (To) Other Funds						
Sec. 671 of PA 17-2 JSS	Update Transfer to the Emissions Enterprise Fund	1.0	1.0	1.0	1.0	1.0
Subtotal		1.0	1.0	1.0	1.0	1.0
Revenue Cap Adjustment						
Secs. 704-708 of PA 17-2 JSS	Establish Budgeted Surplus Requirement	-	-	(8.7)	(14.0)	(20.0)
Subtotal		-	-	(8.7)	(14.0)	(20.0)
GRAND TOTAL		(5.0)	(5.8)	(15.4)	45.5	117.5

Banking Fund

Enacting Authority	Policy	FY 18 \$	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$
Secs. 668-670 of PA 17-2 JSS	Increase Reg. Fee for Broker-Dealers and Invest. Advisers	5.2	5.2	5.2	5.2	5.2
Sec. 687 of PA 17-2 JSS	Transfer from Banking Fund to General Fund	(11.2)	(9.2)	-	-	-
GRAND TOTAL		(6.0)	(4.0)	5.2	5.2	5.2

Tourism Fund

Enacting Authority	Policy	FY 18 \$	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$
Secs. 637, 639 of PA 17-2 JSS	Set aside a Portion of Hotel Tax to Support Tourism	-	12.7	13.1	13.5	13.9
GRAND TOTAL		-	12.7	13.1	13.5	13.9

Passport to Parks (Non-Appropriated)

Enacting Authority	Policy	FY 18 \$	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$
Sec. 325 of PA 17-2 JSS	Establish \$10 Surcharge on MV Reg. to Support Parks	8.0	16.0	16.0	16.0	16.0
Secs. 326-331 of PA 17-2 JSS	Assign Certain Fee Revenues to Passport to Parks Account	0.7	2.9	2.9	2.9	2.9

General Fund

Enacting Authority	Policy	FY 18 \$	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$
Sec. 330 of PA 17-2 JSS	Transfer Funding from the Maintenance, Repair, and Improvement account	1.7	-	-	-	-
Sec. 696 of PA 17-2 JSS	Transfer from Passport to Parks Account	(2.6)	(5.0)	-	-	-
GRAND TOTAL		7.8	13.9	18.9	18.9	18.9

Budget Reserve Fund

Enacting Authority	Policy	FY 18 \$	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$
Sec. 704 of PA 17-2 JSS	Establish Revenue Volatility Cap	-	-	64.6	128.9	194.5
Secs. 704-708 of PA 17-2 JSS	Establish Budgeted Surplus Requirement	-	-	90.2	137.0	184.9
GRAND TOTAL		-	-	154.8	265.9	379.4

Please note that this table reflects FY 18-19 as passed by the Finance, Revenue, and Bonding Committee on October 25th.

ALL FUNDS TOTAL		1,649.3	1,751.5	467.8	410.1	375.1
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FY 18 and FY 19 Revenue Schedule
(in thousands)

	January Consensus FY 18	Governor Policies	Governor FY 18 Revenue	Consensus Update (April)	April Consensus FY 18	Legislative Policies	Legislative FY 18 Revenue
Taxes							
Personal Income	9,739,200	120,000	9,859,200	(642,500)	9,096,700	30,500	9,127,200
Sales and Use	3,884,100	369,100	4,253,200	(42,600)	3,841,500	379,000	4,220,500
Corporations	870,000	15,000	885,000	2,100	872,100	61,200	933,300
Public Service Corporations	292,300	-	292,300	5,300	297,600	(12,700)	284,900
Inheritance and Estate	180,100	-	180,100	-	180,100	-	180,100
Insurance Companies	227,000	10,400	237,400	(15,300)	211,700	18,900	230,600
Cigarettes	354,100	59,800	413,900	4,800	358,900	35,300	394,200
Real Estate Conveyance	213,500	-	213,500	2,100	215,600	-	215,600
Alcoholic Beverages	62,600	1,900	64,500	-	62,600	-	62,600
Admissions and Dues	39,500	-	39,500	-	39,500	2,000	41,500
Health Provider	701,100	(1,000)	700,100	-	701,100	343,900	1,045,000
Miscellaneous Taxes	20,500	5,000	25,500	-	20,500	7,200	27,700
Total Taxes	16,584,000	580,200	17,164,200	(686,100)	15,897,900	865,300	16,763,200
Refunds of Taxes	(1,146,800)	-	(1,146,800)	-	(1,146,800)	55,300	(1,091,500)
Earned Income Tax Credit	(150,000)	25,000	(125,000)	-	(150,000)	35,000	(115,000)
R & D Credit Exchange	(8,800)	-	(8,800)	1,500	(7,300)	-	(7,300)
Taxes Less Refunds	15,278,400	605,200	15,883,600	(684,600)	14,593,800	955,600	15,549,400
Other Revenue							
Transfer Special Revenue	363,600	-	363,600	(25,300)	338,300	1,000	339,300
Indian Gaming Payments	267,300	-	267,300	-	267,300	-	267,300
Licenses, Permits and Fees	298,300	18,739	317,039	-	298,300	11,300	309,600
Sales of Commodities	43,800	-	43,800	-	43,800	-	43,800
Rentals, Fines and Escheats	130,100	300	130,400	11,200	141,300	1,700	143,000
Investment Income	5,900	-	5,900	-	5,900	-	5,900
Miscellaneous	181,300	409,300	590,600	14,100	195,400	12,000	207,400
Refunds of Payments	(67,500)	-	(67,500)	5,000	(62,500)	-	(62,500)
Total Other Revenue	1,222,800	428,339	1,651,139	5,000	1,227,800	26,000	1,253,800
Other Sources							
Federal Grants	1,199,900	35,000	1,292,600	82,600	1,282,500	483,850	1,766,350
Transfer from Tobacco Settlement	93,700	-	108,500	-	93,700	16,000	109,700
Transfers From/To Other Funds	(112,700)	(747,700)	(966,000)	-	(112,700)	172,800	60,100
Total Other Sources	1,180,900	(712,700)	435,100	82,600	1,263,500	672,650	1,936,150
Total General Fund	17,682,100	320,839	17,969,839	(597,000)	17,085,100	1,654,250	18,739,350

	January Consensus FY 19	Governor Policies	Governor FY 19 Revenue	Consensus Update (April)	April Consensus FY 19	Legislative Policies	Legislative FY 19 Revenue
Taxes							
Personal Income	10,067,300	115,000	10,182,300	(819,800)	9,247,500	9,400	9,256,900
Sales and Use	4,007,700	360,700	4,368,400	(78,800)	3,928,900	359,200	4,288,100
Corporations	900,300	7,000	907,300	2,200	902,500	86,200	988,700
Public Service Corporations	301,200	-	301,200	5,700	306,900	(43,200)	263,700
Inheritance and Estate	186,100	(20,100)	166,000	-	186,100	(15,600)	170,500
Insurance Companies	230,500	(2,400)	228,100	(15,500)	215,000	19,200	234,200
Cigarettes	336,800	52,900	389,700	4,500	341,300	50,000	391,300
Real Estate Conveyance	220,200	-	220,200	2,100	222,300	-	222,300
Alcoholic Beverages	63,000	2,500	65,500	-	63,000	-	63,000
Admissions and Dues	39,800	-	39,800	-	39,800	2,000	41,800
Health Provider	700,200	(1,000)	699,200	-	700,200	343,900	1,044,100
Miscellaneous Taxes	21,000	-	21,000	-	21,000	12,000	33,000
Total Taxes	17,074,100	514,600	17,588,700	(899,600)	16,174,500	823,100	16,997,600
Refunds of Taxes	(1,201,000)	-	(1,201,000)	-	(1,201,000)	55,300	(1,145,700)
Earned Income Tax Credit	(155,600)	26,000	(129,600)	-	(155,600)	35,000	(120,600)
R & D Credit Exchange	(9,200)	-	(9,200)	1,600	(7,600)	-	(7,600)
Taxes Less Refunds	15,708,300	540,600	16,248,900	(898,000)	14,810,300	913,400	15,723,700
Other Revenue							
Transfer Special Revenue	370,900	-	370,900	(25,500)	345,400	1,000	346,400
Indian Gaming Payments	199,000	-	199,000	-	199,000	-	199,000
Licenses, Permits and Fees	275,900	40,500	316,400	-	275,900	67,800	343,700
Sales of Commodities	44,900	-	44,900	-	44,900	-	44,900
Rentals, Fines and Escheats	132,100	12,300	144,400	11,300	143,400	300	143,700
Investment Income	7,000	-	7,000	-	7,000	-	7,000
Miscellaneous	185,000	422,600	607,600	-	185,000	4,100	189,100
Refunds of Payments	(68,900)	-	(68,900)	5,000	(63,900)	-	(63,900)
Total Other Revenue	1,145,900	475,400	1,621,300	(9,200)	1,136,700	73,200	1,209,900
Other Sources							
Federal Grants	1,202,300	40,300	1,292,600	42,700	1,245,000	518,979	1,763,979
Transfer from Tobacco Settlement	94,200	1,000	108,500	-	94,200	16,000	110,200
Transfers From/To Other Funds	(112,700)	(769,900)	(966,000)	-	(112,700)	213,100	100,400
Total Other Sources	1,183,800	(728,600)	435,100	42,700	1,226,500	748,079	1,974,579
Total General Fund	18,038,000	287,400	18,305,300	(864,500)	17,173,500	1,734,679	18,908,179

Policies Details - General Fund

Personal Income

Policy Revisions

Authorize DRS "Fresh Start" Tax Collection Initiative

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
15,000,000	10,000,000	15,000,000	10,000,000	-	-

Governor: Implement a Fresh Start initiative by the Department of Revenue Services (DRS) to improve voluntary tax compliance is anticipated to generate \$85 million in aggregate over the FY 18 and FY 19 Biennium (\$60 million in FY 18 and \$25 million in FY 19). This is expected to impact collections of the Income, Sales and Use, Corporate and other taxes.

The initiative offers non-filers, under-reporters, or unregistered taxpayers incentives that include no penalties and interest discounted by 50% in exchange for self-reporting and paying their liability. The second component of the program is a compliance strategy that blends audit and collection activity that focuses on specific segments of the population with new tools and techniques to make it easier for taxpayers to become compliant.

Specifically, the initiative consists of the following activities: 1) extensive targeted taxpayer outreach and a limited general awareness promotional campaign; 2) transfer pricing recovery; 3) identification of non-filers; 4) compliance sweeps targeting unregistered and delinquent business taxpayers; 5) Sales and Use Tax desk audits driven by more frequent permit renewal; 6) expanded data matching and financial institutions records matching; and 7) tax resolution and payment under structured offers of compromise.

Section 2 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts provisions. Appropriations are provided to the DRS to carry out the initiative (\$1.65 million in FY 18 and \$350,000 in FY 19).

Legislative: Same as Governor. Section 656 of PA 17-2 JSS enacts this provision.

Exempt Certain Pension and Annuity Income from Income Tax

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	-	(8,200,000)	-	(8,200,000)

Legislative: Eliminate the income tax on pension and annuity income for taxpayers with federal adjusted gross incomes (AGI) below (1) \$75,000 for single filers, married people filing separately, and heads of households and (2) \$100,000 for married people filing jointly. The exemption is implemented in equal portions over seven Income Years: 2019 through 2025. Once fully implemented, the revenue loss is \$115 million based on current estimates. The tax on pension and annuity income resumes in Income Year 2026. Section 641 of PA 17-2 JSS enacts this provision.

Expand Social Security Exemption from Income Tax

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	-	(7,900,000)	-	(7,900,000)

Background: Current law allows a 100% Social Security income exemption for single filers and married people filing separately with federal AGIs of less than \$50,000 and joint filers and heads of household with federal AGIs of less than \$60,000. Taxpayers with AGIs equal to or greater than these thresholds qualify for a 75% exemption.

Legislative: Beginning in the 2019 Income Year, increase the income thresholds for the 100% Social Security income exemption to the following: 1) \$75,000 for single/married people filing separately; and 2) \$100,000 for joint filers/heads of household. Section 641 of PA 17-2 JSS, as amended by Section 18 of PA 17-4 JSS, enacts this provision.

Reflect Impact of Added Resources for Tax Enforcement

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	7,500,000	7,500,000	7,500,000	7,500,000

Background: In testimony presented to the Appropriations Committee, the Commissioner of DRS indicated that an increase in appropriations above the Governor's recommended level would yield additional state revenue beyond the revenue assumptions included in the Governor's recommended budget.

Legislative: Recognize an aggregate \$30 million revenue gain associated with the restoration of funding for DRS personnel across the Income, Sales and Use, Corporate and other taxes. Additional appropriations of \$1.2 million are provided to re-fill vacant audit, collections, enforcement and operations & management staff.

Delay Increasing the Exemption for Teachers' Pension Income

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	8,000,000	8,000,000	8,000,000	8,000,000

Background: There were approximately 36,300 retirees receiving pension benefits through the Teachers' Retirement System (TRS) in FY 17. The average benefit initiated during FY 17 was approximately \$52,100.

PA 14-47, the FY 15 Revised Budget, exempted a portion of teachers' pension income from the state Income Tax. It established an income tax exemption for teachers' pension income phased-in from 10% (Income Year 2015) to 25% (Income Year 2016) and up to 50% in Income Year 2017 and thereafter.

Legislative: Delay, by two years, the scheduled increase in the TRS income tax exemption from 25% to 50%. The exemption remains at 25% for the 2017 and 2018 Income Years. Section 641of PA 17-2 JSS enacts this provision.

Sales and Use

Policy Revisions

Authorize DRS "Fresh Start" Tax Collection Initiative

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
25,000,000	8,000,000	25,000,000	8,000,000	-	-

Governor: Implement a Fresh Start initiative by the Department of Revenue Services (DRS) to improve voluntary tax compliance is anticipated to generate \$85 million in aggregate over the 2018-2019 biennium (\$60 million in FY 18 and \$25 million in FY 19). This is expected to impact collections of the Income, Sales and Use, Corporate and other taxes.

The initiative offers non-filers, under-reporters, or unregistered taxpayers incentives that include no penalties and interest discounted by 50% in exchange for self-reporting and paying their liability. The second component of the program is a compliance strategy that blends audit and collection activity that focuses on specific segments of the population with new tools and techniques to make it easier for taxpayers to become compliant.

Specifically, the initiative consists of the following activities: 1) extensive targeted taxpayer outreach and a limited general awareness promotional campaign; 2) transfer pricing recovery; 3) identification of non-filers; 4) compliance sweeps targeting unregistered and delinquent business taxpayers; 5) Sales and Use Tax desk audits driven by more frequent permit renewal; 6) expanded data matching and financial institutions records matching; and 7) tax resolution and payment under structured offers of compromise.

Section 2 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts provisions. Appropriations are provided to the DRS to carry out the initiative (\$1.65 million in FY 18 and \$350,000 in FY 19).

Legislative: Same as Governor. Section 656 of PA 17-2 JSS enacts this provision.

Increase Taxes on Tobacco Products

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
3,800,000	3,400,000	2,200,000	3,500,000	(1,600,000)	100,000

Background: PA 15-244, the FY 16 and FY 17 budget, increased the Cigarette Tax rate from \$3.40 per pack to \$3.65 per pack in FY 16 and to \$3.90 per pack in FY 17.

Governor: Increase the excise tax rate on cigarettes from \$3.90 to \$4.35 per pack, effective July 1, 2017. This results in an aggregate revenue gain of \$44.7 million (FY 18) and \$42.3 million (FY 19) including the Cigarette Tax and the Sales and Use Tax. Additionally, implement a "floor tax" on all existing inventory of cigarettes to ensure all cigarettes are sold at the same tax rate. This results in a Cigarette Tax revenue gain of \$5.0 million in FY 18 only.

Increase the excise tax on snuff from \$1.00 per ounce to \$3.00 per ounce. This results in a revenue gain of \$11.1 million each year.

Increase the cap on the excise tax for cigars from \$0.50 to \$1.50 per cigar. This results in a revenue gain of \$2.8 million in FY 18 and \$2.9 million in FY 19.

Sections 13-16 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enact these provisions.

Legislative: Increase the excise tax rate on cigarettes from \$3.90 to \$4.35 per pack and the tax rate on snuff from \$1.00 per ounce to \$3.00 per ounce. Apply the Cigarette Tax rate increase to existing inventory as of November 30, 2017 (i.e., "floor tax"). Sections 628 - 631 of PA 17-2 JSS enact these provisions effective December 1, 2017, and applicable to sales on or after that date, except that the floor tax provisions are effective upon passage.

Adjust Minimum Bottle Pricing

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
200,000	300,000	-	-	(200,000)	(300,000)

Background: CGS Sec. 30-68m establishes the minimum retail bottle price as the posted bottle price from the wholesaler.

Governor: Alter the basis for the minimum price per bottle to the actual cost paid by the retail permittee. It is anticipated that a reduction in prices will increase sales volume resulting in a net annualized state revenue gain estimated to be \$2.8 million (\$2.5 million under the Alcoholic Beverages Tax and \$300,000 under the Sales Tax). Section 21 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts this provision effective October 1, 2017.

Legislative: Do not revise minimum bottle pricing.

Suspend Sales Tax Transfer to MRSA

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
340,100,000	349,000,000	327,800,000	335,400,000	(12,300,000)	(13,600,000)

Background: The Sales Tax diversion to the Municipal Revenue Sharing Account (MRSA) was reinstated under PA 15-244; however, subsequent legislation delayed the transfer to FY 16 (beginning May 2016) at a 0.3% transfer rate.

PA 16-2 MSS suspended the transfer for FY 17 and swept the balance of MRSA from the FY 16 transfers. Instead the Act provided a transfer out of the Resources of the General Fund to the temporary Municipal Revenue Sharing Fund for FY 17 only. Under the Act, the transfer to MRSA was to restart on July 1, 2017 at a 0.5% rate.

Governor: Permanently repeal the Sales Tax diversion equal to 0.5% to the Municipal Revenue Sharing Account. Instead, provide appropriations in amounts that are equivalent to the estimates of the 0.5% Sales Tax diversion contained in the consensus revenue projections of January 15, 2016. Sections 41, 50-60 of HB 7027, "AAC the State Budget for the Biennium Ending June 30, 2019, and Making Appropriations Therefor," enact these changes.

Legislative: Temporarily suspend the revenue diversion for FY 18 and FY 19. Sections 637-638 of PA 17-2 JSS enact this provision.

Reflect Impact of Added Resources for Tax Enforcement

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	12,600,000	12,600,000	12,600,000	12,600,000

Background: In testimony presented to the Appropriations Committee, the Commissioner of DRS indicated that an increase in appropriations above the Governor's recommended level would yield additional state revenue beyond the revenue assumptions included in the Governor's recommended budget.

Legislative: Recognize an aggregate \$30 million revenue gain associated with the restoration of funding for DRS personnel across the Income, Sales and Use, Corporate and other taxes. Additional appropriations of \$1.2 million are provided to re-fill vacant audit, collections, enforcement and operations & management staff.

Set aside a Portion of Hotel Tax to Support Tourism

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	-	(12,700,000)	-	(12,700,000)

Background: The state's Room Occupancy (Sales) tax rate is 15%. The tax generated approximately \$120 million in state General Fund revenue in FY 16.

Legislative: Set aside 10% of the room occupancy tax to support tourism-related functions. (The set aside is equivalent to a stand-alone rate of 1.5%.) Sections 637 and 639 of PA 17-2 JSS enact this provision.

Allow Rental Agreements to Include Itemized Charges or Fees

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	700,000	1,500,000	700,000	1,500,000

Background: Pursuant to CGS Sec. 12-692, the state imposes a surcharge on certain car, truck, and machinery rentals (3% for cars/trucks and 1.5% for machinery) and requires rental companies to remit the portion of the surcharge collected during the calendar year that exceeds the amount paid in personal property tax and titling/registration fees for the rented vehicles and equipment. State revenue from this surcharge was approximately \$324,000 in FY 17.

Legislative: Eliminate the 3% rental surcharge on car and truck rentals. Instead, authorize rental companies to charge lessees (i.e., renters) individually itemized charges or fees as part of a rental agreement, including a vehicle cost recovery, airport access, or airport concession fee. These fees would be subject to the rental car Sales Tax rate of 9.35%. The net state revenue gain is estimated to be \$1.1 million annually (\$1.5 million revenue gain from the Sales Tax less \$400,000 revenue loss from elimination of the surcharge). Section 653 of PA 17-2 JSS enacts these provisions.

Suspend Transfer to Regional Planning Incentive Account

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	10,700,000	10,900,000	10,700,000	10,900,000

Background: PA 11-1 established the Regional Performance Incentive Account (later renamed the Regional Planning Incentive Account (RPIA) by PA 13-247). The law requires 1 percentage point of the 15% hotel tax rate and 1 percentage point of the 9.35% rental car tax to be deposited into the account. By law, the Secretary of the Office of Policy and Management (OPM) uses the account to fund: 1) annual grants to regional councils of government; and 2) grants awarded under the regional performance incentive program. PA 15-244 MSS suspended the transfer to the RPIA for FY 17.

Legislative: Suspend (during the 2018-2019 biennium) the diversion and allow the General Fund to retain the revenues. Sections 637-638 of PA 17-2 JSS enact this policy.

Corporations

Policy Revisions

Authorize DRS "Fresh Start" Tax Collection Initiative

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
15,000,000	7,000,000	15,000,000	7,000,000	-	-

Governor: Implement a Fresh Start initiative by the Department of Revenue Services (DRS) to improve voluntary tax compliance is anticipated to generate \$85 million in aggregate over the 2018-2019 biennium (\$60 million in FY 18 and \$25 million in FY 19). This is expected to impact collections of the Income, Sales and Use, Corporate and other taxes.

The initiative offers non-filers, under-reporters, or unregistered taxpayers incentives that include no penalties and interest discounted by 50% in exchange for self-reporting and paying their liability. The second component of the program is a compliance strategy that blends audit and collection activity that focuses on specific segments of the population with new tools and techniques to make it easier for taxpayers to become compliant.

Specifically, the initiative consists of the following activities: 1) extensive targeted taxpayer outreach and a limited general awareness promotional campaign; 2) transfer pricing recovery; 3) identification of non-filers; 4) compliance sweeps targeting unregistered and delinquent business taxpayers; 5) Sales and Use Tax desk audits driven by more frequent permit renewal; 6) expanded data matching and financial institutions records matching; and 7) tax resolution and payment under structured offers of compromise.

Section 2 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts provisions. Appropriations are provided to the DRS to carry out the initiative (\$1.65 million in FY 18 and \$350,000 in FY 19).

Legislative: Same as Governor. Section 656 of PA 17-2 JSS enacts this provision.

Defer and Extend "FAS 109" Corp. Tax Deduction

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	20,300,000	34,000,000	20,300,000	34,000,000

Background: Sections 138-163 of PA 15-244 established mandatory unitary reporting under the Corporation Business Tax.

Section 141 of PA 15-244 includes a provision (the "FAS 109 deduction") for publicly traded companies that allows a deduction over seven years beginning in the 2018 Income Year if the implementation of mandatory unitary reporting resulted in an increase to those companies' net deferred tax liability or decrease to their net deferred tax asset. Any companies impacted are required to notify the DRS commissioner if that was the case. Based on that filing requirement, DRS has identified 115 filings for a total of approximately \$231M in tax liability.

Legislative: Defer the implementation date of the deduction to the 2021 Income Year, and provide the deduction over a 30 year period (rather than seven). Section 661 of PA 17-2 JSS, as amended by Section 19 of PA 17-4 JSS, enacts this provision.

Eliminate the Green Building Tax Credit

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	700,000	700,000	700,000	700,000

Background: Up to \$25 million in tax credits are available for eligible construction, renovation, or rehabilitation projects that are designed to meet the applicable requirements for LEED Green Building Rating System gold or platinum certification or another equivalent certification determined by the Department of Energy and Environmental Protection. Credit percentages range between 5% and 11% and depend on the location and certification level of the project. Credits may be assigned to another taxpayer or taxpayers. Unused credits may be carried forward for five succeeding income years. Two credits were claimed on 2015 Corporation Business Tax returns totaling \$5,329,254.

Legislative: Eliminate the credit for income years beginning on or after December 1, 2017. Section 647 of PA 17-2 JSS enacts this provision.

Expand Applicability of Certain Tax Credits at a Discount

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	12,700,000	32,000,000	12,700,000	32,000,000

Background: Current law allows film and digital media production tax credits to be taken against the Insurance Premium and Corporation Business taxes. Credits may be sold, assigned, or transferred in whole or in part no more than three times.

Legislative: Starting January 1, 2018, allow film and digital media production tax credits to be claimed against the gross receipts tax on cable, satellite, and competitive video services (i.e., the Public Service Companies Tax). Enact limitations for credit utilization under such tax as follows: 1) for the 2018 Income Year, transferred credits may be claimed (a) only if there is common ownership of at least 50% between the transferor and transferee and (b) at 92% of face value; and 2) for the 2019 and subsequent income years, transferred credits may be claimed (a) at 92% of face value if there is at least 50% common ownership between the transferee and transferor or (b) at 95% of face value if transfer is to another taxpayer.

This is anticipated to shift the usage of credits from the Corporation and Insurance Premium taxes to the Public Service Companies Tax. The net, bottom-line effect of this policy is a revenue gain estimated to be approximately \$1.4 million in FY 18 and \$3.3 million in FY 19 and annually thereafter due to credit utilization at a discount.

Section 626 of PA 17-2 JSS enacts these provisions.

Lower the Cap on Neighborhood Assistance Act Tax Credits

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	5,000,000	5,000,000	5,000,000	5,000,000

Background: Pursuant to CGS Sec. 12-632(i), the total amount of credits available under the Connecticut Neighborhood Assistance Act (NAA) tax credit program is capped at \$5.0 million through June 301, 2017; the cap increases to \$10.0 million on and after July 1, 2017.

Legislative: Lower the NAA program cap from \$10.0 million to \$5.0 million. Section 646 of PA 17-2 JSS enacts this change.

Reflect Impact of Added Resources for Tax Enforcement

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	7,500,000	7,500,000	7,500,000	7,500,000

Background: In testimony presented to the Appropriations Committee, the Commissioner of DRS indicated that an increase in appropriations above the Governor's recommended level would yield additional state revenue beyond the revenue assumptions included in the Governor's recommended budget.

Legislative: Recognize an aggregate \$30 million revenue gain associated with the restoration of funding for DRS personnel across the Income, Sales and Use, Corporate and other taxes. Additional appropriations of \$1.2 million are provided to re-fill vacant audit, collections, enforcement and operations & management staff.

Public Service Corporations

Policy Revisions

Permanently Retain PEGPETIA Surtax Revenue

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	3,500,000	3,500,000	3,500,000	3,500,000

Background: In accordance with CGS Sec. 16-331cc, the Public Educational and Governmental Programming and Education Technology Investment Account (PEGPETIA) provides grants to support public, educational and governmental (i.e., community access) programming and education technology initiatives.

The account is administered by the Public Utilities Regulatory Authority and is funded by a 0.25% tax on the gross earnings of cable-TV, satellite-TV, and certified competitive video (e.g., AT&T U-Verse) service providers.

The 0.25% surtax designated for PEGPETIA is in addition to the 5.0% tax (per CGS Sec. 12-258) on the gross earnings of cable-TV, satellite-TV, and certified competitive video service providers.

PEGPETIA revenues and fund balances have been used to help balance the General Fund in each year since FY 15. (No PEGPETIA expenditures have been made since FY 14.)

Legislative: Permanently divert \$3.5 million in revenue annually from PEGPETIA to the General Fund. Section 680 of PA 17-2 JSS enacts this provision.

Permanently Suspend the Muni. Video Competition Trust Acct.

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	2,000,000	2,000,000	2,000,000	2,000,000

Background: CGS Sec. 16-331bb diverts \$2.0 million annually from the Gross Earnings Tax established under CGS Sec. 12-256 on certified video service providers (i.e., certain cable T.V. companies). The amount is then distributed to municipalities in which such companies are located for the purposes of property tax relief.

Section 27 of PA 16-2 MSS (the Deficit Mitigation plan) suspended the diversion in FY 17.

FY 14 was the last year any payments were made through the account. In total, \$1.5 million was distributed to 134 towns with a minimum of \$4.00 (Barkhamsted), maximum of \$164,938 (Stamford), and average of \$11,194.

Legislative: Permanently suspend the diversion to the account; instead retain all revenue in the General Fund. Section 679 of PA 17-2 JSS enacts this provision.

Expand Applicability of Certain Tax Credits at a Discount

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	(19,800,000)	(50,300,000)	(19,800,000)	(50,300,000)

Background: Current law allows film and digital media production tax credits to be taken against the Insurance Premium and Corporation Business taxes. Credits may be sold, assigned, or transferred in whole or in part no more than three times.

Legislative: Starting January 1, 2018, allow film and digital media production tax credits to be claimed against the gross receipts tax on cable, satellite, and competitive video services (i.e., the Public Service Companies Tax). Enact limitations for credit utilization under such tax as follows: 1) for the 2018 Income Year, transferred credits may be claimed (a) only if there is common ownership of at least 50% between the transferor and transferee and (b) at 92% of face value; and 2) for the 2019 and subsequent income years, transferred credits may be claimed (a) at 92% of face value if there is at least 50% common ownership between the transferee and transferor or (b) at 95% of face value if transfer is to another taxpayer.

This is anticipated to shift the usage of credits from the Corporation and Insurance Premium taxes to the Public Service Companies Tax. The net, bottom-line effect of this policy is a revenue gain estimated to be approximately \$1.4 million in FY 18 and \$3.3 million in FY 19 and annually thereafter due to credit utilization at a discount.

Section 626 of PA 17-2 JSS enacts these provisions.

Reduce Funding for CT-N

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	1,600,000	1,600,000	1,600,000	1,600,000

Background: CGS Sec. 2-71x provides for a \$3.2 million annual set-aside from the Public Service Companies Tax to fund television coverage of state government deliberations. PA 14-47 increased the set-aside from \$2.5 million to \$3.2 million beginning in FY 15.

Legislative: Reduce the annual set-aside to \$1.6 million. Section 662 of PA 17-2 JSS enacts this permanent reduction, effective upon passage (10/26/17).

Inheritance and Estate

Policy Revisions

Lower Lifetime Cap on Inheritance and Estate Tax

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	(4,500,000)	-	-	-	4,500,000

Background: The maximum amount of Inheritance and Estate Tax that will be paid on or after January 1, 2016 is capped at \$20.0 million. The \$20.0 million cap is reduced by the amount of any gift taxes paid on taxable gifts made by the decedent, the decedent's estate, or the decedent's spouse on or after January 1, 2016.

Governor: Lower lifetime Inheritance and Estate Tax cap from \$20.0 million to \$15.0 million beginning January 1, 2018. Sections 10-11 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enact this provision.

Legislative: Lower lifetime Inheritance and Estate Tax cap from \$20.0 million to \$15.0 million beginning January 1, 2019. Sections 632-636 of PA 17-2 JSS enact this provision.

Adopt Federal Exemption Level for Inheritance and Estate Tax

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	(15,600,000)	-	(15,600,000)	-	-

Background: Resident and non-resident estates of decedents are liable for the Connecticut Inheritance and Estate Tax on the amount of the Connecticut taxable estate that exceeds \$2.0 million. The federal exemption level was \$5.45 million in 2016, and is indexed to inflation.

Governor: Phase-in state Inheritance and Estate Tax exemption to the federal exemption level over three years. The exemption level increases to \$2.6 million on January 1, 2018, to \$3.6 million on January 1, 2019, and matches the federal exemption level on January 1, 2020. In addition to changing the exemption level, this proposal increases the tax rates for estate values between \$5.1 million and \$10.1 million from 9%-12% to 10%-12%. Sections 10-12 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enact these provisions.

Legislative: Same as Governor. Sections 632-636 of PA 17-2 JSS enact these provisions.

Insurance Companies

Policy Revisions

Cease Issuing Tax Credits for Certain Motion Pictures

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
4,000,000	4,000,000	4,000,000	4,000,000	-	-

Background: CGS Sec. 12-217jj allows a credit for qualified production expenses or eligible costs incurred during the production of a film in Connecticut. The credit percentage ranges from 10% to 30% depending on total eligible expenses. Credits may be claimed in the year the costs were incurred or the three succeeding years after the year the costs were incurred, and may be sold, assigned or transferred in whole or in part no more than three times.

PA 13-184, the FY 14 and FY 15 Budget, established a two-year moratorium on film production tax credits for motion pictures from the types of qualified productions that are eligible for the credits for those years, with certain exceptions. PA 15-244, the FY 16 and FY 17 Budget, delayed the scheduled expiration until FY 18.

Governor: Make the moratorium on film production tax credits permanent. Section 8 of SB 787, "AAC Revenue Items to Implement the Budget," enacts this provision.

Legislative: Same as Governor. Section 626 of PA 17-2 JSS enacts this provision.

Make 3-Tier Credit Cap on Insurance Premiums Tax Permanent

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
17,400,000	16,000,000	17,400,000	16,000,000	-	-

Background: CGS Sec. 12-211a(a) limits tax or other credits allowable against the Insurance Premiums Tax to 70% of the amount due prior to the application of any credit. In addition, CGS Sec. 12-211a(a)(5) temporarily establishes two lower caps (a three-tiered cap system) at 55% and 30% depending upon the mix of different types of credits, as defined in CGS Sec. 12-211a(a)(4), including the following: 1) Insurance Reinvestment Fund Tax Credit; 2) Digital Animation Production Tax Credit; 3) Film Production Tax Credit; 4) Film Production Infrastructure Tax Credit; and 5) any other credits.

PA 15-244, the FY 16 and FY 17 Budget, delayed until 2017 the scheduled expiration of the two lower tiers of caps on credit utilization against the Insurance Premiums Tax.

Governor: Make the 3-tiered system of caps permanent. Section 7 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts this provision.

Legislative: Same as Governor. Section 625 of PA 17-2 JSS enacts this change.

Reduce the Insurance Premiums Tax Rate

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
(11,000,000)	(22,400,000)	(11,000,000)	(22,400,000)	-	-

Background: Insurance companies, domestic and foreign, are taxed in Connecticut on the total net direct premiums received from policies written on property or risks within the state. Total net direct subscriber charges received on any new or renewal contract or policy by a health care center are also taxed. The state also imposes a tax on premiums for unauthorized insurance. Specifically, insureds who procure non-admitted insurance are required to remit tax on premiums paid to a non-admitted insurer. Additionally, risk retention groups are required to pay tax on premiums collected on coverages within the state. Captive insurance companies are now allowed to operate within Connecticut. A captive insurance company is a company that is created and wholly owned by one or more non-insurance companies to insure the risks of its owners as a type of self-insurance.

Bases and rates: 1) 1.75% of net direct premiums received by domestic and foreign insurance companies; 2) 4% of gross premiums charged by non-admitted and unauthorized insurers; and 3) 1.75% of net direct subscriber charges on health care centers. CGS Secs. 12-202, 12-202a(a) and 12-201(b) govern the rates for: 1) domestic insurance companies; 2) health care centers; and 3) foreign insurance companies, respectively.

Governor: Lower the rate from 1.75% to 1.50%. Sections 4-6 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enact these provisions effective January 1, 2018.

Nationwide, 49 states and Washington D.C. have some form of a premium tax on insurance policies, ranging from 0.5% to 4.35%. Most states also levy a "retaliatory tax" on insurance premiums when the insurance premium tax rate is different in the insurer's home state versus the state in which the insurer is writing a policy. In the case of an in-state insurer writing a policy within the state, the insurer would pay the in-state insurance premium rate to the state. In the case of an out-of-state insurer writing a policy within the state, the insurer would pay the higher insurance premium rate to the state (higher of out-of-state or in-state rate).

Legislative: Same as Governor. Sections 622-624 of PA 17-2 JSS enact these changes.

Expand Applicability of Certain Tax Credits at a Discount

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	8,500,000	21,600,000	8,500,000	21,600,000

Background: Current law allows film and digital media production tax credits to be taken against the Insurance Premium and Corporation Business taxes. Credits may be sold, assigned, or transferred in whole or in part no more than three times.

Legislative: Starting January 1, 2018, allow film and digital media production tax credits to be claimed against the gross receipts tax on cable, satellite, and competitive video services (i.e., the Public Service Companies Tax). Enact limitations for credit utilization under such tax as follows: 1) for the 2018 Income Year, transferred credits may be claimed (a) only if there is common ownership of at least 50% between the transferor and transferee and (b) at 92% of face value; and 2) for the 2019 and subsequent income years, transferred credits may be claimed (a) at 92% of face value if there is at least 50% common ownership between the transferee and transferor or (b) at 95% of face value if transfer is to another taxpayer.

This is anticipated to shift the usage of credits from the Corporation and Insurance Premium taxes to the Public Service Companies Tax. The net, bottom-line effect of this policy is a revenue gain estimated to be approximately \$1.4 million in FY 18 and \$3.3 million in FY 19 and annually thereafter due to credit utilization at a discount.

Section 626 of PA 17-2 JSS enacts these provisions.

Cigarettes

Policy Revisions

Increase Taxes on Tobacco Products

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
59,800,000	52,900,000	35,300,000	50,000,000	(24,500,000)	(2,900,000)

Background: PA 15-244, the FY 16 and FY 17 budget, increased the Cigarette Tax rate from \$3.40 per pack to \$3.65 per pack in FY 16 and \$3.90 per pack in FY 17.

Governor: Increase the excise tax rate on cigarettes from \$3.90 to \$4.35 per pack, effective July 1, 2017. This results in an aggregate revenue gain of \$44.7 million (FY 18) and \$42.3 million (FY 19) including the Cigarette Tax and the Sales and Use Tax. Additionally, implement a "floor tax" on all existing inventory of cigarettes to ensure all cigarettes are sold at the same tax rate. This results in a Cigarette Tax revenue gain of \$5.0 million in FY 18 only.

Increase the excise tax on snuff from \$1.00 per ounce to \$3.00 per ounce. This results in a revenue gain of \$11.1 million each year.

Increase the cap on the excise tax for cigars from \$0.50 to \$1.50 per cigar. This results in a revenue gain of \$2.8 million in FY 18 and \$2.9 million in FY 19.

Sections 13-16 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enact these provisions.

Legislative: Increase the excise tax rate on cigarettes from \$3.90 to \$4.35 per pack and the tax rate on snuff from \$1.00 per ounce to \$3.00 per ounce. Apply the Cigarette Tax rate increase to existing inventory as of November 30, 2017 (i.e., "floor tax"). Sections 628 - 631 of PA 17-2 JSS enact these provisions effective December 1, 2017, and applicable to sales on or after that date, except that the floor tax provisions are effective upon passage.

Alcoholic Beverages

Policy Revisions

Adjust Minimum Bottle Pricing

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
1,900,000	2,500,000	-	-	(1,900,000)	(2,500,000)

Background: CGS Sec. 30-68m establishes the minimum retail bottle price as the posted bottle price from the wholesaler.

Governor: Alter the basis for the minimum price per bottle to the actual cost paid by the retail permittee. It is anticipated that a reduction in prices will increase sales volume resulting in a net annualized state revenue gain estimated to be \$2.8 million (\$2.5 million under the Alcoholic Beverages Tax and \$300,000 under the Sales Tax). Section 21 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts this provision effective October 1, 2017.

Legislative: Do not revise minimum bottle pricing.

Admissions and Dues

Policy Revisions

Repeal Admissions Tax Exemptions for Various Venues

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	2,000,000	2,000,000	2,000,000	2,000,000

Background: The Admissions Tax is imposed at a rate of 6% of the admissions charge to motion picture shows and 10% of the admissions charge to any other place of amusement, entertainment or recreation. The Dues Tax is imposed at a rate of 10% of membership dues or initiation fees to any social, athletic or sporting club organization. Total Admissions and Dues taxes generated are approximately \$40 million annually distributed as follows: 1) \$5.6 million motion picture admission; 2) \$9.8 million other admissions; and 3) \$24.1 million dues.

Legislative: Eliminate state exemptions for XL Center, Webster Bank Arena in Bridgeport, Dunkin Donuts Park in Hartford, and New Britain Stadium. Section 627 of PA 17-2 JSS enacts this provision.

Health Provider

Policy Revisions

Adjust Ambulatory Surgical Center Tax

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
(1,000,000)	(1,000,000)	-	-	1,000,000	1,000,000

Background: A tax is imposed on the gross receipts of each ambulatory surgical center for each calendar quarter commencing on or after October 1, 2015. Gross receipts do not include net patient revenue of a hospital that is subject to the Hospitals Tax.

PA 15-244, the FY 16 and FY 17 budget, established the tax at a rate of 6% of total gross receipts but exempted the first one million dollars in gross receipts. In accordance with PA 16-3 of the May Special Session, the Office of Policy and Management conducted a study of the impact of the gross receipts tax on ambulatory surgical centers in consultation with the Department of Revenue Services. Included in this report, which was submitted February 1, 2017, the Secretary of the Office of Policy and Management recommended changes to the ambulatory surgical centers tax: 1) remove the current \$1 million exemption; 2) limit the tax to receipts from facility fees (as defined by federal regulations); and 3) disallow the use of URA tax credits against the tax.

Governor: Implement the recommendations of the Secretary of the Office of Policy and Management. Sections 42-51, 53 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enact these provisions. Repealing the exemption is estimated to result in a revenue gain of \$3 million, which is offset by a revenue loss of \$4 million due to the policy change of shifting the basis for the tax to 78% of net revenue the ambulatory surgical center receives from facility fees.

Legislative: Do not revise the Ambulatory Surgical Center Tax.

Modify Hospital Tax

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	343,900,000	343,900,000	343,900,000	343,900,000

Background: Federal law allows the state to levy a hospital user fee (or hospital provider tax) on net patient revenue. Currently, the hospital user fee is levied at a rate of 6.0% on inpatient and outpatient net revenue in base year 2013. The fee applies to all non-governmental hospitals with the exception of the children's hospital, psychiatric hospitals and specialty hospitals. Certain financially distressed hospitals are also exempt from the fee on outpatient revenue. FY 17 total user fee assessed was approximately \$556 million.

In conjunction with the state's hospital user fee, Medicaid supplemental hospital payments have been made by the state to hospitals to partially offset the impact of the hospital user fee. The federal share is approximately 67% of the Medicaid supplemental payments; state Medicaid funding and the associated federal matching funds are used to support hospital supplemental payments. FY 17 total supplemental payments, including the small hospital pool were approximately \$117.5 million (state and federal share).

Legislative: Establish a formula for calculating the tax rate, based on the amount of tax revenue specified for the fiscal year. Sections 601-623 of PA 17-2 JSS as amended by Sections 1-10, 15 and 28 of PA 17-4 JSS, enact this change. PA 17-2 JSS assumes \$900 million in hospital provider tax revenue in both FY 18 and FY 19; an increase of \$343.9 million compared to FY 17.

Miscellaneous Taxes

Policy Revisions

Authorize DRS "Fresh Start" Tax Collection Initiative

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
5,000,000	-	5,000,000	-	-	-

Governor: Implement a Fresh Start initiative by the Department of Revenue Services (DRS) to improve voluntary tax compliance is anticipated to generate \$85 million in aggregate over the 2018-2019 biennium (\$60 million in FY 18 and \$25 million in FY 19). This is expected to impact collections of the Income, Sales and Use, Corporate and other taxes.

The initiative offers non-filers, under-reporters, or unregistered taxpayers incentives that include no penalties and interest discounted by 50% in exchange for self-reporting and paying their liability. The second component of the program is a compliance strategy that blends audit and collection activity that focuses on specific segments of the population with new tools and techniques to make it easier for taxpayers to become compliant.

Specifically, the initiative consists of the following activities: 1) extensive targeted taxpayer outreach and a limited general awareness promotional campaign; 2) transfer pricing recovery; 3) identification of non-filers; 4) compliance sweeps targeting unregistered and delinquent business taxpayers; 5) Sales and Use Tax desk audits driven by more frequent permit renewal; 6) expanded data matching and financial institutions records matching; and 7) tax resolution and payment under structured offers of compromise.

Section 2 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts provisions. Appropriations are provided to the DRS to carry out the initiative (\$1.65 million in FY 18 and \$350,000 in FY 19).

Legislative: Same as Governor. Section 656 of PA 17-2 JSS enacts this provision.

Re-examine Tax Expenditures

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	-	10,000,000	-	10,000,000

Background: State law defines tax expenditures as any exemption, exclusion, deduction or credit created under the general statutes or a public act which results in less tax revenue to the state or municipalities than they would otherwise receive. Total tax expenditures across state funds and including municipalities are estimated to be approximately \$6.5 billion in FY 17.

Legislative: Require the Secretary of the Office of Policy and Management, in consultation with the revenue services and economic and community development commissioners to: 1) examine existing state tax expenditures; 2) identify priorities for such and other revenue sources the state can use to pay for these expenditures; and 3) by February 1, 2018, report their findings and recommendations to the Finance, Revenue and Bonding Committee. Section 658 of PA 17-2 JSS enacts this policy.

Reflect Impact of Added Resources for Tax Enforcement

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	2,400,000	2,400,000	2,400,000	2,400,000

Background: In testimony presented to the Appropriations Committee, the Commissioner of DRS indicated that an increase in appropriations above the Governor's recommended level would yield additional state revenue beyond the revenue assumptions included in the Governor's recommended budget.

Legislative: Recognize an aggregate \$30 million revenue gain associated with the restoration of funding for DRS personnel across the Income, Sales and Use, Corporate and other taxes. Additional appropriations of \$1.2 million are provided to re-fill vacant audit, collections, enforcement and operations & management staff.

Allow Rental Agreements to Include Itemized Charges or Fees

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	(200,000)	(400,000)	(200,000)	(400,000)

Background: Pursuant to CGS Sec. 12-692, the state imposes a surcharge on certain car, truck, and machinery rentals (3% for cars/trucks and 1.5% for machinery) and requires rental companies to remit the portion of the surcharge collected during the calendar year that exceeds the amount paid in personal property tax and titling/registration fees for the rented vehicles and equipment. State revenue from this surcharge was approximately \$324,000 in FY 17.

Legislative: Eliminate the 3% rental surcharge on car and truck rentals. Instead, authorize rental companies to charge lessees (i.e., renters) individually itemized charges or fees as part of a rental agreement, including a vehicle cost recovery, airport access, or airport concession fee. These fees would be subject to the rental car Sales Tax rate of 9.35%. The net state revenue gain is estimated to be \$1.1 million annually (\$1.5 million revenue gain from the Sales Tax less \$400,000 revenue loss from elimination of the surcharge). Section 653 of PA 17-2 JSS enacts these provisions.

Refunds of Taxes

Policy Revisions

Adjust the \$200 Property Tax Credit

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
105,000,000	105,000,000	55,300,000	55,300,000	(49,700,000)	(49,700,000)

Background: CGS Sec. 12-704c provides a credit of up to \$200 against the Income Tax for personal and real property taxes paid by an eligible taxpayer on a primary residence or a motor vehicle. The credit is limited to two motor vehicles for joint filers and one motor vehicle for single, head of household, and married filing separate filers. The percentage value of the credit declines as income increases until it completely phases out.

The income level at which the percent reduction begins varies by filing status: single (\$49,501); married filing separately (\$35,251); head of household (\$54,501); and married filing jointly (\$70,501). The income levels at which tax payers are no longer eligible are as follows: single (\$109,500); married filing separately (\$65,250); head of household (\$114,500); and married filing jointly (\$130,500).

PA 06-186 increased the maximum property tax credit to \$500, which was subsequently reduced to \$300 by PA 11-6 and to \$200 by PA 15-244, along with changes to the income levels that qualified taxpayers for the credit.

The credit was claimed by 795,252 filers in 2016.

Governor: Eliminate the property tax credit starting from Income Year 2017. Section 60 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts this change.

Legislative: Temporarily (2017 and 2018 income years) limit eligibility for the \$200 property tax credit to people who (1) are age 65 or older before the end of the applicable income year or (2) validly claim at least one dependent on their federal income tax return for that year. Section 644 of PA 17-2 JSS enacts this provision.

Earned Income Tax Credit

Policy Revisions

Reduce Earned Income Tax Credit

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
25,000,000	26,000,000	35,000,000	35,000,000	10,000,000	9,000,000

Background: CGS Sec. 12-214e provides a refundable state Earned Income Tax Credit (EITC) against the Personal Income Tax that is equal to a percentage of the federal credit.

PA 11-6, the FY 12 and FY 13 Budget, as amended by PA 11-1 JSS, established a refundable, state EITC against the Personal Income Tax that is equal to 30% of the federal EITC. This policy was effective upon passage and applicable to tax years starting on or after January 1, 2011. PA 13-184, the FY 14 and FY 15 Budget, temporarily reduced the state's EITC to 25% of the federal EITC in 2013 and 27.5% of the federal EITC in 2014. PA 15-244, the FY 16 and FY 17 Budget, extended the temporary rate of 27.5% of the federal EITC until the 2017 Income Year when it is scheduled to increase to 30%.

In 2016 the EITC was claimed by 193,593 filers.

Governor: Permanently reduce the EITC to 25% of the federal EITC beginning with the 2017 income year. Section 9 of SB 787, " AAC Revenue Items to Implement the Governor's Budget", enacts this provision.

Legislative: Permanently reduce the state EITC from 30% to 23% of the federal credit, applicable to tax years beginning on or after January 1, 2017. Section 645 of PA 17-2 JSS enacts this provision.

Transfer Special Revenue

Policy Revisions

Achieve Efficiencies at the CT Lottery Corporation

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	1,000,000	1,000,000	1,000,000	1,000,000

Background: The Connecticut State Lottery Corporation (CLC) transfers net proceeds (total revenue less payouts for winning, commissions, administrative costs and statutory transfers) to the General Fund.

Legislative: Require the CLC to increase its transfer by \$1.0 million annually effectively through a reduction in administrative costs. Section 660 of PA 17-2 JSS enacts this requirement for the 2018-2019 biennium.

Licenses, Permits and Fees

Policy Revisions

Increase Municipal Recording Fee

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
1,739,264	1,739,264	1,200,000	1,739,264	(539,264)	-

Background: Town clerks receive a \$3 fee for each document recorded in municipality land records - i.e., each time there is a transaction on a property record. Current law (CGS Sec. 7-34a) requires two-thirds of the fee to be given to the State Treasurer for deposit in the Historic Documents Preservation Account, which is separate from the General Fund. The preservation account funds the Historic Documents Preservation Program within the Connecticut State Library. The library then grants 70 percent of its fee share to municipalities.

The fee has remained at \$3 since its implementation with PA 00-146. In FY 16, there were 434,816 filings, which yielded \$260,980 in net revenue for the Historic Documents Preservation Account (after municipal grants were distributed) and \$1,043,559 for municipalities.

Governor: Increase the land records filing fee from \$3 to \$10, with \$4 of the fee transmitted to the General Fund. Of the remaining \$6, \$2 is directly retained by municipalities and \$4 is deposited within the Historic Documents Preservation Account. Seventy percent of preservation account revenue will continue to be granted to municipalities. Section 20 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts this change.

Legislative: Same as Governor. Section 665 of PA 17-2 JSS enacts this change, effective December 1, 2017.

Increase State Fees to Cover Administrative Costs

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	20,000,000	-	20,000,000	-	-

Governor: Require the Secretary of the Office of Policy and Management to recommend fee increases of up to 50% and not to exceed \$20 million in the aggregate, based on the costs of administering said fees according to analysis by department heads. Section 1 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts this provision.

Legislative: Same as Governor. Section 659 of PA 17-2 JSS enacts this provision.

Adjust Gun Permit Fees

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
9,000,000	9,000,000	-	-	(9,000,000)	(9,000,000)

Background: CGS Sec. 29-30(a) establishes permit fees: 1) original issuance for the carrying of pistols and revolvers at \$140; 2) temporary state permit of \$70; and 3) renewal fee for the carrying of pistols and revolvers at \$70. The (non-temporary) permit fees are valid for five years.

Governor: Increase the state's gun permit fees for both initial and renewal to \$370 and \$300, respectively. the initial fee is increased from \$140 to \$370 and the renewal fee is increased from \$70 to \$300. Section 19 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts this provision.

Legislative: Do not revise gun permit fees.

Adjust Cremation Certificate Fee

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
800,000	800,000	-	-	(800,000)	(800,000)

Background: CGS Sec. 19a-323(b) requires the estate of a deceased person to pay \$150 for a cremation certificate issued by the Office of the Chief Medical Examiner. This fee is anticipated to generate approximately \$2.4 million in FY 17.

Governor: Increase the cremation certificate fee from \$150 to \$200. Section 17 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts this provision.

Legislative: Do not revise cremation certificate fee.

Implement Licensure of Urgent Care Centers

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
400,000	-	400,000	-	-	-

Background: The Department of Public Health (DPH) licenses Urgent Care Centers as "outpatient clinics" per CGS Sec. 19a-491(e), which is the same licensure category as a doctor's office, where the staff that operate the office are licensed individuals responsible for patient care. Every four years, DPH charges \$1,000 for the licensing and inspection of outpatient clinics that provide either medical or mental health services and well-child clinics, except those operated by municipal health departments, health districts, or licensed non-profit nursing or community health agencies. There are currently a total of 280 licensed outpatient clinics.

Governor: Define Urgent Care Centers in statute and require that they must all be licensed as outpatient clinics by 4/1/18. Allow the Department of Social Services (DSS) to establish payment rates for the Centers. Increase the timeline for outpatient clinic licensure and inspection from once every four (4) years to once every three (3) years. Associated revenue of approximately \$400,000 is anticipated in FY 18 and FY 21. Sections 3 and 4 of SB 797, "AA Implementing the Governor's Budget Recommendations for Public Health Programs," establish these provisions.

In parallel with this revenue item, General Fund support of \$126,995 (partial year) in FY 18 and \$137,534 (annualized) in FY 19 is provided within DPH for a full-time Health Program Associate, a half-time Supervising Nurse Consultant and a half-time Processing Technician to implement these changes. Associated fringe benefit support is provided under the State Comptroller.

Legislative: Same as Governor. Sections 674-675 of PA 17-2 JSS enact these changes.

Establish a Safe Drinking Water State "Primacy" Assessment

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	2,500,000	-	2,500,000	-	-

Governor: Require public water systems to become licensed, on or after July 1, 2018, in accordance with a staggered schedule promulgated by the Commissioner of Public Health.

Section 2 of SB 797, "AAC the Governor's Budget Recommendations for Public Health Programs," enacts this policy and defines public water systems as a water company that supplies drinking water to fifteen or more consumers or twenty-five or more persons daily at least sixty days of the year. The bill's provisions will apply to approximately 543 non-transient non community water systems and 523 community public water systems. The Commissioner must consult with the Secretary of the Office of Policy and Management (OPM) before adopting the schedule and establishing fees, both of which must be published on DPH's internet website. Community public water systems will be assessed based upon their number of service connections; they may collect the fee from their consumers on a pro-rata basis, based on the amount of water each consumes. Each community public water system and non-transient non-community public water system will be required to obtain a license that must be renewed every two years. State agencies would be exempted from this requirement.

The Governor's appropriations budget includes additional funding, approximately \$630,000 in FY 2018 and \$1.9 million in FY 2019, to address projected shortfalls in federal funds that support these efforts and implement the new license to operate program. Beginning in FY 2019, these costs will be offset by fee revenues. Connecticut will join the majority of other states that utilize fees and service charges to support public drinking water programs. Three positions have been added under DPH's budget to implement licensure of public water systems, and funding has been added under the Department of Administrative Services' budget to support costs of integrating this new program into the state's E-License system.

Legislative: Revenue same as Governor. Sections 676 and 677 of PA 17-2 JSS require that water companies that own community public water systems or non-transient non-community water systems to pay to DPH a "safe drinking water primacy assessment" in FY 19, exempting state agencies from the assessment and capping it at \$2.5 million. Community water system with 50 to 99 service connections will be assessed \$150, non-transient non-community water system and community water system with fewer than 50 service connections will be charged \$125, and community water system with 100 or more service will be assessed an amount set by the DPH commissioner, up to \$4 per service connection.

Adjust Hospital Assessment to Support OCHA

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
100,000	100,000	-	-	(100,000)	(100,000)

Background: Per CGS Sec. 19a-631 and 632, each hospital annually pays to the Department of Public Health, for deposit in the General Fund, an amount equal to its share of the actual expenditures made by the Office of Health Care Access (OHCA) during each fiscal year, including the cost of fringe benefits for office personnel as estimated by the Comptroller.

The Governor's Executive Order No. 51, and later amended as No. 51A, established a Certificate of Need (CON) Task Force to undertake a review and analysis of the state's CON process and programs and determine if changes are necessary to ensure quality of care and access for all state residents and the preservation of an open and competitive health care market.

Governor: Revenue is associated with the recoupment of OHCA expenses through the hospital assessment.

The Governor's Recommended Budget provides new funding of \$133,299 in FY 18 (partial year) and \$144,407 in FY 19 (annualized) in the Department of Public Health to support two Health Care Analyst positions within OHCA to accommodate the expansion of monitoring and oversight over health care mergers and acquisitions (including enhanced post-transfer compliance) and to emphasize increased access and health equity. These changes implement findings of the CON task force included in SB 795, "An Act Establishing the Office of Health Strategy and Improving the Certificate of Need Program," (Sections 2-14 in particular).

Legislative: Do not reflect the revenue impact of changes in assessments.

Reallocate Support for the Newborn Screening Program

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
3,100,000	3,100,000	3,100,000	3,100,000	-	-

Background: CGS Sec. 19a-55 requires that all newborns delivered in Connecticut be screened for selected genetic and metabolic disorders. PA 09-3 JSS increased the fee for newborn screening from \$28 per infant to \$56 per infant starting in FY 16. Historically, a portion of newborn screening revenue has been made available to DPH to cover the cost of screening (performed at the Katherine A. Kelley State Public Health Laboratory) pursuant to CGS Sec. 19a-55a. The remainder is deposited into the General Fund.

Governor: Shift program funding entirely to the General Fund. Redirect revenue from newborn screening fees from the non-appropriated Newborn Screening account to the General Fund. Section 37 of HB 7027, "AAC the State Budget for the Biennium Ending June 30, 2019, and Making Appropriations Therefor," enacts this provision. A corresponding increase of approximately \$2.9 million is made to appropriations in the Department of Public Health. The corresponding fringe benefit costs are approximately \$750,000 annually, and would be budgeted in the fringe benefit accounts of the Office of the State Comptroller.

Legislative: Same as Governor. Sections 678 and 728 of PA 17-2 JSS enact these changes.

Adjust Transfer from Professional Assistance Program Account

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
1,000,000	700,000	-	-	(1,000,000)	(700,000)

Background: Sections 112 -135 of PA 15-244 increased the license renewal fees for various Department of Public Health (DPH)-licensed professionals by \$5 beginning in FY 16. The revenue generated by the increase was directed to a newly established professional assistance program account. Per CGS Sec. 19a-12c, moneys in the account were to be used by DPH for an assistance program (such as the one operated by the Health Assistance InterVention Education Network or HAVEN) for health care professionals who have a chemical dependency, emotional or behavioral disorder, or physical or mental illness. No such program has received this funding to date.

Governor: Eliminate revenue in the professional assistance program account. Section 36 of HB 7027, "AAC the State Budget for the Biennium Ending June 30, 2019, and Making Appropriations Therefor," transfers an estimated \$1 million FY 17 year-end balance from the professional assistance program account to the General Fund. Effective July 1, 2017 (FY 18), Section 68 of HB 7027 permanently repeals CGS Sec. 19a-12d, eliminating future deposits into the account from the \$5 increase in license renewal fees, estimated at approximately \$700,000 annually.

Legislative: Do not transfer funds from the professional assistance program account to the General Fund.

Increase the State Fee for Criminal History Record Checks

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
2,600,000	2,600,000	1,700,000	2,600,000	(900,000)	-

Background: Pursuant to CGS Sec. 29-11(c), the Commissioner of Emergency Services and Public Protection charges a \$50 fee for each of the following services: 1) fingerprint search; 2) personal record search; 3) letters of good conduct search; 4) bar association search; and 5) criminal history record information search. Separately, CGS Sec. 29-11(c) requires fees of \$36 for a name search and \$15 for fingerprinting. The provisions of this subsection shall not to any federal, state or municipal agency except for any costs incurred in conducting any name search and fingerprinting of applications for admission to the bar of the state, in which case payment must be made by the State Bar Examining Committee.

Governor: Section 18 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts these changes. Section 18 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts these changes.

Legislative: Same as Governor. Section 666 of PA 17-2 JSS enacts this change, effective December 1, 2017.

Assign Certain Fee Revenues to Passport to Parks Account

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	(700,000)	(2,900,000)	(700,000)	(2,900,000)

Legislative: Establish a non-appropriated account to fund the operation of state parks and campgrounds, soil and water conservation districts and environmental review teams, and beginning with FY 19, the Council on Environmental Quality. In order to provide revenue to the account, the following revenue streams are dedicated to it: 1) a new \$10 surcharge is established on motor vehicle registrations (passenger, motorcycle, motor home, combination, and antique), and \$5 for individuals over age 65; and 2) various revenue collected from state park operations, recreation-related services and campground and facility rentals. The Passport to Parks program allows in-state registered vehicles to enter state parks free of charge. Out-of-state park visitors would continue to pay for parking and camping. Sections 326-331 of PA 17-2 enact these changes, effective January 1, 2018.

Provided that the new \$10 surcharge on motor vehicle registrations is implemented effective January 1, 2018, the new Passport to Parks account is projected to have an operating surplus in both years of the 2018-2019 biennium that is sufficient to provide transfers to the General Fund in the amounts of \$2.6 million in FY 18 and \$5 million in FY 19. Section 696 of PA 17-2 JSS enacts these transfers.

Authorize Daily Fantasy Sports Contests

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	-	500,000	-	500,000

Legislative: Authorize fantasy sports contests, once (1) the current gaming agreements between the Mashantucket Pequot and Mohegan tribes and the state are amended to provide that conducting fantasy contests does not terminate the existing video facsimile (e.g., slots) moratorium or payments to the state, and (2) the amendments are approved by the state legislature and federal Department of the Interior.

Require fantasy sports operators to provide certain consumer protections to players and pay up to a \$15,000 registration fee and a 10.5% tax on gross receipts. Gross receipts means the total of all entry fees collected by an operator from all players, less the total amount paid out as prizes to players, attributable to Connecticut.

Sections 649-652 of PA 17-2 enact this policy.

Establish a Fee for Auto Trade-Ins Payable by the Dealer

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	2,600,000	5,300,000	2,600,000	5,300,000

Legislative: Require the DMV commissioner to charge new and used car dealers \$35 for each used motor vehicle they accept as a trade-in when selling a new or used vehicle. The fee must be deposited in the General Fund. Section 667 of PA 17-2 JSS enacts this policy, effective December 1, 2017 and applicable to transactions occurring on or after that date.

Impose a 25 cent Fee on Ridesharing Services

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	3,000,000	5,000,000	3,000,000	5,000,000

Legislative: Require Transportation Network Companies (TNC) such as Uber and Lyft to pay a 25-cent fee on each ride originating in Connecticut and requires that such fee revenue be deposited in the General Fund. Require TNCs to electronically file a return and remit the fees on a quarterly basis to the state Department of Revenue Services.

Section 654 of PA 17-2 JSS enacts this policy, effective January 1, 2018.

Require Advance Payment of Casino Gross Gaming Revenues

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	-	30,000,000	-	30,000,000

Background: PA 17-89 gave MMCT Venture LLC, a company jointly owned and operated by the Mashantucket Pequot and Mohegan tribes, the right to conduct authorized games at a new off-reservation commercial casino, once certain conditions are met (e.g., amending gaming agreements, with the amendments approved by the state legislature and federal Department of the Interior).

PA 17-89 also requires MMCT to pay the state 25% of its gross gaming revenue (e.g., slots and table games).

Legislative: Require MMCT Venture, LLC, by June 30, 2019, to provide an interest-free \$30 million advance to the state, which will be credited against required future monthly casino gross gaming revenue payments to the state. Such credit must be in an amount and manner as determined by an agreement between the OPM secretary and MMCT Venture, LLC. Section 655 of PA 07-2 JSS enacts this policy.

Rentals, Fines and Escheats

Policy Revisions

Increase Deposit for Carbonated Bottles

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	12,000,000	-	-	-	(12,000,000)

Background: Pursuant to CGS Sec. 22a-244(a) every beverage container containing certain non-carbonated or carbonated beverages sold or offered for sale in the state must have a refund value of at least five cents.

Governor: Increase the bottle deposit for carbonated beverages only from five cents to ten cents. Section 3 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts this provision.

Legislative: Do not increase the bottle deposit.

Increase Civil Penalties for Certain Healthcare Violations

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
300,000	300,000	300,000	300,000	-	-

Background: Per CGS Sec. 19a-527, a maximum fine of \$5,000 may now be imposed for a Class A violation, one deemed to present an immediate danger of death or serious harm to a patient. A maximum fine of \$3,000 may now be imposed for a Class B violation, which is associated with conditions other than Class A that are deemed to present a probability of death or serious harm in the reasonably foreseeable future to any patient. These amounts have not been adjusted in over 25 years.

Governor: Increase the maximum civil penalties that may be imposed upon a nursing home facility or a residential care home for serious violations of law or regulations. Section 1 of SB 797, "AA Implementing the Governor's Budget Recommendations for Public Health Programs," increases the maximum fines to \$20,000 and \$10,000, respectively, effective July 1, 2017. This will afford the commissioner of public health greater flexibility when responding to situations that place patients at risk. Increased annual revenues of approximately \$300,000 are expected.

Legislative: Same as Governor. Sections 234-235 of PA 17-2 JSS enact these provisions.

Temporarily Freeze Inflation Adjustments for CEP Grants

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	1,400,000	-	1,400,000	-

Background: Chapter 157 of the CGS establishes the program, which provides grants to qualifying candidates for primary and general elections of statewide constitutional offices and the offices of state senator or representative. Revenue from the sale of abandoned property funds administration of the program and the grants themselves.

In accordance with CGS Sec. 3-69a, the annual amount of revenue diverted from the General Fund to support this program in FY 08 was \$17.3 million. In accordance with Public Act 11-6, the annual amount of revenue diverted from the General Fund to support this program in FY 12 was reduced to \$10.6 million. CGS Sec. 3-69a requires the diverted amounts in subsequent fiscal years to be adjusted for inflation: specifically, the Consumer Price Index for all urban consumers as published by the U.S. Department of Labor, Bureau of Labor Statistics.

In accordance with CGS Sec. 9-750, if funding pursuant to CGS Sec. 3-69a is insufficient to fully fund grants for qualifying candidates, then a portion of the revenues from the tax imposed under chapter 208 (the Corporation Business Tax) equal to the amount of the insufficiency, shall also be diverted from the General Fund to the Citizens' Election Fund.

Legislative: For elections held in 2018, freezes inflation adjustments to CEP grants, requiring that the State Elections Enforcement Commission (SEEC) resume adjustments in 2020 and 2022 for legislative and statewide office candidates, respectively. Section 270 of PA 17-2 JSS enacts this provision.

Miscellaneous

Policy Revisions

Adjust State Charge for Supervision of Constables

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
200,000	200,000	-	-	(200,000)	(200,000)

Background: Current law (CGS Sec. 29-5(a)) permits towns to contract for Resident State Police services that includes supervision of constabularies at no extra charge. Such town or towns and the Commissioner of Emergency Services and Public Protection are authorized to enter into agreements and contracts for such police services, with the approval of the Attorney General, for periods not exceeding two years.

Governor: Establish a surcharge of \$750 per constable supervised by a Resident State Trooper. Section 19 of HB 7051, "AA Implementing the Governor's Budget Recommendations for General Government," enacts this change.

Legislative: Do not adjust the state charge for supervision of constables.

Adjust Charge for Resident State Trooper Services

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
1,500,000	1,500,000	-	-	(1,500,000)	(1,500,000)

Background: Resident State Trooper services currently are billed to municipalities at 85% of total cost for the first two troopers and 100% for additional troopers and any overtime costs. CGS Sec. 29-5(a) governs the reimbursement rates for Resident State Troopers.

Governor: Increase the charge to towns for all Resident State Trooper services to 100% of the total cost per trooper. Section 19 of HB 7051, "AA Implementing the Governor's Budget Recommendations for General Government," enacts this change.

Legislative: Do not adjust the state charge to municipalities for Resident State Trooper services.

Adjust Funding to Provide Full Pension Contribution

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
407,600,000	420,900,000	-	-	(407,600,000)	(420,900,000)

Background: The Connecticut Teachers' Retirement System (TRS) provides retirement benefits for Connecticut public school teachers. Historically, the state has appropriated the "employer share" of the TRS annual required contribution in the Retirement Contribution account of the Teachers' Retirement Board agency budget. Additionally, debt service costs on the \$2.3 Billion Teachers' Pension Obligation Bonds issued in April 2008 are appropriated to an account in Debt Service - State Treasurer.

The June 30, 2106 actuarial valuation set the Actuarially Determined Employer Contribution (ADEC) for the Teachers' Retirement System (TRS) of \$1,290,429,000 in FY 18 and \$1,332,368,000 FY 19. Payment of the full contribution is required by both statute (CGS 10-183z) and the Bond Covenant for the Pension Obligation Bonds issued pursuant to PA 07-186.

Governor: Require towns to contribute one-third of the municipal cost for teachers' pensions. Towns must reimburse the state by December 31st annually. Section 27 of HB 7050, "AAC Enhancements to Municipal Finance and Accountability," enacts this change. Positive General Fund state revenues are recorded in the Miscellaneous other revenues category which are offset entirely by a Transfer

out of the General Fund to the Teachers' Retirement System. Corresponding reductions are made to the state General Fund appropriation to the Teachers' Retirement System.

Legislative: Do not charge municipalities. Instead, PA 17-2, JSS Section 586 increases the teachers' mandatory regular contribution by 1% point from 6% to 7% on and after January 1, 2018. The teachers' mandatory contributions are deposited into the Teachers' Retirement Fund. Section 587 requires the Teachers' Retirement Board to: (1) request a revised actuarial valuation establishing the state's annual required contribution for FY 18 and FY 19 based on the 1% point increase in the mandatory contribution required in Section 586 and (2) certify to the General Assembly the revised retirement contribution for FY 18 and FY 19. Savings of \$18 million in FY 18 and \$38 million in FY 19 associated with this provision have been reflected in the FY 18 and FY 19 budget as "targeted savings" lapse. The revised actuarial valuation, completed in November, resulted in a state retirement contribution savings of \$19.4 million in FY 18 and \$40.1 million in FY 19.

Implement Auditor's Recommendations re: DAS Collections

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	4,500,000	4,500,000	4,500,000	4,500,000

Legislative: Reflect a plan by the state Department of Administrative Services (DAS) to collect more money owed to the state from decedent estates, recipients of unearned income from lawsuits, personal injury insurance claims and inheritances. In particular, the Auditor's report indicated DAS missed the opportunity to open an estimated 9,000 insurance claim cases. No additional resources are provided for implementation of this plan.

Divert Settlement Revenues for Indigent Legal Counsel Pilot

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	(400,000)	(400,000)	(400,000)	(400,000)

Background: Each year the Office of the Attorney General generates state revenue for the General Fund by entering into global civil settlements. On average between FY 11 and FY 16, approximately \$19 million annually from global civil settlements has been deposited as unrestricted revenues into the state's General Fund.

Legislative: Establish a one-year pilot program, from July 1, 2018 to June 30, 2019, in one judicial district selected by the chief court administrator to provide indigent individuals with access to legal counsel in civil proceedings involving an application for relief from abuse (i.e., civil restraining order). The program is limited to individuals who (1) successfully demonstrate indigence to the judicial branch's contracted provider or the Department of Public Defender Services (DPDS), as appropriate, and (2) have civil restraining order proceedings pending in the participating district. Require the attorney general, during each of FY 18 and FY 19, to transfer \$200,000 each to the judicial branch and the DPDS. Sections 150-151 of PA 17-2 JSS enact these changes.

Reflect PURA Settlement with PALMCO Power, CT

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	5,000,000	-	5,000,000	-

Background: Under a settlement agreement announced by the Office of the Attorney General on August 17, 2017, the state Public Utilities Regulatory Authority (PURA) approved a settlement agreement with the electric supply company Palmco Power CT, LLC in which Palmco agreed to pay \$5.0 million to the state of Connecticut and relinquish its electric supplier license for a period of five years. The settlement resolves an investigation initiated in February 2015 regarding Palmco's business practices. PURA opened the investigative proceeding following a large number of consumer complaints against the company.

According to the AG's announcement, "Evidence from the PURA proceeding showed that, from January 2011 to October 2015, Palmco systematically and repeatedly deceived consumers by providing false and misleading information about the company's rates and engaged in a pattern of abusive sales tactics. Through door-to-door marketing and telemarketing efforts, sales agents often switched consumers to Palmco without authorization, impersonated utility employees and falsely guaranteed savings. In addition, sales agents inaccurately described how the customer's variable rate prices were determined."

Under the terms of the settlement, Palmco did not admit liability but has agreed to two voluntary payments totaling \$5 million to state of Connecticut.

Legislative: Reflect the Palmco Power CT settlement revenue as an additional amount beyond the baseline assumption for settlements included in the May 1, 2017 Consensus Revenue projections. No legislation is required.

Reflect Settlement with General Motors Auto Co.

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	2,900,000	-	2,900,000	-

Background: On October 19, 2017, the Office of the Attorney General announced that Connecticut had joined with 48 other states and the District of Columbia in a \$120.0 million settlement with General Motors Company (GM) to resolve allegations that the company concealed safety issues related to ignition-switch defects in certain GM vehicles. On November 30, 2017, the state received \$3,206,587 in total, of which \$350,000 will be deposited into the Attorney General's Consumer Protection Fund and the remainder will go to the General Fund.

Legislative: Reflect the GM settlement revenue as an additional amount beyond the baseline assumption for civil settlements included in the May 1, 2017 Consensus Revenue projections. No legislation is required.

Federal Grants

Policy Revisions

Reflect the Federal Revenue Impact of State Appropriations

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
35,000,000	40,300,000	483,800,000	519,000,000	448,800,000	478,700,000

Background: Changes to appropriations in certain line items impact federal reimbursements which are treated as General Fund revenues.

Governor: Reflect net appropriations changes to certain line items per Section 1 of HB 7027, "AAC the State Budget for the Biennium Ending June 30, 2019, and Making Appropriations Therefor," makes these changes to appropriations.

Legislative: Reflect net appropriations changes to certain line items.

Transfer from Tobacco Settlement

Policy Revisions

Adjust Tobacco Settlement Funds for the THTF

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	1,000,000	6,000,000	6,000,000	6,000,000	5,000,000

Background: The purpose of the Tobacco Health Trust Fund (THTF) is to create a continuing significant source of money to: 1) support and encourage programs to reduce tobacco abuse through prevention, education and cessation, 2) support and encourage program development for substance abuse reduction; and 3) develop and implement programs to meet the state's unmet physical and mental health needs. A THTF Board of Trustees was established pursuant to Section 15 of PA 00-216 to select programs to receive money from the Fund. the Board's selection, per CGS Sec. 4-28f, must be submitted to the Appropriations and Public Health Committees for authorization. The THTF receives an annual, statutory disbursement from the Tobacco Settlement Fund (STF) as well as any TSF revenue that exceeds the total statutory disbursements from the TSF. PA 15-244, the FY 16 and FY 17 budget, temporarily suspended the scheduled statutory disbursements and permanently reduced the scheduled disbursements from \$12 million annually to \$6 million annually beginning in FY 18.

Governor: Divert from the THTF to the General Fund \$1 million of the scheduled \$6 million in FY 19. Section 34 of HB 7027, "AAC the State Budget for the Biennium Ending June 30, 2019, and Making Appropriations Therefor," enacts this policy.

Legislative: Suspend THTF deposits for the 2018-2019 biennium. Section 663 of PA 17-2 JSS enacts this provision.

Suspend Tobacco Fund Transfer to Smart Start Account

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	10,000,000	10,000,000	10,000,000	10,000,000

Background: Beginning in FY 16 through FY 25, statute transfers \$10 million annually from the Tobacco Settlement Fund to the Smart Start non-appropriated account within the Office of Early Childhood to support the Smart Start program, which provides grants to towns for operational costs associated with preschool classrooms. The FY 17 year-end balance in the non-appropriated account was \$5.8 million. Of that total, \$2 million is to be transferred to the State Department of Education to fund implementation of the Kindergarten Entrance Inventory that Section 51 of PA 15-244 requires. It is estimated that the Smart Start program will cost approximately \$3.3 million to operate each year in FY 18 and FY 19.

Legislative: Section 664 of PA 17-2 JSS suspends the transfer to the Smart Start non-appropriated account during the 2018-2019 biennium. The remaining FY 17 year-end balance in the account is sufficient to fully fund the program in FY 18 but not FY 19. Instead, the 2018-2019 Biennial Budget provides a General Fund appropriation of \$3.25 million to the Office of Early Childhood in FY 19 to continue to operate the program.

Transfers From/To Other Funds

Policy Revisions

Adjust Funding to Provide Full Pension Contribution

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
(407,600,000)	(420,900,000)	-	-	407,600,000	420,900,000

Background: The Connecticut Teachers' Retirement System (TRS) provides retirement benefits for Connecticut public school teachers. Historically, the state has appropriated the "employer share" of the TRS annual required contribution in the Retirement Contribution account of the Teachers' Retirement Board agency budget. Additionally, debt service costs on the \$2.3 Billion Teachers' Pension Obligation Bonds issued in April 2008 are appropriated to an account in Debt Service - State Treasurer.

The June 30, 2106 actuarial valuation set the Actuarially Determined Employer Contribution (ADEC) for the Teachers' Retirement System (TRS) of \$1,290,429,000 in FY 18 and \$1,332,368,000 FY 19. Payment of the full contribution is required by both statute (CGS 10-183z) and the Bond Covenant for the Pension Obligation Bonds issued pursuant to PA 07-186.

Governor: Require towns to contribute one-third of the municipal cost for teachers' pensions. Towns must reimburse the state by December 31st annually. Section 27 of HB 7050, "AAC Enhancements to Municipal Finance and Accountability," enacts this change. Positive General Fund state revenues are recorded in the Miscellaneous other revenues category which are offset entirely by a Transfer out of the General Fund to the Teachers' Retirement System. Corresponding reductions are made to the state General Fund appropriation to the Teachers' Retirement System.

Legislative: Do not charge municipalities. Instead, PA 17-2, JSS Section 586 increases the teachers' mandatory regular contribution by 1% point from 6% to 7% on and after January 1, 2018. The teachers' mandatory contributions are deposited into the Teachers' Retirement Fund. Section 587 requires the Teachers' Retirement Board to: (1) request a revised actuarial valuation establishing the state's annual required contribution for FY 18 and FY 19 based on the 1% point increase in the mandatory contribution required in Section 586 and (2) certify to the General Assembly the revised retirement contribution for FY 18 and FY 19. Savings of \$18 million in FY 18 and \$38 million in FY 19 associated with this provision have been reflected in the FY 18 and FY 19 budget as "targeted savings" lapse. The revised actuarial valuation, completed in November, resulted in a state retirement contribution savings of \$19.4 million in FY 18 and \$40.1 million in FY 19.

Suspend Sales Tax Transfer to MRSA

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
(340,100,000)	(349,000,000)	-	-	340,100,000	349,000,000

Background: The Sales Tax diversion to the Municipal Revenue Sharing Account (MRSA) was reinstated under PA 15-244; however, subsequent legislation delayed the transfer to FY 16 (beginning May 2016) at a 0.3% transfer rate.

PA 16-2 MSS suspended the transfer for FY 17 and swept the balance of MRSA from the FY 16 transfers. Instead the Act provided a transfer out of the Resources of the General Fund to the temporary Municipal Revenue Sharing Fund for FY 17 only. Under the Act, the transfer to MRSA was to restart on July 1, 2017 at a 0.5% rate.

Governor: Permanently repeal the Sales Tax diversion equal to 0.5% to the Municipal Revenue Sharing Account. Instead, provide appropriations in amounts that are equivalent to the estimates of the 0.5% Sales Tax diversion contained in the consensus revenue projections of January 15, 2016. Sections 41, 50-60 of HB 7027, "AAC the State Budget for the Biennium Ending June 30, 2019, and Making Appropriations Therefor," enact these changes.

Legislative: Temporarily suspend the revenue diversion for FY 18 and FY 19. Sections 637-638 of PA 17-2 JSS enact this change.

Suspend Amortization of the Historical GAAP Deficit

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	57,500,000	57,500,000	57,500,000	57,500,000

Background: The historical Generally Accepted Accounting Principles (GAAP) deficit is \$727.5 million and must be extinguished by FY 28. In order to amortize the deficit, a portion of General Fund revenues is set aside each year. Based on the total amounts to be amortized and the separate amortization schedules for the FY 13 and FY 14 GAAP deficits, \$57.5 million must be set aside annually in order to amortize the deficit by FY 28 in equal increments.

Sections 5-6 of PA 17-51 changed how the state determines the amount it must amortize each year. Prior law required the state to amortize the GAAP deficits in equal increments so that they were fully paid by FY 28. The act instead requires the OPM secretary to annually publish recommended schedules to fully amortize the balances by the FY 28 deadline. But for FYs 17-19, the act deems that \$1 is appropriated for paying off the deficits.

Legislative: Suspend amortization of the historical GAAP deficit during the 2018-2019 biennium in accordance with PA 17-51. For illustrative purposes, in order to amortize the remaining debt in equal increments beginning in FY 20, the annual revenue set aside would need to be \$75.4 million rather than \$57.5 million.

Authorize OPM to Implement Additional Fund Sweeps

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	-	20,000,000	-	20,000,000

Background: The concept of "Fund Sweeps" generally encompasses non-recurring transfers of fund balance or revenue from non-appropriated accounts or other appropriated funds to the General Fund.

Legislative: Allow the Secretary of the Office of Policy and Management to transfer up to \$20 million to the General Fund's resources from the Fund's non-appropriated accounts that do not receive (1) gifts, grants, or donations from public or private sources or (2) other revenues from individuals to support a particular interest or purpose. Section 657 of PA 17-2 JSS enacts this policy.

Reduce Transfer to Pequot and Mohegan Fund

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	500,000	8,100,000	500,000	8,100,000

Background: The Mashantucket Pequot Mohegan Fund receives a portion of casino gaming revenue received by the State. The Pequot Fund appropriation reduces the amount of casino revenues that are otherwise deposited into the General Fund. The appropriation provides grants to towns.

Funds are distributed to towns on the following basis: 1) \$20 million is distributed such that each municipality receives one-third of the additional amount a municipality would have received as a State-Owned Property PILOT payment had that grant been funded at \$85.3 million. No municipality may receive less than \$1,677 under this provision; 2) \$20.1 million, pro-rated based on each municipality's Colleges & Hospitals PILOT payment; and 3) \$35 million based on a statutory property tax relief formula.

The following provisions also effect distribution of Pequot payments: (1) \$5.5 million is distributed among the cities of Bridgeport, Hamden, Hartford, Meriden, New Britain, New Haven, New London, Norwalk, Norwich, Waterbury, and Windham, (2) "Host town" payments of \$750,000 each are made to Ledyard, Montville, Norwich, North Stonington and Preston, (3) \$1.6 million is distributed evenly to towns in the Southeastern Connecticut Council of Governments and to any distressed municipality in the Northeastern Connecticut Council of Governments or the Windham Area Council of Governments and (4) 28 towns receive an amount set by statute in lieu of an amount determined by formula.

Legislative: Reduce the transfer from the General Fund to the Pequot and Mohegan Fund in order to reflect spending policies to: 1) reduce funding to various town grants (PILOT & Pequot) in order to preclude any town from receiving an increase in state aid from any of these grants; and 2) distribute a municipal lapse (savings) target.

Transfer from CHEFA

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	900,000	900,000	900,000	900,000

Background: The quasi-governmental state agency Connecticut Health and Educational Facilities Authority (CHEFA) provides non-profit institutions access to low cost financing in the public municipal markets. CHEFA currently has \$8.4 billion in bonds outstanding. CHEFA's operating revenues (derived primarily from administrative fees) have exceeded operating expenses by approximately \$4 million in each of the last three fiscal years through FY 17.

Operating surpluses have been used over time to build CHEFA's net position to \$14 million while supporting grants to approximately 40 CHEFA clients and other non-client social services agencies to provide shelter, food and healthcare-related services. Funding for these grants has been reduced as recent state budgets have included transfers from CHEFA to help balance the General Fund. Grants totaled \$3 million in FY 15 but have been reduced to \$1.1 million in FY 17 as transfers to the General Fund of \$3.5 million in FY 16 and \$4.375 million in FY 17 were put into place. The FY 17 transfers include a budgeted amount of \$3.5 million and an additional transfer of \$875,000 per Section 8 of the FY 17 Deficit Mitigation Act (PA 17-51).

Legislative: Transfer \$900,000 from CHEFA to the General Fund in each year of the 2018-2019 biennium. Section 686 of PA 17-2 JSS enacts this policy.

Transfer from Banking Fund to General Fund

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	11,200,000	9,200,000	11,200,000	9,200,000

Background: The Banking Fund is supported by assessments and fees by depository institutions supervised by the Department of Banking. Funds are used primarily for the ongoing operation of the Department of Banking and also for programs in the Labor Department, Department of Housing and Judicial Department.

The fund had an operating surplus of approximately \$4 million in FY 17 and the fund balance at the close of FY 17 was approximately \$500,000: \$2 million less a carry forward appropriation of \$1.5 million. The 2016-2017 Biennial Budget included transfers of \$7 million each year from the Banking Fund to the General Fund. In addition, Section 52 of PA 17-51 (the FY 17 Deficit Mitigation Act) transferred \$4 million from the Banking Fund.

Legislative: Transfer \$11.2 million in FY 18 and \$9.2 million in FY 19 from the Banking Fund to the General Fund. Section 687 of PA 17-2 JSS enacts the transfers.

Additional Banking Fund revenue, estimated to be \$5.2 million annually, is attributable to a permanent fee increase of \$25 for broker-dealers, investment advisers, and their agents, who transact business in Connecticut. The fee is due upon application and renewals on 12/31. Sections 668-670 of PA 17-2 JSS enact these fee increases.

Transfer from Community Investment Act Account

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	5,000,000	5,000,000	5,000,000	5,000,000

Background: The Community Investment Account (CIA) provides funding for: 1) agricultural sustainability; 2) historic preservation; 3) municipal Open Space grants; and 4) various other agricultural activities, including grants to non-profit organizations. The account is funded through land use recording fees (the account receives \$26 of every \$30 recording fee imposed with municipalities retaining \$4). The account was established by PA 05-3 and does not lapse funds. On a quarterly basis funds are distributed according to a schedule under CGS 4-66aa.

Total CIA program revenue in was \$19 million in FY 15 but declined to \$14.3 million in FY 16 and \$8.4 million in FY 17 as revenue was diverted to help balance the General Fund budget. Section 93 of PA 15-244, the FY 16 and FY 17 budget, diverted 50% of quarterly payments associated with the CIA from January 1, 2016 through June 30, 2017, estimated to be \$6.75 million in FY 16 and \$13.5 million in FY 17.

Governor: Transfer \$5.0 million in each year of the 2018-2019 biennium. Section 697 of PA 17-2 JSS enacts these transfers.

Transfer from Correctional Enterprises Account

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	1,000,000	-	1,000,000	-

Background: Correction Enterprises of CT (CEC) is a self-sustaining fund that provides programs for inmate employment and vocational education skill development by offering a work setting within institutional walls that replicates private industries. CEC operates eight programs within four correctional facilities across the state. Products and services offered by CEC includes license plates, clothing and textiles, furniture refinishing and upholstery, custom metal fabrication, trash liners, graphic arts and printing. The CEC fund supports 41 full time employees and over 390 inmate workers. The FY 17 Deficit Mitigation Act (PA 17-51) transfers \$1.125 million from this fund to the General Fund.

Legislative: Transfer \$1 million from the correctional enterprises account, administered by the Department of Correction to the General Fund for FY 18. Section 691 of PA 17-2 JSS enacts this policy.

Transfer from CT Energy Efficiency Fund

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	63,500,000	63,500,000	63,500,000	63,500,000

Background: The Energy Efficiency or Conservation and Load Fund helps residents, businesses, and institutions reduce the amount of energy they use. The state's electric utility companies administer the fund with approval of the state Department of Public Utility Control. Revenues of approximately \$162 million are generated annually by a 6-mil "Energy Efficiency" charge per kWh on electric bills.

Legislative: Transfer \$63.5 million from the Energy Conservation and Load Management Fund to the General Fund in each year of the 2018-2019 biennium. Section 683 of PA 17-2 JSS enacts this policy.

Transfer from Correctional Commissaries Account

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	1,000,000	-	1,000,000	-

Background: The Commissary sells and delivers products each week to the Department of Correction inmates. The products sold include health and beauty aids, over the counter medications, snack and other food items, certain clothing, and footwear and electronic products. The sales from these products are designed to generate sufficient income to pay for the cost of goods, supplies and salaries directly related to this self-supporting program. This fund supports the salaries of fifty full time employees and over 120 inmate workers. The FY 17 Deficit Mitigation Act (PA 17-51) transfers \$1.125 million from this fund to the General Fund.

Legislative: Transfer \$1.0 million from the correctional commissaries account, administered by the Department of Correction to the General Fund for FY 18. Section 690 of PA 17-2 JSS enacts this policy.

Transfer from EdNet Account

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	1,000,000	-	1,000,000	-

Background: The EdNet program was initiated in 2000 to help ensure that Connecticut's schools and libraries are prepared to meet the computer and information technology needs of the 21st Century. The Governor charged Lt. Governor M. Jodi Rell with making recommendations for inclusion in the Governor's Budget package for the 2000 legislative session. The Department of Administrative Services administers the program. Average annual revenues to the program were approximately \$1.5 million between Fiscal Years 2011 and 2016.

Legislative: Transfer to the General Fund. Section 692 of PA 17-2 JSS enacts the transfer.

Transfer from Emissions Enterprise Fund

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	1,500,000	-	1,500,000	-

Background: This separate fund is used to operate the statewide system to enforce emissions standards. Revenues to support the program are derived primarily from a budgeted transfer from the Special Transportation Fund and inspection fees pursuant to CGS Sec. 14-164m. In FY 17, for example, Fund revenues were as follows: 1) \$1.7 million from inspection late fees, 2) \$6.5 million budgeted transfer in, and 3) \$24,000 fees and penalties per CGS Sec. 14-164c, and 4) \$51,000 investment income. The FY 18 beginning balance is approximately \$5 million. FY 17 total fund expenditures were \$6.8 million.

Section 53 of PA 17-51 (the Deficit Mitigation Act) transferred \$3 million from the Emissions Enterprise Fund to the General Fund in FY 17.

Legislative: Transfer \$1 million to the General Fund. Section 688 of PA 17-2 JSS enacts the transfer. In addition, reduce the STF transfer to the emissions fund by \$1 million each year. (This change reflected in a separate entry.)

Transfer from Green Bank

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	14,000,000	14,000,000	14,000,000	14,000,000

Background: The Connecticut Green Bank ("the Green Bank"), formerly the Clean Energy Finance and Investment Authority ("CEFIA"), was established by the Governor and Connecticut's General Assembly on July 1, 2011, through Public Act 11-80 as a quasi-public agency that supersedes the former Connecticut Clean Energy Fund. As the nation's first state "Green Bank", the Connecticut Green Bank leverages public and private funds to accelerate the growth of green energy in Connecticut.

The 2014-2015 Biennial Budget included transfers from CEFIA to the General Fund in the amounts of \$6.2 million (FY 14) and \$19.2 (FY 15). CEFIA's net position at the end of FY 15 was \$109.4 million. The Green Bank's net position at the end of FY 16 was \$127.4 million with a cash balance of \$40 million.

Primary sources of revenue for the Green Bank include the 1 mill per kWh Renewables or "Clean Energy" charge on electric ratepayers' bills which generates approximately \$27.0 million annually, RGGI auction proceeds and energy system sales.

Legislative: Transfer \$14.0 million (approximately half the "Clean Energy" charge revenue) from the Green Bank to the General Fund in each year of the 2018-2019 biennium. Section 685 of PA 17-2 JSS enacts the transfers. In addition to this transfer, RGGI auction proceeds are transferred to the General Fund separately.

Transfer from Passport to Parks Account

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	2,600,000	5,000,000	2,600,000	5,000,000

Legislative: Establish a non-appropriated account to fund the operation of state parks and campgrounds, soil and water conservation districts and environmental review teams, and beginning with FY 19, the Council on Environmental Quality. In order to provide revenue to the account, the following revenue streams are dedicated to it: 1) a new \$10 surcharge is established on motor vehicle registrations (passenger, motorcycle, motor home, combination, and antique), and \$5 for individuals over age 65; and 2) various revenue collected from state park operations, recreation-related services and campground and facility rentals. The Passport to Parks program allows in-state registered vehicles to enter state parks free of charge. Out-of-state park visitors would continue to pay for parking and camping. Sections 326-331 of PA 17-2 enact these changes, effective January 1, 2018.

Provided that the new \$10 surcharge on motor vehicle registrations is implemented effective January 1, 2018, the new Passport to Parks account is projected to have an operating surplus in both years of the 2018-2019 biennium that is sufficient to provide transfers to the General Fund in the amounts of \$2.6 million in FY 18 and \$5 million in FY 19. Section 696 of PA 17-2 JSS enacts these transfers.

Transfer from Probation Transition-Technical Violation Acct.

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	8,300,000	-	8,300,000	-

Background: Revenue is generated by the phone system used by inmates in correctional facilities. Funds are used to support a specialized unit of probation officers who supervise probationers who are transitioning out of a correctional facility or have a technical violation. Over the last two completed fiscal years (FY 16 and FY 17), annual revenues are \$6.1 million and annual expenditures are \$3.25 million on average. Section 43 of PA 17-51 (the Deficit Mitigation Act) transferred \$4 from the account to the General Fund. The FY 18 beginning fund balance was \$7.8 million.

Legislative: Transfer \$8.3 million from the Probation Transition Technical Violation Account to the General Fund in FY 18. Section 693 of PA 17-2 JSS enacts this transfer.

Transfer from Judicial Department Technology Fund

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	100,000	100,000	100,000	100,000

Background: The Judicial Department retains a portion (5%) of revenues generated by certain filing fees in order to partially support the Department's technological initiatives. Annual revenues retained by the Judicial Department are approximately \$500,000.

Transfers from the account to the General Fund have been made in FY 16 and FY 17 in the amounts of \$1 million and \$925,000, respectively. The FY 18 beginning balance is \$160,000.

Legislative: Transfer \$100,000 to the General Fund in each year of the 2018-2019 biennium. Section 695 of PA 17-2 JSS enacts the transfers.

Transfer from Public Utility Control Fund to General Fund

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	2,500,000	-	2,500,000	-

Background: The Consumer Counsel and Public Utility Control Fund supports the operations of: (1) the Office of the Consumer Counsel, (2) the Connecticut Siting Council, and (3) the energy branch at the Department of Energy and Environmental Protection, including the Public Utilities Regulatory Authority. The revenue source is an assessment on regulated public utility entities (electric, gas, water and cable), based on the percentage of the public service companies' tax paid by the entity. The assessments are levied by each agency on the entities it regulates. In FY 17, fund revenues exceeded fund expenditures by \$3 million. Fund balance at the close of FY 17 was \$8.3 million. The last transfer (\$2.3 million) from the PUC Fund to the General Fund occurred in FY 13.

Legislative: Transfer \$2.5 million to the General Fund in FY 18. Section 684 of PA 17-2 JSS enacts the transfer.

Transfer from Regional Greenhouse Gas Initiative Acct.

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	10,000,000	10,000,000	10,000,000	10,000,000

Background: The Regional Greenhouse Gas Initiative (RGGI) is a regional interstate "cap and trade" program to reduce greenhouse gas emissions. The program subjects the region's power plants to a declining cap on the amount of CO₂ they can emit and requires them to purchase emission allowances at quarterly auctions. Those that exceed the cap may also buy credits from those that do not.

The proceeds from the auction sales fund energy efficiency and renewable energy programs. Quarterly auction proceeds are distributed approximately as follows: 69% to conservation and load management programs that the electric utilities administer; 23% for renewables programs that the CT Green Bank administers; and 7.5% to cover program dues and program administration by the CT DEEP. The FY 17 revised budget transferred \$3.3 million from the proceeds of the RGGI auction occurring on or after January 1, 2017. Annual RGGI auction proceeds have declined from a total of \$32.5 million in FY 14 to \$13.7 million in FY 17.

Legislative: Transfer \$10 million annually from the RGGI auction proceeds to the General Fund during the 2018-2019 biennium. Section 682 of PA 17-2 JSS enacts these transfers.

Transfer from School Bus Seat Belt Account

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	2,000,000	2,000,000	2,000,000	2,000,000

Background: The School Seatbelt account was established under PA 10-83 which requires the Department of Motor Vehicles (DMV) to administer a program to help pay for school buses. The funding comes from a \$50 deposit of the total fee associated with restoring an operator's license or registration which is \$175. No expenditures have been made under the program since it was established, and it has been swept repeatedly. For example, Section 55 of PA 17-51 (the FY 17 Deficit Mitigation Act), transferred \$865,000 from the account. Annual revenues are approximately \$2 million.

Legislative: Section 52 of PA 17-2 JSS enacts the transfer. Section 52 of PA 17-2 JSS enacts the transfer.

Transfer from Technical Services Revolving Fund

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	3,000,000	-	3,000,000	-

Background: The Technical Services Revolving Fund is administered by the state Department of Administrative Services (DAS) to manage statewide billing for IT services. The FY 17 year end cash balance of the fund was \$7.4 million.

Legislative: Transfer \$3 million to the General Fund. Section 689 of PA 17-2 JSS enacts the transfer.

Transfer from Tobacco Litigation Settlement Account

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	5,000,000	-	5,000,000	-

Background: On May 29, 2013, the Office of the Attorney General (OAG) announced that Connecticut had joined 21 other states in a partial settlement with the major tobacco companies of a dispute dating from 2006 regarding payments to the states under the 1998 tobacco Master Settlement Agreement (MSA). The settlement fully resolves claims for sales years from 2003 through 2014. Highlights of the complex agreement include the following: 1) Connecticut would receive a percentage of future disputed payments in addition to its regular annual MSA payments; and 2) for sales years after 2014, Connecticut would accept somewhat broadened tobacco enforcement responsibilities under the MSA to include enforcement regarding certain illegal contraband cigarette sales which have been the subject of dispute between the manufacturers and the states. A portion of the settlement was transferred to a non-lapsing account to fund enforcement activity related to the agreement by the Department of Revenue Services and the OAG. The FY 18 beginning balance of the Tobacco Litigation Settlement Account was \$15.1 million.

Legislative: Transfer \$5.0 million from the Tobacco Litigation Settlement Account to the General Fund in FY 18. Section 694 of PA 17-2 JSS enacts the transfer.

Transfer FY 2018 Resources to FY 2019

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	(17,800,000)	17,800,000	(17,800,000)	17,800,000

Legislative: Credit FY 18 budgeted surplus to FY 19. Section 698 of public act 17-2 JSS enacts this provision.

FY 18 and FY 19 Special Transportation Fund Revenue Schedule
(in thousands)

	January Consensus FY 18 \$	Governor Policies \$	Governor FY 18 Revenue \$	Consensus Update (April) \$	April Consensus FY 18 \$	Legislative Policies \$	Legislative FY 18 Revenue \$
Taxes							
Motor Fuels	506,800	-	503,700	(1,500)	505,300	-	505,300
Oil Companies	278,800	(7,000)	261,400	-	278,800	(7,000)	271,800
Sales Tax - STF	340,100	-	59,002	(12,300)	327,800	-	327,800
Sales Tax DMV	89,200	-	90,300	(1,200)	88,000	-	88,000
Refunds of Taxes	(12,600)	-	(18,300)	-	(12,600)	-	(12,600)
Total Taxes	1,202,300	(7,000)	896,102	(15,000)	1,187,300	(7,000)	1,180,300
Other Sources							
Motor Vehicle Receipts	254,000	-	261,800	(2,200)	251,800	-	251,800
Licenses, Permits and Fees	143,400	-	141,500	-	143,400	1,000	144,400
Interest Income	9,500	-	8,500	-	9,500	-	9,500
Federal Grants	12,100	-	12,100	-	12,100	-	12,100
Transfers From/To Other Funds	(6,500)	-	(6,500)	-	(6,500)	1,000	(5,500)
Refunds of Payments	(3,900)	-	(6,500)	(200)	(4,100)	-	(4,100)
Total Other Sources	408,600	-	410,900	(2,400)	406,200	2,000	408,200
Total Special Transportation Fund	1,610,900	(7,000)	1,307,002	(17,400)	1,593,500	(5,000)	1,588,500

	January Consensus FY 19 \$	Governor Policies \$	Governor FY 19 Revenue \$	Consensus Update (April) \$	April Consensus FY 19 \$	Legislative Policies \$	Legislative FY 19 Revenue \$
Taxes							
Motor Fuels	507,600	-	507,600	(1,500)	506,100	-	506,100
Oil Companies	308,000	(7,800)	300,200	-	308,000	(7,000)	301,000
Sales Tax - STF	349,000	-	349,000	(13,600)	335,400	-	335,400
Sales Tax DMV	90,100	-	90,100	(1,300)	88,800	-	88,800
Refunds of Taxes	(14,100)	-	(14,100)	-	(14,100)	-	(14,100)
Total Taxes	1,240,600	(7,800)	1,232,800	(16,400)	1,224,200	(7,000)	1,217,200
Other Sources							
Motor Vehicle Receipts	256,000	-	256,000	(2,200)	253,800	-	253,800
Licenses, Permits and Fees	144,200	-	144,200	-	144,200	1,000	145,200
Interest Income	10,400	-	10,400	-	10,400	-	10,400
Federal Grants	12,100	-	12,100	-	12,100	-	12,100
Transfers From/To Other Funds	(6,500)	-	(6,500)	-	(6,500)	1,000	(5,500)
Refunds of Payments	(4,100)	-	(4,100)	(200)	(4,300)	-	(4,300)
Total Other Sources	412,100	-	412,100	(2,400)	409,700	2,000	411,700
Total Special Transportation Fund	1,652,700	(7,800)	1,644,900	(18,800)	1,633,900	(5,000)	1,628,900

Policies Details - Special Transportation Fund

Oil Companies

Policy Revisions

Set Aside Petroleum Gross Earnings Taxes on Aviation Fuel

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
(7,000,000)	(7,800,000)	(7,000,000)	(7,800,000)	-	-

Background: The Petroleum Products Gross Earnings (PGET or Oil Companies) Tax is levied at a statutory rate of 8.1% on the gross earnings from the first sale of companies distributing petroleum products in Connecticut. Petroleum products include but are not limited to gasoline, aviation fuel, kerosene, diesel fuel, number 2 heating oil, greases, lubricants, mineral oils and motor oil. Several exemptions exist. In addition, Since April 3, 2012, the Petroleum Products Gross Earnings Tax is capped at \$3.00 per gallon on the first sale of gasoline and gasohol. Petroleum products distributors are required to calculate the tax at a \$3.00 per gallon even if the price exceeds said amount and any consideration received by the distributor in excess of \$3.00 is exempt from tax.

Under current law 100% of collections under PGET are deposited into the Special Transportation Fund, which supports the state departments of transportation and motor vehicles. Through the State Department of Transportation and Office of the State Comptroller (Fringe Accounts), the state provides annual subsidies of approximately \$4.2 million to the Connecticut Aviation Authority, which is a system of airports including Bradley and five general aviation airports located as follows: 1) Danielson, 2) Brainard, 43) Oxford, 4) Groton and 5) Windham. The state subsidy covers annual operating losses by the system of approximately \$3.7 million. Approximately 14 state employees staff the general aviation airports with another 9 full-time equivalent positions at Bradley providing administrative and other support to the general aviation airports.

A clarification ruling in November 2014 by the Federal Aviation Administration requires the state to divert any tax revenues from aviation fuel above a certain level to support airport-related purposes. Specifically, any taxes above the state tax rate of 2% in effect upon passage of the federal Airport and Airway Improvement Act of 1982 must be diverted. As a result of this clarification, the state must remit 6.1% of future tax collections resulting from purchases of aviation fuel to airport-related purposes.

Governor: Establish the "Connecticut Airport and Aviation Account" as a separate, non-lapsing account within the Grants and Restricted Accounts Fund. To adhere to a Federal Aviation Association ruling which requires that any taxes on aviation fuel must be used for aviation purposes, a transfer of aviation related Oil Companies tax, above a grandfathered rate of 2%, will be deposited into the newly created Connecticut Airport and Aviation Account. Moneys within the fund can only be spent on airports and aviation related purposes. Section 23 of SB 787, "AAC Revenue Items to Implement the Governor's Budget," enacts this change.

Legislative: Same as Governor

Licenses, Permits and Fees

Policy Revisions

Modify Fees for Highway Right-Of-Way Encroachment

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	1,000,000	1,000,000	1,000,000	1,000,000

Background: Current law requires the commissioner to adopt regulations establishing "reasonable fees" for all state highway right-of-way encroachment permit applications. The commissioner may exempt municipalities from these fees. Existing law does not define what constitutes a major traffic generator, but state regulations specify that a development qualifies as such if it has (1) 200 or more parking spaces or (2) a gross floor area of at least 100,000 square feet (Conn. Agencies Regulations 14-312-1)

Legislative: Require the DOT commissioner, by January 1, 2018, to set fees for certain applications for highway right-of way encroachment permits to mirror the fees the Massachusetts DOT charges for similar permits; and eliminate the commissioner's authority to adopt regulations setting fees for other highway right-of-way encroachment permit applications. As under existing law, the commissioner may adopt regulations setting reasonable fees for certificates of operation for open air theaters, shopping centers, and other developments generating a large volume of traffic, provided the fees do not exceed 125% of the estimated administrative costs related to the application.

Section 673 of PA 17-2 JSS enacts this policy.

Transfers From/To Other Funds

Policy Revisions

Update Transfer to the Emissions Enterprise Fund

Governor FY 18	Governor FY 19	Legislative FY 18	Legislative FY 19	Difference FY 18	Difference FY 19
-	-	1,000,000	1,000,000	1,000,000	1,000,000

Background: This separate fund is used to operate the statewide system to enforce emissions standards. Revenues to support the program are derived primarily from a budgeted transfer from the Special Transportation Fund and inspection fees pursuant to CGS Sec. 14-164m. In FY 17, for example, Fund revenues were as follows: 1) \$1.7 million from inspection late fees, 2) \$6.5 million budgeted transfer in, and 3) \$24,000 fees and penalties per CGS Sec. 14-164c, and 4) \$51,000 investment income. The FY 18 beginning balance is approximately \$5 million. FY 17 total fund expenditures were \$6.8 million.

Section 53 of PA 17-51 (the Deficit Mitigation Act) transferred \$3 million from the Emissions Enterprise Fund to the General Fund in FY 17.

Legislative: Reduce the annual STF transfer to the emissions fund from \$6.5 million to \$5.5 million. Section 671 of PA 17-2 JSS enacts this permanent reduction. In addition, transfer \$1 million to the General Fund in FY 18. (This change reflected in a separate entry.)

VII. CAPITAL BUDGET

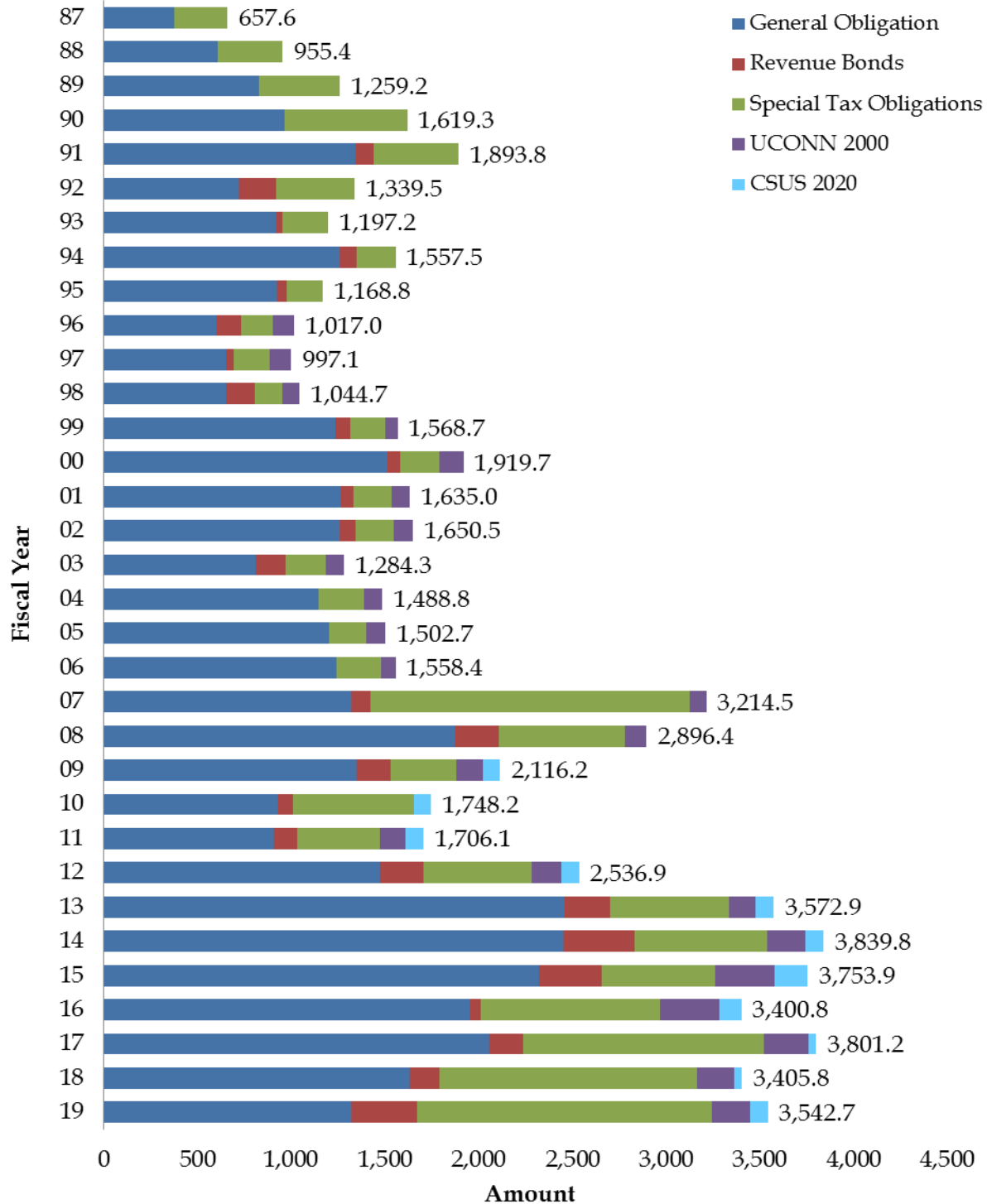
Summary

The FY 18 and FY 19 budget includes a net increase of \$1,612.3 million of General Obligation (GO) bonds for FY 18 and \$1,618.0 million for FY 19, \$158.2 million of Clean Water Fund Revenue (CWF) bonds for FY 18 and \$350.3 million for FY 19, and \$1,372.0 million in Special Tax Obligation (STO) bonds for FY 18 and \$1,574.4 million for FY 19.

Newly Effective Bond Authorizations (in millions)

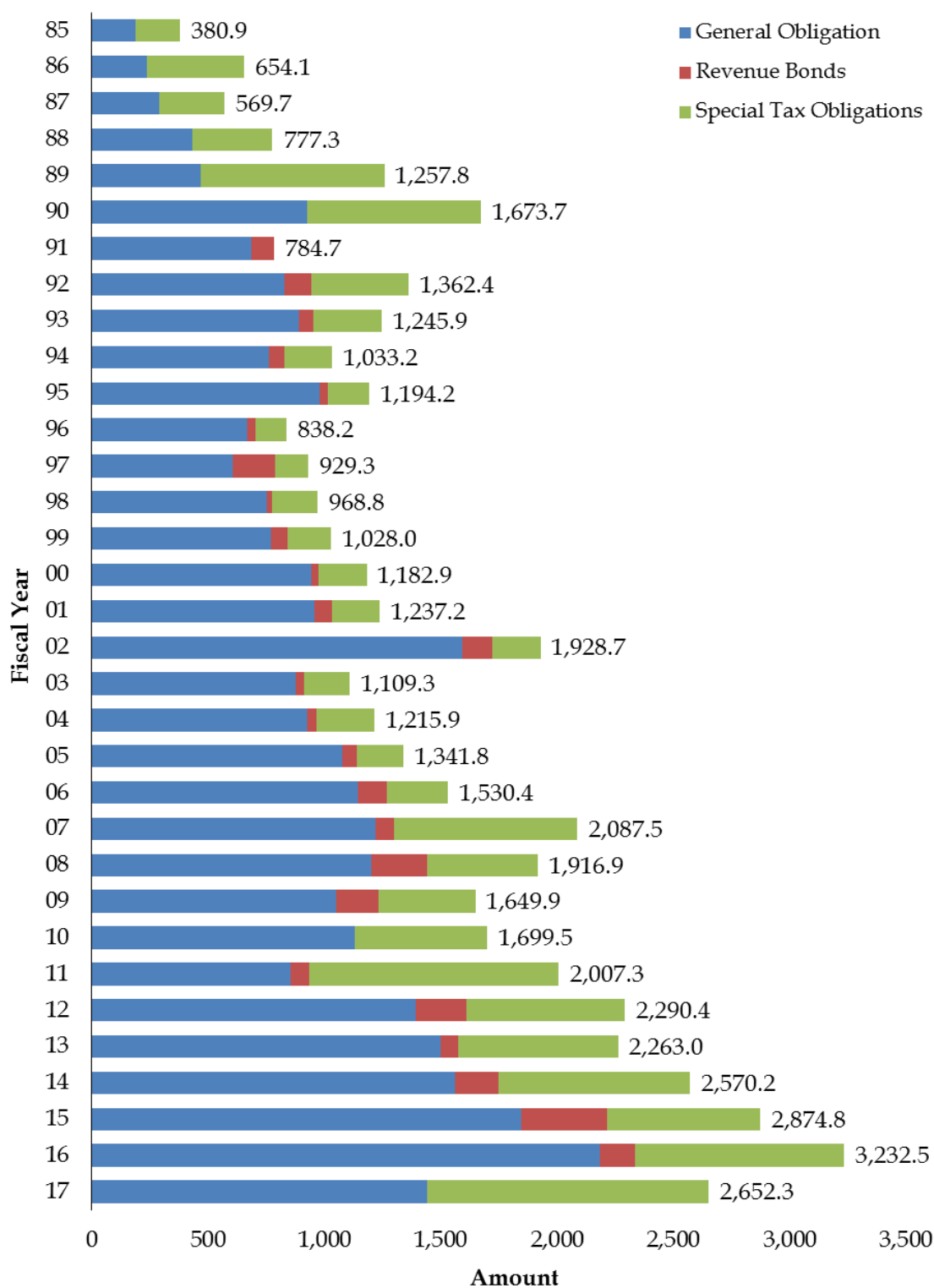
Item	FY 18 \$	FY 19 \$
General Obligation (GO) Bonds (General Fund)		
New GO Authorizations	1,604.8	1,295.5
Cancellations/Reductions	(263.3)	-
General Obligation Bonds Authorized in Prior Legislative Sessions		
Prior Total	506.3	403.5
Revised General Obligation Bonds Authorizations		
UConn 2000/Next Generation	200.0	200.0
CSCU 2020	40.0	95.0
Connecticut Bioscience Innovation Fund	15.0	15.0
Connecticut Bioscience Collaboration Program (Jackson Lab)	15.8	12.5
Smart Start Competitive Grant Program	-	-
Regenerative Medicine Research Fund	-	-
Revised Total	270.8	322.5
Reduction to Prior Authorizations	(235.5)	(81.0)
Net Total General Obligation Bonds Effective Per Year	1,612.3	1,618.0
Revenue Bonds		
Clean Water Fund Revenue Bonds	158.2	350.3
Special Tax Obligation Bonds (Transportation Fund)		
New STO Authorizations	820.3	824.6
STO Bonds Authorized in Prior Legislative Sessions	551.7	749.8
Net STO Bonds (Transportation Fund)	1,372.0	1,574.4
NET TOTAL GO, STO, AND REVENUE BONDS	3,142.6	3,542.7

FY 87 - FY 19 Legislative Bond Authorizations (in millions)¹



¹Does not include cancellations of prior bond authorizations. The FY 94 total includes \$252.1 million authorized in September 1993 for the construction of a stadium in Hartford. This authorization was subsequently repealed by Section 101 of PA 94-2. The FY 99 total includes \$274.4 million authorized in December 1999 for the construction of the Patriots stadium in Hartford. The authorization was subsequently repealed by Section 65 of PA 99-241.

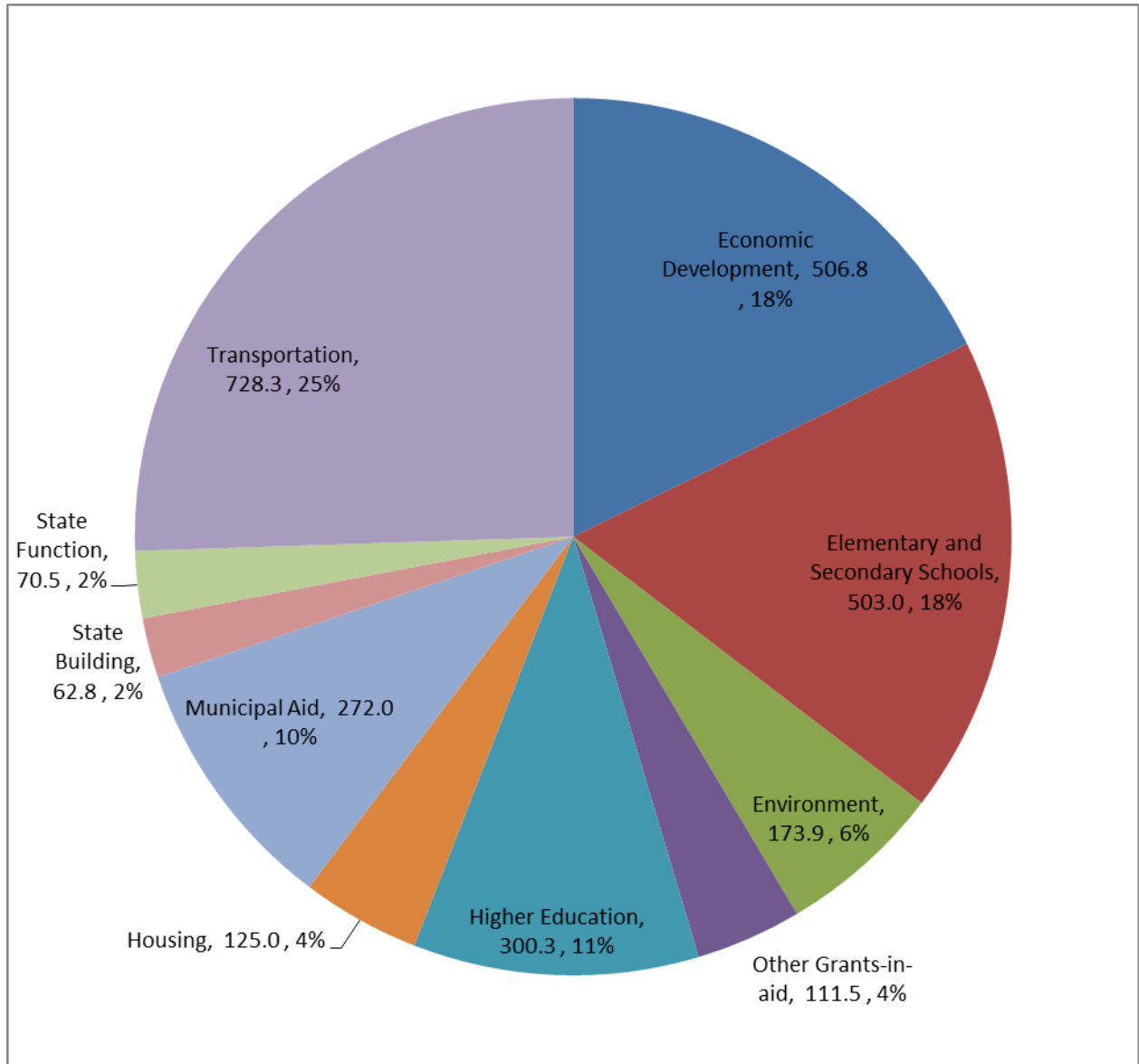
FY 84 - FY 17 Bond Commission Allocations (in millions)¹



¹Bonds authorized for UConn 2000 and CSCU 2020 infrastructure improvement programs are only included in first year that the State Bond Commission allocated the funds because legislation only requires that the Commission approve the master resolution. The UConn 2000 program began in FY 96 and the CSCU 2020 program began in 2009.

**General, Revenue, and Special Tax Obligation
Bond Authorizations
(in millions)**

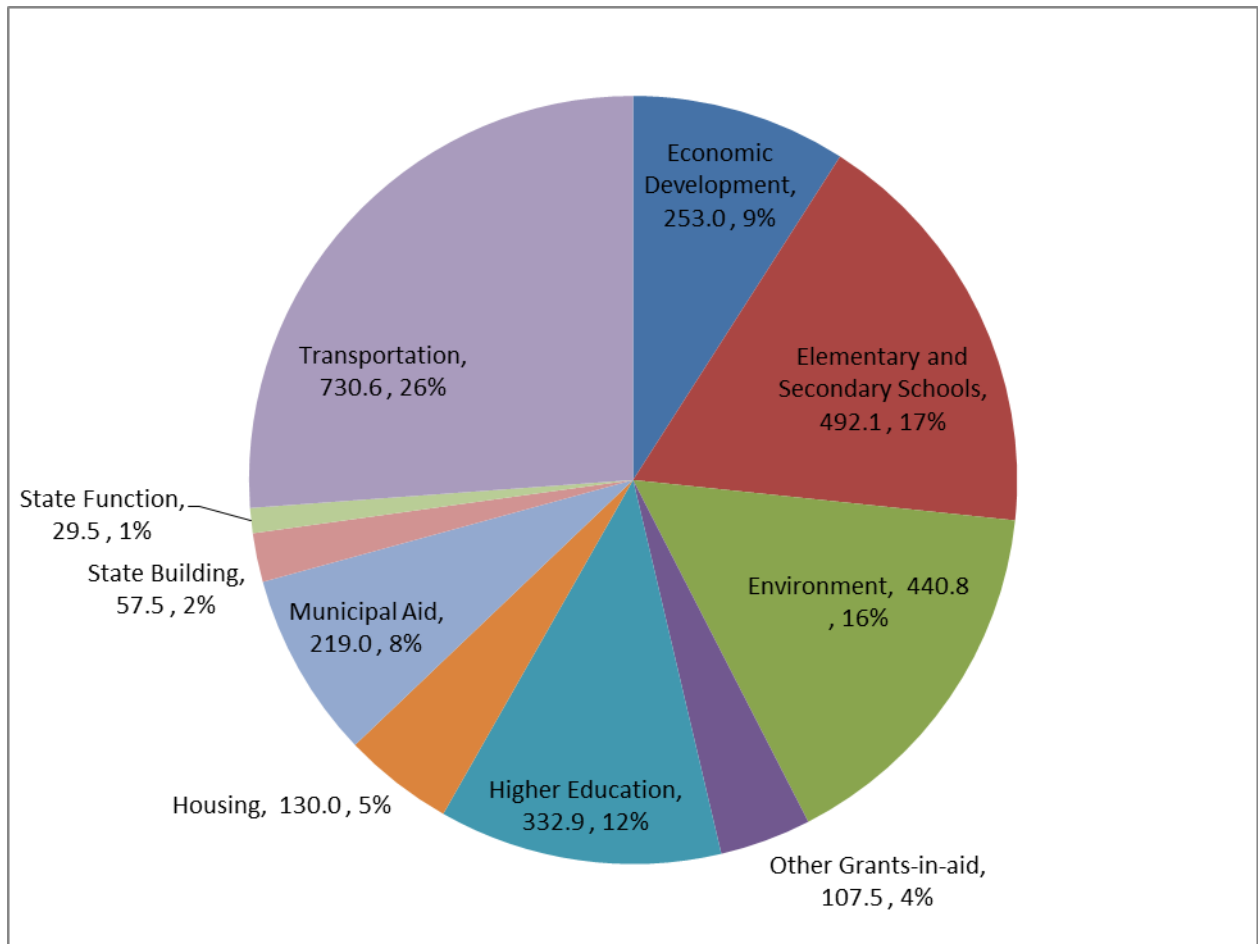
FY 18 Increases: \$2,854.1¹



¹Does not include cancellation of prior bond authorizations.

**General, Revenue, and Special Tax Obligation
Bond Authorizations**
(in millions)

FY 19 Increases: \$2,792.9¹



¹Does not include cancellation of prior bond authorizations.

Statutory Debt Limit

The state's level of General Fund indebtedness for FY 18¹ was \$21.9 billion as of October 25, 2017, which is approximately 88.06% of the statutory limit. As the table on the following page shows, the range between 1998 and 2018 has been from 70.2% (FY 12) to 90% (FY 03). The FY 17 level of 88.06% is 1.94 percentage points or \$482 million away from the 90% level. If the 90% level is reached, a trigger provision in CGS Sec. 2-27b would require the Governor to review each bond authorization for which no obligations have yet been incurred and recommend priorities for repealing them to the Finance, Revenue and Bonding Committee. The committee would consider the recommendations and propose whatever legislation it concluded was necessary to repeal any of the authorizations.

Description of the Debt Limit

CGS Sec. 3-21 imposes a ceiling² on the total amount of General Obligation bonds the General Assembly may authorize. The limit is 1.6 times total General Fund tax receipts (net of refunds) projected by the Finance, Revenue and Bonding Committee for the fiscal year in which the bonds are authorized (see calculation below). The statute prohibits the General Assembly from authorizing any additional General Fund-supported debt, except what is required to meet cash flow needs or emergencies resulting from natural disasters, when the aggregate amount of outstanding debt and authorized but unissued debt exceed this amount. Certain types of debt are excluded from the statutory debt limit calculation, including: (1) debts incurred for federally reimbursable public works projects, (2) assets in debt retirement funds, (3) debt incurred in anticipation of revenue, (4) debt incurred to fund General Fund budget deficits and (5) some other purposes. (Examples of excluded debt are tax incremental financing bonds, Special Transportation General Obligation bonds, Bradley Airport revenue bonds, Clean Water Fund revenue bonds, Connecticut Unemployment revenue bonds, Economic Recovery Notes and Teachers' Retirement Fund Pension Obligation Bonds).

The statute requires the Office of the State Treasurer to certify that any bill authorizing bonds does not violate the debt limit, before the General Assembly may vote on the bill. A similar certification is required before the state Bond Commission can authorize any new bonds to be issued. Under the provisions of CGS Sec. 2-27b, the State Treasurer is also required to compute the state's aggregate bonded indebtedness each January 1 and July 1.

¹The estimate is based on the FY 18 revenue estimates adopted by the Finance, Revenue and Bonding Committee on October 25, 2017.

²Between FY 75 and FY 92, the state debt limit was 4.5 times the net General Fund tax receipts received during the previous fiscal year that ended not less than three, or more than 15 calendar months prior to such issuance. The current calculation method has been used since FY 93.

The Certificate of State Indebtedness issued by the Office of the State Treasurer on October 25, 2017 indicated the following:

Certificate of State Indebtedness	Amount \$
FY 18 limit on General Obligation bonds	24,879,040,000
FY 18 net General Obligation bond indebtedness	21,908,851,615
Debt incurring margin	2,970,188,385
FY 18 net indebtedness as a percent of debt limit	88.06%
Capacity remaining before 90% limit	482,284,385

The table below shows the level of state indebtedness between FY 98 and FY 18.

State Debt Limitation from FY 98 to FY 18
(in thousands)

Fiscal Year	Statutory Debt Limitation \$	Aggregate Indebtedness (Adjusted) \$	Debt Incurring Margin \$	Indebtedness as % of Debt Limitation
1998	10,905,280	9,069,716	1,835,564	83.2%
1999 ¹	11,578,400	9,446,584	2,131,816	81.6%
2000	12,521,280	10,547,655	1,973,625	84.2%
2001	12,967,840	11,189,658	1,778,182	86.3%
2002	14,006,720	11,599,614	2,407,106	82.8%
2003 ¹	13,116,000	11,805,771	1,310,229	90.0%
2004 ¹	13,116,000	11,796,826	1,319,174	89.9%
2005 ²	15,105,760	12,868,871	2,236,889	85.2%
2006	16,728,640	13,230,649	3,497,991	79.1%
2007	17,411,520	13,919,490	3,492,030	79.9%
2008	19,925,120	14,702,079	5,223,041	73.8%
2009	20,753,760	15,384,452	5,369,308	74.1%
2010	17,484,160	15,574,796	1,909,364	89.1%
2011	17,477,440	15,108,155	2,369,285	86.4%
2012	22,430,560	15,736,430	6,694,130	70.2%
2013	23,408,800	17,314,059	6,094,741	74.0%
2014 ²	22,934,400	18,969,159	3,965,241	82.7%
2015	23,865,440	20,692,332	3,173,108	86.7%
2016	25,138,504	21,520,230	3,618,274	85.6%
2017	24,831,840	21,866,033	2,945,806	88.1%
2018 ³	24,879,040	21,908,851	2,970,188	88.1%

¹The revenue estimates used in FY 03 and FY 04 were provided by the Office of Policy and Management because the legislature did not adopt revised FY 03 estimates.

²The FY 05 figure is based on revised revenue estimates adopted by the Finance, Revenue and Bonding Committee on June 28, 2004. The FY 14 figure is based on revised revenue estimates adopted on June 21, 2013.

³The FY 18 figure is based on revenue estimates adopted on October 25, 2017.

FY 18 and FY 19 General Obligation Bond Authorizations by Agency

Section (P.A. 17-2 (JSS))		Agency/Description	FY 18 \$	FY 19 \$
Board of Regents for Higher Education				
378(i)(1)(C)	397(h)(1)(B)	Advanced manufacturing and emerging technology programs	2,750,000	2,875,000
378(i)(2)	397(h)(2)	Community Colleges: Deferred maintenance, code compliance and infrastructure improvements	14,000,000	14,000,000
-	397(h)(4)	Naugatuck Valley Community College: Alterations and improvements in compliance with the Americans with Disabilities Act	-	5,000,000
378(i)(4)	-	Naugatuck Valley Community College: Upgrades to mechanical systems	6,000,000	-
378(i)(1)(A)	-	New and replacement instruction, research or laboratory equipment	3,000,000	-
378(i)(7)(B)	-	Northwestern Community College: Alterations, renovations and improvements to the Greenwoods Hall	2,685,817	-
378(i)(7)(A)	397(h)(5)	Northwestern Community College: Alterations, renovations and improvements to the White building	825,000	2,021,250
378(i)(5)	-	Norwalk Community College: Alterations, renovations and improvements to the B wing building	18,600,000	-
378(i)(6)	-	Quinebaug Valley Community College: New maintenance and office building	476,088	-
378(i)(1)(D)	397(h)(1)(C)	Security improvements	3,000,000	5,000,000
378(i)(1)(B)	397(h)(1)(A)	System telecommunications infrastructure upgrades, improvements and expansions	2,000,000	2,000,000
378(i)(3)	397(h)(3)	Universities: Deferred maintenance, code compliance and infrastructure improvements	7,000,000	7,000,000
Subtotal			60,336,905	37,896,250
Capital Region Development Authority				
378(f)(2)	397(e)(1)	Alterations, renovations and improvements at the Connecticut Convention Center and Rentschler Field	1,500,000	1,500,000
378(f)(1)	-	Alterations, renovations and improvements to improve operational efficiency to the XL Center	40,000,000	-
378(f)(3)	397(e)(2)	Alterations, renovations and improvements to parking garages in Hartford	5,000,000	5,000,000
389(f)(1)	408(e)(1)	For the purposes of encouraging development, as provided in section 32-602 of the general statutes	40,000,000	40,000,000

FY 18 and FY 19 General Obligation Bond Authorizations by Agency

Section (P.A. 17-2 (JSS))		Agency/Description	FY 18 \$	FY 19 \$
389(f)(2)	408(e)(2)	Grant-in-aid to the municipality of East Hartford for the purposes of general economic development activities	10,000,000	10,000,000
378(f)(4)	397(e)(3)	Infrastructure renovations and improvements to the Front Street district in Hartford	3,000,000	7,000,000
Subtotal			99,500,000	63,500,000
CT Innovations Inc.				
389(e)	408(d)	For the purpose of recapitalizing the programs established in chapter 581 of the general statutes	20,000,000	20,000,000
Subtotal			20,000,000	20,000,000
Department of Administrative Services				
-	397(b)(1)	Alterations and improvements in compliance with the Americans with Disabilities Act	-	1,000,000
389(b)(1)	408(b)	Grants-in-aid to alliance districts to assist in paying for general improvements to school buildings	30,000,000	30,000,000
389(b)(2)	-	Grants-in-aid to municipalities for the purpose of a regional school district incentive grant	5,000,000	-
378(b)(1)	397(b)(2)	Infrastructure repairs and improvements, including fire, safety and compliance with the Americans with Disabilities Act improvements, improvements to state-owned buildings and grounds	10,000,000	10,000,000
378(b)(2)	397(b)(3)	Removal of encapsulation of asbestos and hazardous materials in state-owned buildings	5,000,000	5,000,000
436		School construction grants-in-aid - interest payments	3,000,000	2,100,000
435		School construction grants-in-aid - progress payments	450,000,000	450,000,000
378(b)(3)	397(b)(4)	Upgrade and replacement of technology infrastructure for the Connecticut Education Network	1,500,000	1,500,000
Subtotal			504,500,000	499,600,000
Department of Children and Families				
378(j)	-	Alterations, renovations and improvements to buildings and grounds, including new or revised juvenile justice facilities	3,750,000	-
Subtotal			3,750,000	-

FY 18 and FY 19 General Obligation Bond Authorizations by Agency

Section (P.A. 17-2 (JSS))		Agency/Description	FY 18 \$	FY 19 \$
Department of Correction				
-	397(j)	Renovations and improvements to existing state-owned buildings for inmate housing, programming and staff training space and additional inmate capacity, and for support facilities and off-site improvements	-	10,000,000
Subtotal			-	10,000,000
Department of Developmental Services				
378(g)	397(f)	Fire, safety and environmental improvements to regional facilities	2,500,000	2,500,000
Subtotal			2,500,000	2,500,000
Department of Economic and Community Development				
389(d)(3)	408(c)(3)	Brownfield Remediation and Revitalization	30,000,000	10,000,000
389(d)(4)	-	Grants-in-aid to homeowners with homes located in the immediate vicinity of the West River in the Westville section of New Haven and Woodbridge for structurally damaged homes due to subsidence and to homeowners with homes abutting the Yale Golf Course in the Westville section of New Haven for damage due to subsidence	4,000,000	-
-	408(c)(1)	Grants-in-aid to nonprofit organizations sponsoring cultural and historic sites	-	2,500,000
454		Manufacturing Assistance Act	275,000,000	75,000,000
389(d)(1)	-	Small Business Express	5,000,000	-
389(d)(2)	408(c)(2)	Connecticut Manufacturing Fund established by section 32-7o of the general statutes, provided \$3.5 million of funds authorized in FY 18 and \$1.5 million in FY 19 shall be used as a grant-in-aid to the Connecticut Center for Advanced Technology for research and development to assist the Connecticut manufacturing supply chain	8,500,000	6,500,000
Subtotal			322,500,000	94,000,000
Department of Education				
434		Grants-in-aid to assist charter schools with capital expenses	5,000,000	5,000,000
389(g)	408(f)	Grants-in-aid to assist targeted local and regional school districts for alterations, repairs, improvements, technology and equipment for low-performing schools	10,000,000	5,000,000
Subtotal			15,000,000	10,000,000

FY 18 and FY 19 General Obligation Bond Authorizations by Agency

Section (P.A. 17-2 (JSS))		Agency/Description	FY 18 \$	FY 19 \$
Department of Emergency Services and Public Protection				
378(c)(1)	-	Alterations and improvements to buildings and grounds, including utilities, mechanical systems and energy conservation projects	2,000,000	-
378(c)(2)	-	Planning and design for a new Forensic Science Laboratory	6,000,000	-
378(c)(3)	-	Upgrades to the Statewide Monitoring and Notification System	4,000,000	-
Subtotal			12,000,000	-
Department of Energy and Environmental Protection				
-	447	Clean Water Fund - GO Bonds	-	85,000,000
378(e)(1)	397(d)(1)	Dam repairs, including state-owned dams	5,500,000	5,500,000
389(c)(1)	-	For a program to establish energy micro grids to support critical municipal infrastructure	5,000,000	-
378(e)(2)	397(d)(2)	For the purpose of funding any energy services project that results in increased efficiency measures in state buildings pursuant to section 16a-38l of the general statutes, or for any renewable energy or combined heat and power project in state buildings	20,000,000	20,000,000
378(e)(3)	-	For water pollution control projects at state facilities	1,250,000	-
389(c)(3)	-	Grants-in-aid for containment, removal or mitigation of identified hazardous waste disposal sites	2,500,000	-
389(c)(2)	-	Grants-in-aid to municipalities and state agencies for improvements to incinerators and landfills, including but not limited to, bulky waste landfills and landfills formerly operated by the Connecticut Resources Recovery Authority	1,450,000	-
Subtotal			35,700,000	110,500,000
Department of Housing				
553		Crumbling Foundations Assistance Fund	20,000,000	20,000,000
385	404	Flexible Housing	125,000,000	100,000,000
389(k)	408(j)	Funding for the Department of Housing and Connecticut Children's Medical Center's Healthy Homes Program for the abatement of lead in homes in the state	10,000,000	10,000,000
-	433	Housing Trust Fund	-	30,000,000
Subtotal			155,000,000	160,000,000

FY 18 and FY 19 General Obligation Bond Authorizations by Agency

Section (P.A. 17-2 (JSS))		Agency/Description	FY 18 \$	FY 19 \$
Department of Mental Health and Addiction Services				
378(h)	397(g)	Fire, safety and environmental improvements to regional facilities	2,000,000	2,000,000
Subtotal			2,000,000	2,000,000
Department of Transportation				
389(i)	408(h)	Grants-in-aid to municipalities for use in the manner set forth in, and in accordance with the provisions of, sections 13a-175a to 13a-175k, inclusive, of the general statutes	30,000,000	30,000,000
Subtotal			30,000,000	30,000,000
Judicial Department				
378(k)(3)	-	Alterations and improvements in compliance with the Americans with Disabilities Act	1,000,000	-
378(k)(1)	397(i)(1)	Alterations, renovations and improvements to buildings and grounds at state-owned and maintained facilities	5,000,000	5,000,000
378(k)(2)	397(i)(2)	Exterior renovations and improvements at the superior courthouse in New Haven	2,000,000	3,000,000
-	-	Implementation of the Technology Strategic Plan Project	-	-
378(k)(4)	-	Security improvements at various state-owned and maintained facilities	2,000,000	-
Subtotal			10,000,000	8,000,000
Labor Department				
389(j)	408(i)	Workforce Training Authority Fund	10,000,000	20,000,000
Subtotal			10,000,000	20,000,000
Military Department				
-	397(c)	Acquisition of property for development of readiness centers in Litchfield county	-	2,000,000
378(d)(1)	-	Alterations, renovations and improvements to the drill shed at the William A. O'Neill Armory in Hartford	1,000,000	-
378(d)(2)	-	State matching funds for construction of a warehouse at Camp Hartell in Windsor Locks	500,000	-
Subtotal			1,500,000	2,000,000
Office of Policy and Management				
430	-	Capital Equipment Purchase Fund	15,000,000	-
552		Grants-in-aid to hospitals for capital improvements	20,000,000	20,000,000
432		Grants-in-aid to municipalities for the purposes set forth in subsection (a) of section 13a-175a of the general statutes	60,000,000	60,000,000

FY 18 and FY 19 General Obligation Bond Authorizations by Agency

Section (P.A. 17-2 (JSS))		Agency/Description	FY 18 \$	FY 19 \$
389(a)(1)	408(a)(1)	Grants-in-aid to private, nonprofit health and human service organizations that are exempt under Section 501(c)(3) of the Internal Revenue Code of 1986	25,000,000	25,000,000
378(a)(2)	397(a)(2)	Information technology capital investment program	50,000,000	25,000,000
431		Local Capital Improvement Program	90,000,000	35,000,000
389(a)(2)	408(a)(2)	Responsible Growth Incentive Fund	2,000,000	2,000,000
378(a)(1)	397(a)(1)	Transit-oriented development and predevelopment activities	6,000,000	6,000,000
427		Urban Act	50,000,000	50,000,000
Subtotal			318,000,000	223,000,000
State Library				
389(h)	408(g)	Grants-in-aid to public libraries for construction, renovations, expansions, energy conservation and handicapped accessibility	2,500,000	2,500,000
Subtotal			2,500,000	2,500,000
TOTAL General Obligation Bonds			1,604,786,905	1,295,496,250

FY 18 and FY 19 Special Tax Obligation Bond Authorizations

Act/Section		Description	FY 18 \$	FY 19 \$
Department of Transportation				
416(a)(1)	422(a)(1)	Interstate Highway Program	13,000,000	13,000,000
416(a)(10)	422(a)(10)	Grants-in-aid to municipalities for use in the manner set forth in, and in accordance with the provisions of, sections 13a-175a to 13a-175k, inclusive, of the general statutes	30,000,000	30,000,000
	422(a)(11)	Local Bridge Program		24,000,000
416(a)(11)	422(a)(12)	Highway and bridge renewal equipment	10,400,000	10,400,000
416(a)(2)	422(a)(2)	Urban Systems Projects	14,776,250	16,217,392
416(a)(3)	422(a)(3)	Intrastate Highway Programs	44,000,000	44,000,000
416(a)(4)	422(a)(4)	Environmental compliance, soil and groundwater remediation, hazardous materials abatement, demolition, salt shed construction and renovation, storage tank replacement, and environmental emergency response at or in the vicinity of state-owned properties or related to Department of Transportation operations	17,660,000	15,000,000

416(a)(5)	422(a)(5)	State bridge improvement, rehabilitation and replacement projects	33,000,000	33,000,000
416(a)(6)	422(a)(6)	Capital resurfacing and related reconstruction	75,000,000	75,000,000
416(a)(7)	422(a)(7)	Fix-it-First program to repair the state's bridges, provided not more than \$10,900,000 shall be made available for the Stratford Bridge carrying US1 over the Metro North Rail Line	111,115,000	99,760,000
416(a)(8)	422(a)(8)	Fix-it-First program to repair the state's roads	55,000,000	55,000,000
416(a)(9)	422(a)(9)	Local Transportation Capital Program	62,000,000	64,000,000
416(b)	422(b)	Bus and rail facilities and equipment, including rights-of-way, other property acquisition and related projects, provided not more than \$10,000,000 shall be made available for service and equipment improvements to the Danbury Rail Line and note more than \$250,000 shall be made available for a feasibility study to explore possibilities for a new passenger rail station at the Wall Street location on the Danbury Rail Line in Norwalk	236,250,000	246,000,000
416(c)(1)	422(c)(1)	Department facilities	63,132,500	44,247,000
416(c)(2)	422(c)(2)	Cost of issuance of special tax obligation bonds and debt service reserve	55,000,000	55,000,000
GRAND TOTAL			820,333,750	824,624,392

General Obligation Bond Cancellations

PA 17-2 Cancellation Section	Agency/Description	Act	Cancellation \$
Board of Regents for Higher Education			
475	Manufacturing technology programs - Improvements at four campuses to design, construct and equip space for new manufacturing technology programs.	PA 11-1 32	(970,500)
492	Parking and site improvements.	PA 13-239 2(l)(2)(A)	(225,275)
493	Heating, ventilating and air conditioning system improvements.	PA 13-239 2(l)(2)(B)	(145,000)
505	Parking garage improvements.	PA 13-239 21(l)(2)(A)	(233,281)
506	Planning, design and construction of a new academic building.	PA 13-239 21(l)(3)	(35,200,000)
526	Alterations, renovations and improvements to optimize space utilization.	PA 15-1 2(n)(5)	(5,000,000)

Capital Region Development Authority			
502	Connecticut Convention Center and Rentschler Field - Alterations, renovations and improvements at the Connecticut Convention Center and Rentschler Field.	PA 13-239 21(h)	(18,500)
CT Innovations Inc.			
453	Regenerative Medicine Research Fund (formerly the Stem Cell Research Fund under DPH).	PA 13-239 13(f)	(10,000,000)
Department of Administrative Services			
471	Health Insurance Portability and Accountability Act compliance - Development and implementation of information technology systems for compliance with the Health Insurance Portability and Accountability Act (HIPAA).	PA 07-7 21(c)	(2,652,975)
516	Acquisition and renovation of a building for the offices of the Probate Court.	PA 14-98 2(f)(2)	(3,000,000)
524	Acquisition and renovation of a building for the offices of the Probate Court.	PA 15-1 2(f)(6)	(1,000,000)
Department of Agriculture			
497	Farm Reinvestment Program - Grants-in-aid for a farm reinvestment program for the expansion of or improvements to working farms in accordance with a business plan to keep the farms on-going for at least ten years, grants-in-aid not exceeding \$40,000.	PA 13-239 13(b)	(500,000)
510	Farm Reinvestment Program - Grants-in-aid for a farm reinvestment program for the expansion of or improvements to working farms in accordance with a business plan to keep the farms on-going for at least ten years, grants-in-aid not exceeding \$40,000.	PA 13-239 32(b)	(500,000)
Department of Children and Families			
481	Residential facilities, group homes, shelters and permanent family residences - Grants-in-aid for construction, alterations, repairs and improvements to residential facilities, group homes, shelters and permanent family residences, provided (A) \$1,000,000 shall be made available for development, including construction or acquisition of land in Middlesex County or Windham county for a residential facility, and (B) up to \$1,000,000 shall be made available for improvements to, alterations and construction of, residential facilities at the Klingberg Family Center in New Britain.	PA 11-57 13(i)	(2,839,842)
Department of Developmental Services			
483	Departmental facilities - Fire, safety and environmental improvements to regional facilities for client and staff needs, including improvements in compliance with current codes, including intermediate care facilities and site improvements, handicapped access improvements, utilities, repair or replacement of roofs, air conditioning and other interior and exterior building renovations and additions at all state-owned facilities.	PA 11-57 21(i)	(428,000)

503	Departmental facilities - Fire, safety and environmental improvements to regional facilities for client and staff needs, including improvements in compliance with current codes, including intermediate care facilities and site improvements, handicapped access improvements, utilities, repair or replacement of roofs, air conditioning and other interior and exterior building renovations and additions at all state-owned facilities.	PA 13-239 21(i)	(253,248)
Department of Economic and Community Development			
466	New Haven: Henry Lee Institute - Grant-in-aid to University of New Haven for establishment of the Henry Lee Institute.	SA 05-1 32(j)(9)	(1,500,000)
547	Program to offer payments to holders of certificates of eligibility issued pursuant to section 32-9t of the general statutes, to replace credits allowed to be claimed under said certificates of eligibility	PA 16-49(c)	(10,000,000)
Department of Education			
489	High quality schools - Grants-in-aid for alterations, repairs, improvements, technology, equipment and capital start-up costs including acquisition costs, to expand the availability of high quality school models.	PA 12-189 9(e)(2)	(6,334,200)
504	Regional Vocational-Technical Schools - Alterations and improvements to buildings and grounds, including new and replacement equipment, tools and supplies necessary to implement updated curricula, vehicles and technology upgrades at all Regional Vocational-Technical Schools.	PA 13-239 21(k)	(11,000,000)
532	Sheff settlement costs - Grants-in-aid for capital start-up costs related to the development of new interdistrict magnet school programs to assist the state in meeting the goals of the 2008 stipulation and order for Milo Sheff, et al. v. William A. O'Neill, et al., for the purpose of buying portable classrooms, leasing space, and purchasing equipment, including, but not limited to, computers and classroom furniture.	PA 15-1 13(i)(1)	(5,000,000)
533	Grants-in-aid to the American School for the Deaf for alterations, renovations and improvements to the buildings and grounds	PA 15-1 13(i)(3)	(2,507,950)
539	Sheff settlement costs - Grants-in-aid for capital start-up costs related to the development of new interdistrict magnet school programs to assist the state in meeting the goals of the 2008 stipulation and order for Milo Sheff, et al. v. William A. O'Neill, et al., for the purpose of buying portable classrooms, leasing space, and purchasing equipment, including, but not limited to, computers and classroom furniture.	PA 15-1 32(k)(1)	(5,750,000)
Department of Emergency Services and Public Protection			
449	Buy-out program for homeowners and businesses who receive FEMA funding related to property damage due to weather events in 2011 and subsequent years.	PA 12-189 40	(800,000)

485	Firearms training facility and vehicle operations training center - Design and construction of alterations, renovations and improvements for a firearms training facility and vehicle operations training center, including land acquisition.	PA 12-189 2(c)(2)	(3,000,000)
525	Forensic Science Laboratory in Meriden - Alterations, renovations and improvements to the Forensic Science Laboratory in Meriden.	PA 15-1 2(g)(2)	(2,500,000)
Department of Energy and Environmental Protection			
462	East Lyme: Oswegatchie Hills - Grant-in-aid to East Lyme for the purchase of Oswegatchie Hills for open space.	SA 05-1 13(d)(19)	(1,800,000)
465	Stamford: Holly Pond - Grant-in-aid to Stamford for the Holly Pond Tidal Restoration project.	SA 05-1 32(d)(19)	(500,000)
468	Norwalk: flood control - Grant-in-aid to Norwalk for improvements in the flood control system.	PA 07-7 13(d)(33)	(500,000)
469	Fairfield: Rooster River - Grant-in-aid to Fairfield for the Rooster River flood control project.	PA 07-7 13(d)(34)	(2,000,000)
498	Grants-in-aid to towns for open space (town open space program) - Grants-in-aid to municipalities for open space land acquisition and development for conservation or recreation purposes.	PA 13-239 13(c)(1)	(10,000,000)
501	Recreation and Natural Heritage Trust Program (state open space program) - Recreation and natural heritage trust program for recreation, open space, resource protection and resource management.	PA 13-239 21(g)(4)	(8,000,000)
528	For a Long Island Sound Stewardship and resiliency program for protection of coastal marshes and other natural buffer areas and for grants-in-aid to increase the resilience of wastewater treatment facilities.	PA 15-1 13(d)(1)	(7,000,000)
529	Grants-in-aid to municipalities for open space land acquisition and development for conservation or recreational purposes.	PA 15-1 13(d)(2)	(10,000,000)
Department of Housing			
446	Energy Conservation Loan Fund - low-cost loans for various energy efficiency and renewable energy measures in residential structures. Includes \$18 million for the Green Connecticut Loan Guaranty Fund program established under Clean Energy Finance and Investment Authority;	PA 07-242 2	(4,000,000)
488	Nursing homes - Grants-in-aid to nursing facilities for alterations, renovations and improvements for conversion to other uses in support of right-sizing.	PA 12-189 9(c)(1)	(4,430,767)
519	Shoreline resiliency fund.	PA 14-98 9(f)	(5,000,000)
531	Main Street Investment Fund.	PA 15-1 13(f)	(3,000,000)
538	Main Street Investment Fund.	PA 15-1 32(g)	(3,000,000)
541	Homelessness prevention and response fund.	PA 15-1 57	(5,125,000)

Department of Mental Health and Addiction Services			
460	Alterations, renovations, additions and improvements, including new construction in accordance with the Department of Mental Health and Addiction Services master campus plan	SA 01-2 17(d)(2)	(722,090)
480	Community-based residential and outpatient facilities - Grants-in-aid to private non-profit organizations that are exempt under Section 501(c)(3) of the Internal Revenue Code for community-based residential and outpatient facilities for purchases, repairs, alterations and improvements.	PA 11-57 13(e)	(1,043,836)
Department of Public Health			
479	Community health centers and primary care organizations - Grants-in-aid to community health centers and primary care organizations for the purchase of equipment, renovations, improvements, and expansion of facilities, including acquisition of land and/or buildings.	PA 11-57 13(c)	(1,750,000)
Department of Rehabilitation Services			
520	Aging in place -Grants-in-aid to provide home modifications and assistive technology devices related to aging in place, which program may be run by a nonprofit entity with which said department shall contract.	PA 14-98 9(i)	(6,000,000)
Department of Transportation			
445	Commercial rail freight lines - Competitive grants for commercial rail freight lines operating in the state for improvements and repairs to, and the modernization of, existing rail, rail beds and related facilities.	PA 07-7 56	(2,500,000)
540	Grants-in-aid for improvements to ports, harbors and marinas, including dredging and navigational improvements, provided that not less than \$5 million shall be made available to the ports, harbors and marinas in the state other than the deep water ports in the cities of Bridgeport, New Haven and New London.	PA 15-1 13(h)(1)	(6,750,000)
Department of Veterans' Affairs			
515	Planning and feasibility study for additional veterans housing at the Rocky Hill campus, including demolition of vacant buildings.	PA14-98 2(e)(2)	(500,000)
Judicial Department			
477	Departmental facilities - Alterations, renovations and improvements to buildings and grounds at state-owned and maintained facilities, including Americans with Disabilities code compliance and other code improvements and energy conservation measures.	PA 11-57 2(o)(1)	(223,817)
486	Development of a juvenile court building in Meriden or Middletown.	PA 12-189 2(d)	(1,000,000)
494	Development of a juvenile court building in Meriden or Middletown.	PA 13-239 2(o)(2)	(2,000,000)
495	Mechanical upgrades and code-required improvements at the superior courthouse in New Haven.	PA 13-239 2(o)(3)	(200,000)

507	Development of a juvenile court building in Meriden or Middletown.	PA 13-239 21(o)(2)	(9,000,000)
508	Mechanical upgrades and code-required improvements at the superior courthouse in New Haven.	PA 13-239 21(o)(3)	(3,500,000)
Legislative Management			
514	Production and studio equipment for the Connecticut Network (CT-N)	PA 14-98 2(a)(2)	(2,230,000)
Office of Early Childhood			
437	Smart Start Competitive Grant program - Provide \$105 million over 10 years - \$15 million in FY 15 and \$10 million per year between FY 16 and FY 24.	PA 14-98 25	(16,480,851)
499	School readiness and day care - Grants-in-aid to municipalities and organizations exempt from taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, for facility improvements and minor capital repairs to that portion of facilities that house school readiness programs and state-funded day care centers operated by such municipalities and organizations.	PA 13-239 13(h)(2)	(5,641,832)
511	School readiness and day care - Grants-in-aid to municipalities and organizations exempt from taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, for facility improvements and minor capital repairs to that portion of facilities that house school readiness programs and state-funded day care centers operated by such municipalities and organizations.	PA 13-239 32(g)(2)	(5,000,000)
Office of Governmental Accountability			
535	Information technology improvements.	PA 15-1 21(b)	(500,000)
Office of Policy and Management			
474	Bridgeport economic development projects, including grants for (1) revitalization of the Hollow Neighborhood; (2) a feasibility study for the Congress Street Plaza urban renewal area; (3) planning and implementation of the Upper Reservoir Avenue Corridor Revitalization Initiative Project; (4) the Black Rock Gateway project; (5) the Madison Avenue Gateway Revitalization streetscape project; and (6) the purchase of development rights at Veterans' Memorial Park.	PA 10-44 2(b)	(950,000)
428	Small Town Economic Assistance Program (STEAP).	PA 15-1 52	(9,000,000)
429	Inter-town Capital Equipment Purchase Incentive Program. CGS Sec. 4-66m.	PA 11-57 75	(62,851)
542	Regional dog pound grant program (50% local match)	PA 15-1224	(10,000,000)
544	Trout Brook Canal Rehab	PA 16-42(a)(2)	(700,000)
546	West Hartford Wi-Fi	PA 16-49(a)(2)	(500,000)

State Comptroller			
518	Grant-in-aid to the Connecticut Public Broadcasting Network for transmission, broadcast, production and information technology equipment.	PA 14-98 9(a)	(1,300,000)
	GRAND TOTAL		(263,269,815)

VIII. MUNICIPAL

Major Appropriated Grants and Other Municipal Aid

The FY 18 and FY 19 budget includes a net increase in municipal aid of about \$210.5 million in FY 18 and \$226.6 million in FY 19. This includes an increase in Teachers' Retirement Contributions on behalf of municipalities of \$278.3 million in FY 18 and \$320.2 million in FY 19. Without this, the budget includes a net decrease in municipal aid of \$67.7 million in FY 18 and \$93.6 million in FY 19.

Significant Changes in Municipal Aid

- The Municipal Revenue Sharing Fund (MRSF) is eliminated, for a revenue loss to municipalities of \$185 million. Two grants previously funded via MRSF are instead funded via the General Fund:
 - \$35.2 million in FY 18 and \$36.8 million in FY 19 for Supplemental PILOT funding to towns with high levels of tax exempt property
 - \$36 million in FY 18 and \$15 million in FY 19 for grants to towns that lose revenue as a result of the motor vehicle mill rate cap. The budget increases the motor vehicle mill rate cap from 37 mills in FY 17 to 39 mills in FY 18 and 45 mills in FY 19.
- The State Property PILOT, College & Hospital PILOT, and Pequot grants are cumulatively reduced by \$29.6 million in FY 18 and \$27.9 million in FY 19.
- Funding of \$56.9 million in FY 18 and \$37.8 million in FY 19 is provided for the Municipal Stabilization Grant. This grant is intended to partially offset the elimination or reduction of other municipal grants.
- Funding of \$28 million is provided in FY 18 and FY 19 for certain financially distressed municipalities.
- The Elderly Circuit Breaker (\$19.2 million) and the Distressed Municipalities Grant (\$5.4 million) are each eliminated in FY 18 and FY 19.

Municipal Aid Synopsis FY 15 to FY 17¹

Fund/Agency	FY 17 Appropriated \$	FY 18 Leg. Rec. \$	FY 19 Leg. Rec. \$	FY 18 – FY 17 \$	FY 19 – FY 17 \$
Appropriated Funds					
Office of Policy and Management					
State Property PILOT	66,730,441	51,596,345	56,045,788	(15,134,096)	(10,684,653)
College & Hospital PILOT	114,950,770	100,900,058	105,889,432	(14,050,712)	(9,061,338)
Reimbursement Property Tax - Disability Exemption	374,065	374,065	374,065	-	-
Distressed Municipalities	5,423,986	-	-	(5,423,986)	(5,423,986)
Property Tax Relief Elderly	19,176,502	-	-	(19,176,502)	(19,176,502)

Fund/Agency	FY 17 Appropriated \$	FY 18 Leg. Rec. \$	FY 19 Leg. Rec. \$	FY 18 – FY 17 \$	FY 19 – FY 17 \$
Circuit Breaker					
Property Tax Relief Elderly Freeze Program	112,221	65,000	65,000	(47,221)	(47,221)
Property Tax Relief for Veterans	2,777,546	2,777,546	2,777,546	-	-
Municipal Revenue Sharing (Supplemental PILOT)	-	35,221,814	36,819,135	35,221,814	36,819,135
Municipal Restructuring	-	28,000,000	28,000,000	28,000,000	28,000,000
Municipal Transition (Motor Vehicle Car Tax Cap Reimbursement Grants)	-	36,000,000	15,000,000	36,000,000	15,000,000
Municipal Stabilization Grant	-	56,903,954	37,753,335	56,903,954	37,753,335
Pequot Grants	58,076,612	57,649,850	49,942,796	(426,762)	(8,133,816)
Municipal Revenue Sharing (MRSF)	185,000,000	-	-	(185,000,000)	(185,000,000)
State Department of Education					
Vocational Agriculture	10,544,937	10,228,589	10,228,589	(316,348)	(316,348)
Adult Education	20,383,960	20,383,960	20,383,960	-	-
Health and Welfare Services Pupils Private Schools	3,526,579	3,526,579	3,526,579	-	-
Education Equalization Grants ²	2,027,587,120	1,986,183,701	2,017,131,405	(41,403,419)	(10,455,715)
Bilingual Education	3,164,800	2,848,320	2,848,320	(316,480)	(316,480)
Priority School Districts	42,337,171	38,103,454	38,103,454	(4,233,717)	(4,233,717)
Young Parents Program	212,318	106,159	106,159	(106,159)	(106,159)
Interdistrict Cooperation	6,353,391	3,050,000	3,050,000	(3,303,391)	(3,303,391)
School Breakfast Program	2,225,669	2,158,900	2,158,900	(66,769)	(66,769)
Excess Cost - Student Based	135,555,731	142,542,860	142,119,782	6,987,129	6,564,051
Youth Service Bureaus	2,651,516	2,598,486	2,598,486	(53,030)	(53,030)
Open Choice Program	40,258,605	38,090,639	40,090,639	(2,167,966)	(167,966)
Magnet Schools	313,058,158	328,058,158	326,508,158	15,000,000	13,450,000
After School Program	4,866,695	4,720,695	4,720,695	(146,000)	(146,000)
Teachers' Retirement Board					
Retirement Contributions	1,012,162,000	1,290,429,000	1,332,368,000	278,267,000	320,206,000
Retirees Health Service Cost	14,566,860	14,554,500	14,575,250	(12,360)	8,390
Municipal Retiree Health Insurance Costs	5,392,897	4,644,673	4,644,673	(748,224)	(748,224)
Other Appropriated Aid					
Housing/Homeless	592,893	586,965	586,965	(5,928)	(5,928)

Fund/Agency	FY 17 Appropriated \$	FY 18 Leg. Rec. \$	FY 19 Leg. Rec. \$	FY 18 – FY 17 \$	FY 19 – FY 17 \$
Services- Municipality					
Local and District Departments of Health	4,083,916	4,144,588	4,144,588	60,672	60,672
School Based Health Clinics	11,280,633	11,039,012	11,039,012	(241,621)	(241,621)
Human Resource Development-Hispanic Programs - Municipality	4,719	4,120	4,120	(599)	(599)
Teen Pregnancy Prevention - Municipality	114,876	100,287	100,287	(14,589)	(14,589)
Connecticard Payments	806,000	781,820	781,820	(24,180)	(24,180)
Total Appropriated Funds	4,114,353,587	4,278,374,097	4,314,486,938	164,020,510	200,133,351
Bond Funds					
Town Aid Road	60,000,000	60,000,000	60,000,000	-	-
LoCIP ³	-	54,999,918	34,999,926	54,999,918	34,999,926
Grants for Municipal Projects	60,000,000	60,000,000	60,000,000	-	-
Total Bond Funds	120,000,001	174,999,919	154,999,927	54,999,918	34,999,926
GROSS TOTAL	4,234,353,588	4,453,374,016	4,469,486,865	219,020,428	235,133,277
Municipal Aid Lapse	-	(8,500,000)	(8,500,000)	(8,500,000)	(8,500,000)
NET TOTAL	4,234,353,588	4,444,874,016	4,460,986,865	210,520,428	226,633,277

¹Does not include municipal aid holdbacks announced by the Governor on November 17, 2017.

²In FY 18, the budget stipulates that ECS grants to: (1) Alliance districts equal the districts' FY 17 actual ECS grants, and (2) all other districts equal the FY 17 actual ECS grants minus five percent. In FY 19, a new ECS formula begins to be phased in: (1) districts that have higher formula amounts than FY 17 actual ECS grants, receive the FY 17 actual ECS grant plus 4.1 percent of the difference between the formula amount and FY 17; and (2) districts with lower formula amounts than FY 17 actual ECS grants, receive the FY 17 actual ECS grant minus 25 percent of the difference between the formula amount and FY 17. However, as the new formula begins to be implemented in FY 19, Alliance districts are held harmless from any reduction.

³The revised FY 17 budget included \$30 million for LoCIP. However, due to a cap on authorizations for LoCIP, funding for the program was not allocated in FY 17. Additional LoCIP funding is provided in FY 18 to offset the FY 17 revenue loss to municipalities that resulted from the authorization cap.

Budgeted Lapses Impacting Municipal Aid

The FY 18 and FY 19 budget includes approximately \$881.6 million in bottom line lapses. On November 17, 2017, the Governor announced the rollout of those bottom line lapses, which includes a reduction in appropriated municipal aid of approximately \$91.2 million. The chart below shows the impact of those lapses.

Fund/Agency	FY 18 Leg. Rec. \$	FY 18 Lapse \$	FY 18 Lapse %
Appropriated Funds			
Office of Policy and Management			
State Property PILOT	51,596,345	(1,289,909)	-2.5%
College & Hospital PILOT	100,900,058	(2,522,501)	-2.5%
Reimbursement Property Tax - Disability Exemption	374,065	(9,352)	-2.5%
Distressed Municipalities	-	-	0.0%
Property Tax Relief Elderly Circuit Breaker	-	-	0.0%
Property Tax Relief Elderly Freeze Program	65,000	-	0.0%
Property Tax Relief for Veterans	2,777,546	(69,439)	-2.5%
Municipal Revenue Sharing (Supplemental PILOT)	35,221,814	-	0.0%
Municipal Restructuring	28,000,000	(700,000)	-2.5%
Municipal Transition	36,000,000	-	0.0%
Municipal Stabilization Grant	56,903,954	(1,422,599)	-2.5%
Municipal Revenue Sharing (MRSF)	-	-	0.0%
State Department of Education			
Vocational Agriculture	10,228,589	(255,715)	-2.5%
Adult Education	20,383,960	(509,599)	-2.5%
Health and Welfare Services Pupils Private Schools	3,526,579	(88,164)	-2.5%
Education Equalization Grants	1,986,183,701	(57,939,706)	-2.9%
Bilingual Education	2,848,320	(71,208)	-2.5%
Priority School Districts	38,103,454	(952,586)	-2.5%
Young Parents Program	106,159	(34,502)	-32.5%
Interdistrict Cooperation	3,050,000	(1,512,500)	-49.6%
School Breakfast Program	2,158,900	(53,973)	-2.5%
Excess Cost - Student Based	142,542,860	(3,563,572)	-2.5%
Youth Service Bureaus	2,598,486	(64,962)	-2.5%
Open Choice Program	38,090,639	(952,266)	-2.5%
Magnet Schools	328,058,158	(18,548,222)	-5.7%
After School Program	4,720,695	(118,017)	-2.5%
Teachers' Retirement Board			
Retirement Contributions	1,290,429,000	-	-

Fund/Agency	FY 18 Leg. Rec. \$	FY 18 Lapse \$	FY 18 Lapse %
Retirees Health Service Cost	14,554,500	-	-
Municipal Retiree Health Insurance Costs	4,644,673	-	-
Other Appropriated Aid			
Housing/Homeless Services-Municipality	586,965	(11,739)	-2.0%
Local and District Departments of Health	4,144,588	-	0.0%
School Based Health Clinics	11,039,012	(420,780)	-3.8%
Human Resource Development-Hispanic Programs - Municipality	4,120	(4,120)	-100.0%
Teen Pregnancy Prevention - Municipality	100,287	(2,006)	-2.0%
Connecticard Payments	781,820	(78,182)	-10.0%
Total Appropriated Funds	4,220,724,247	(91,195,619)	-2.2%

IX. APPENDIX

The State Budget Process

Overview: The State of Connecticut uses a biennial budget process. In odd-numbered years (2015, 2017), the Governor presents a recommended budget for the next two years at the beginning of February³. The Governor's budget recommendations are formulated by the Office of Policy and Management (OPM). In even-numbered years (2016, 2018), the Governor reports on the status of the biennial budget and makes recommendations for revisions and adjustments if they are needed. The state's fiscal year runs from July 1 through June 30.

Budget Formulation: The process begins in July when OPM sends instructions to agencies to prepare: (1) a current services funding level and (2) a list of options for expenditure or revenue changes above or below the current services level. From September through October, OPM budget analysts review requests and prepare recommendations. The Governor and the Secretary of OPM review the recommendations and make adjustments.

In February the Governor presents to the legislature: (1) a budget message; (2) recommendations for appropriations (spending) for every agency; (3) revenue projections; (4) drafts of the appropriations, bonding and revenue bills that implement the recommendations; and (5) a report on the state's economy.

The General Assembly (legislature) has the ultimate "power of the purse," which is to appropriate (authorize to spend) public funds and raise revenue. In February, the legislature's Appropriations Committee begins its review of the Governor's recommendations by holding public hearings on each agency's budget. This is followed by work sessions⁴ with subcommittee members, agency heads and staff from the Office of Fiscal Analysis (OFA)⁵. The purpose of these sessions is to produce recommendations that are presented to the Appropriations chairs, who decide what will be included in the final version that is voted on by the committee.

Similar action is taken by the Finance, Revenue and Bonding Committee, which reviews the Governor's revenue-related and capital projects (bonding) recommendations.

Passage: After the Appropriations and Finance Committees approve a budget and tax package, the House and Senate leaders, usually in consultation with the Governor's Office and OPM, work to develop final versions of the budget, revenue and bonding

³The Governor is responsible for: (1) recommending a balanced budget to the legislature and (2) executing the budget passed by the legislature.

⁴The Appropriations Committee has sub-committees that review the budgets of agencies grouped by function of government.

⁵The Office of Fiscal Analysis is the legislature's non-partisan budget office.

bills. Both chambers vote on the final versions and if they are approved by the legislature, such bills go to the Governor to be signed.

The budget bill is called the **appropriations act** after it is signed by the Governor. The legislature also passes enabling legislation called **implementer bills** that contain the policy provisions to put the state budget into effect. There are often three implementer bills: (1) general government, (2) human services and (3) education. Sometimes more implementer bills are needed.

The revenue bill or **tax package** contains all revenue-related provisions.

The bond bill(s), also known as the **bond package**, authorizes funds for capital projects⁶, financial assistance programs and transportation-related projects.

In some years, legislative leaders choose to combine the tax package, bond bills and appropriations bill into a single document.

Budget Execution: Agency appropriations are administered by OPM budget staff through quarterly allotments. The Governor may restrict allotments due to a change in circumstances, or when estimated budget resources will be insufficient to fully finance appropriations.

Bond funds are allocated or made available for expenditure by the State Bond Commission, a joint executive-legislative body. Bond authorizations continue to be available for allocation until they are canceled by the legislature.

Spending Cap: The cap on general budget expenditures, which was passed in 1991, specifies that expenditures may not exceed prior year spending by more than a given percentage⁷. The cap calculation exempts: (1) debt service expenditures, (2) grants to distressed municipalities in effect on July 1, 1991, (3) the first year of spending on court orders and federal mandates, and (3) transfers to the Budget Reserve Fund. The cap can only be exceeded if: (a) the Governor declares emergency or extraordinary circumstances and (b) a three-fifths vote of the General Assembly to do so.

⁶Capital projects include new state-owned facilities and equipment, and improvements, repairs and additions to existing state-owned facilities. Financial assistance programs are administered by state agencies and provide funds to municipal and non-government entities through grants and/or loans.

⁷The percentage is the greater of: (1) the average percentage increase in personal income over the preceding five years as determined by the U.S. Bureau of Economic Analysis or (2) the percentage increase in inflation during the preceding twelve months as determined by the U.S. Bureau of Labor Statistics.

Budget and Finance Related Legislation

Public Act	Title/Description
	Budget Act
PA 17-2, JSS (SB 1502)	<p>AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2019, MAKING APPROPRIATIONS THEREFOR, AUTHORIZING AND ADJUSTING BONDS OF THE STATE AND IMPLEMENTING PROVISIONS OF THE BUDGET</p> <p>The bill includes: (1) General Fund appropriations of \$18.7 billion in FY 18 and \$18.9 billion in FY 19, (2) appropriations in nine funds totaling \$20.5 billion in FY 18, and appropriations in ten funds totaling \$20.8 billion in FY 19, (3) revenue estimates adopted by the Finance Committee on 10/25/17, as adjusted to reflect new policies in this amendment; and (4) various other provisions.</p> <p>The bill also authorizes up to \$1.723 billion for FY 18 and \$1.621 billion for FY 19 in state general obligation (GO) bonds for state capital projects and grant programs, including school construction, economic development, municipal capital improvement grants, and housing development and rehabilitation programs. The act also authorizes \$200 million in GO bonds for FYs 18 through 22 for grants to hospitals for capital improvements and for the Crumbling Foundations Assistance Fund (\$20 million per year for each purpose). It cancels or reduces approximately \$306.6 million in GO bond authorizations, and restores \$24 million in bonds cancelled or reduced in the 2016 bond act (PA 16-4, May Special Session).</p> <p>The act authorizes \$820.3 million for FY 18 and \$824.6 million for FY 19 in special tax obligation (STO) bonds for transportation projects, including \$482.3 million over the two years for bus and rail facilities and equipment.</p>
	Implementer Acts
PA 17-4, JSS (SB 1503)	<p>AN ACT MAKING MINOR AND TECHNICAL CHANGES TO THE STATE BUDGET AND RELATED IMPLEMENTING PROVISIONS FOR THE BIENNIUM ENDING JUNE 30, 2019.</p> <p>This act reduces the General Fund balance from \$6.2 million to \$0.8 million in FY 16 and increases the General Fund balance from \$2.1 million to \$2.5 million in FY 17 by making numerous changes to appropriations and revenue policies authorized in PA 15-244. The act reduces net appropriations by \$14 million in FY 16 and \$27 million in FY 17, and reduces anticipated revenue by \$19.4 million in FY 16 and \$26.6 million in FY 17. The act also includes various changes that implement the two year budget as well as other provisions.</p>

Public Act	Title/Description
	Bond Act
PA 17-1, JSS (HB 7501)	<p data-bbox="306 268 1520 407">AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2019, APPROPRIATIONS AND IMPLEMENTING PROVISIONS THEREFOR AND AUTHORIZING AND ADJUSTING BONDS OF THE STATE FOR VARIOUS PURPOSES.</p> <p data-bbox="306 449 1520 625">The bill includes: (1) General Fund appropriations of \$18.4 billion in FY 18 and \$18.6 billion in FY 19, (2) appropriations in nine funds totaling \$20.5 billion in FY 18 and \$20.8 billion in FY 19, (3) various policy changes that yield net revenue increases of \$1.7 billion in FY 18 and \$1.8 billion in FY 19, (4) revenue estimates adopted by the Finance Committee on 9/14/17, as adjusted to reflect new policies in this bill; and (5) various other provisions.</p> <p data-bbox="306 667 1520 877">The act authorizes up to \$1.172 billion for FY 18 and \$1.457 billion for FY 19 in state general obligation (GO) bonds for state capital projects and grant programs, including school construction, economic development, municipal capital improvement grants, and housing development and rehabilitation programs. It cancels or reduces approximately \$305.4 million in GO bond authorizations, and restores \$24 million in bonds cancelled or reduced in the 2016 bond act (PA 16-4, May Special Session).</p> <p data-bbox="306 919 1520 1020">The act authorizes \$809.9 million for FY 18 and \$745.1 million for FY 19 in special tax obligation (STO) bonds for transportation projects, including \$482.3 million over the two years for bus and rail facilities and equipment.</p>

Glossary of Budget Book Terms

Account/Major Object

The Connecticut budget appropriates agency funds by account. Within each account, categories of expenditures are called major objects. For example, Other Expenses (description below) is an account and Utilities-Fuel is a major object within the Other Expenses account. An agency generally has discretion to make expenditures within a major object as it sees fit unless it has been instructed to spend funds in a specific manner.

Act (also, Public Act or Special Act)

The designation for a bill that has been passed by both chambers of the legislature and signed by the Governor. A public act (PA) amends the Connecticut General Statutes. A special act (SA) has limited application or is of limited duration and is not incorporated into the Connecticut General Statutes. Act numbers are assigned by the Legislative Commissioners' Office.

Adopted Budget

See "Budget Act"

Agency Program

A group of activities with a common element or theme that either: (1) achieve the same goal or serve the same purpose, (2) serve slightly different purposes but are performed by the same type of employees, or (3) provide similar services to the same target population. For example, the Department of Agriculture administers the Connecticut Grown Product Promotion Program, which provides funding to promote locally-grown products through several marketing venues.

Allotment

A portion of an appropriation (description below) that is made available to pay an agency's encumbrances (description below) and expenditures (description below) for a certain period or purpose. The Office of Policy and Management (description below) usually allots appropriated funds to agencies on a quarterly basis (every three months).

Annualization of Partial Year Costs/Funding

Partial year funding occurs in the first year of implementation of a program, when resources are provided for less than a 12-month period. Annualization of partial year costs or funding refers to providing the amount of resources necessary to fund a full 12-month period of the operation in the second year of the program.

Appropriation/Appropriated Fund

An authorization by the General Assembly to spend and incur liabilities for a specific purpose. The General Assembly appropriates the following funds: (1) the General Fund; (2) the Special Transportation Fund; (3) the Mashantucket Pequot and Mohegan Fund; (4) the Regional Market Fund; (5) the Banking Fund; (6) the Insurance Fund; (7)

the Consumer Counsel and Public Utility Control Fund; (8) the Workers' Compensation Fund; and (9) the Criminal Injuries Compensation Fund.

Nonappropriated Account

Expenditures from a nonappropriated account: (a) are for a specific, dedicated purpose, which may be defined in statute and (b) are not subject to the legislative appropriation process or to allotment through the Office of Policy and Management (description above). Sources of nonappropriated funds include: (1) the federal government, (2) private funds or donations, and (3) dedicated fees and fines. An example of a nonappropriated account is the federally funded Low Income Home Energy Assistance Account.

Appropriations Committee

A legislative committee that is currently composed of 57 members of either the Senate or the House of Representatives. It is responsible for: (a) reviewing all expenditure-related matters and (b) producing a final committee budget to be voted on by both chambers and ultimately submitted to the Governor for signature. It also deals with: (c) state employees' salaries, benefits and retirement, (d) teachers' retirement, (e) collective bargaining agreements and (f) arbitration awards for all state employees. The committee is divided into 13 subcommittees that review individual agency budgets and make recommendations. The Appropriations subcommittees are:

1. Legislative,
2. General Government A,
3. General Government B,
4. Regulation and Protection,
5. Conservation and Development,
6. Health,
7. Transportation,
8. Human Services,
9. Higher Education,
10. Elementary and Secondary Education,
11. Judicial and Corrections,
12. Collective Bargaining and
13. Results Based Accountability.

Biennial Budget

Connecticut changed from annual to biennial budgets in 1991. The change was enacted as part of a massive budget and tax bill that included the state income tax. The first year of the biennium is always the even-numbered year (i.e., the FY 16 and FY 17 biennium). The General Assembly is elected for a two-year term, which coincides with the two-year biennial budget cycle.

Bill

A written proposal to change existing law or enact a new law prepared by the Legislative Commissioners' Office. Bills that pass both legislative chambers and are signed by the Governor are called acts (definition above).

Bond Allocation

Bond authorizations must be allocated or approved by the State Bond Commission (description below) to actually commit funding to a specific capital project or financial assistance program. After bond funds are allocated: (1) they are available for expenditure by the agency, town or organization that received the allocation and (2) the state is prepared to issue General Obligation (GO) or Special Tax Obligation (STO) bonds (descriptions below) to support the allocation.

Bond Authorization

The amount approved by the General Assembly in an act for a specific project or program. Authorizations can be thought of as enabling legislation. A bond authorization must be allocated through the State Bond Commission before an agency can actually expend funds for a specific project or program.

Bond Act

A type of enabling legislation enacted by the General Assembly based on recommendations from the Finance, Revenue and Bonding Committee. The act contains new bond authorizations for capital projects and financial assistance programs and revisions to authorizations from prior years.

Bond Commission

See "State Bond Commission (SBC)"

Budget Act (also, Adopted Budget)

A budget act specifies appropriations for state agencies for a specific period of time, usually a biennium or a fiscal year. A budget act must be: (a) approved by both houses of the General Assembly and (b) signed by the Governor before it can be implemented by the Office of Policy and Management. Connecticut's budget act normally contains three sections: (1) the front of the budget, (2) revenue estimates for the period covered by the budget act and (3) the back of the budget language. The sections can be described as follows:

1. The front of the budget lists appropriations to finance state agency operations over a specific period of time.
2. The revenue estimates indicate the amount of financial resources that are estimated to be available to pay for the state's appropriations. By law, the legislature must pass a balanced budget in which appropriations are equal to estimated revenue. The estimates included in the budget act must first be adopted by the Finance, Revenue and Bonding Committee.
3. Back of the budget language authorizes a variety of expenditure-related provisions that are necessary to carry on state operations. These include the

redirection of previously appropriated funds, transfers between funds, carry forwards of funds from one fiscal year to another, changes to statutory language for spending programs like grant payments to towns, and any technical and conforming changes needed to enact the spending plan in the front of the budget.

Budget Options

Funding requests that increase or decrease the current services level of spending for specific programs. Agencies are required to submit budget options to the Office of Policy and Management (description below) when they submit their biennial or revised budget request, usually in the fall of each year.

Budget Request

An agency's itemized plan that shows the amount of funding required to carry out the specific functions assigned to it in state statute. The request includes: (1) a current services funding level (description below) that reflects the amount of funding needed to maintain the agency's current level of operations and (2) a list of budget options for expenditure changes above or below the current services level. The agency's biennial budget request covers a two year period and its revised budget request makes changes to the second year of the biennium.

Budget Reserve Fund (BRF – also, Rainy Day Fund)

A contingency fund capitalized with unappropriated General Fund money that is designated as surplus by the Comptroller after the close of the fiscal year. The BRF provides a reserve that can be drawn upon when the General Fund ends a fiscal year in deficit. The maximum level of the BRF is 15% of net General Fund appropriations for the fiscal year in progress. It is authorized under CGS Sec. 4-30a.

Capital Budget

The portion of the state budget that: (a) is separate from the operating budget, (b) usually uses borrowed funding, and (c) deals with proposed long-term expenditures and financial assistance programs. Long-term expenditures include: (1) the purchase of land, (2) construction of new state-owned facilities, (3) improvements, repairs and additions to existing state-owned facilities, (4) major equipment purchases and (5) transportation-related projects. Financial assistance programs are administered by state agencies and provide funds to municipal and non-government entities through grants and/or loans. Capital budget expenditures are normally covered with bond funds, which are paid off over a 20-year period.

Capital Projects Funds

Funds established to account for grants and bond-issue proceeds that are used to: (1) acquire or construct major capital facilities for state agencies, (2) fund improvements to transportation infrastructure such as highways and bridges, (3) provide grants to municipalities and nonprofit organizations, and (4) encourage economic development.

Carry Forward

Appropriated funds that: (1) were not spent by an agency during a fiscal year and (2) the agency is permitted to "carry forward" for expenditure in the following fiscal year. The amount and use of the funds may be specified in an implementer bill (description below). If not otherwise indicated, the amount and use of carry forward funding is governed by Section 4-89 of the Connecticut General Statutes.

Comptroller's Office (also, Office of the State Comptroller)

The Office of the State Comptroller is the state's official bookkeeper. The agency is responsible for: (1) operating, maintaining, updating and expanding CORE, the state's central human resources management and financial accounting system, and (2) producing and distributing monthly and annual reports on the state's revenue, expenditures and other related financial information.

Connecticut General Statutes (also, CGS or the Statutes)

The codified body of laws of the state of Connecticut that are enacted by the General Assembly.

CORE (also, CORE-CT)

CORE is the state's central human resources management and financial accounting system that is overseen by the Comptroller's Office. It was implemented in 2003 to replace the incompatible legacy systems used by many state agencies with one system and a set of standardized reporting procedures that would be used by all state agencies.

Current Services

The amount of funding required by an agency to provide the same level of services in the succeeding fiscal year as in the current fiscal year, plus any: (1) scheduled or (2) required changes. Scheduled changes include annualization of partial year costs and increases based on current law. Required changes include an adjustment for: (a) inflation and (b) caseload increases.

Debt Reserve Service Fund (also, Debt Service Fund or Sinking Fund)

A reserve fund that is used to pay debt service if pledged revenues are insufficient to satisfy the debt service requirements. It may be: (1) funded with bond proceeds or by an accumulation of pledged revenues and (2) established when the bonds are issued or upon the occurrence of a specified event. Reserve funds provide repayment security for bond purchasers and may result in a higher rating for the bond issuance and a reduction in the interest rate at which the bonds are sold.

Deficiency Appropriation

A supplemental appropriation made for an agency based on a need for increased funding during a fiscal year.

Deficiency Bill

A bill making additional appropriations to state agencies that need more funds to complete a fiscal year.

Deficit (also, Budget Deficit)

A budget deficit occurs when an entity expends more money than it takes in. A projected deficit occurs during the fiscal year and an actual deficit occurs after the close of the fiscal year. The term deficiency is used to describe a shortfall in a specific account/agency. The opposite of a budget deficit is a budget surplus.

Disbursements

Payments made in cash or by check regardless of the purpose.

Equipment

One of the three major categories of accounts (the other two are Personal Services and Other Expenses). Equipment includes machinery, tools, furniture, vehicles, apparatus, etc., with: (1) a value greater than \$1,000 and (2) a useful life of more than one year. The category also includes all books, regardless of cost, that are purchased for the State Library or an agency library that is a separate operating division or unit of the agency.

Employee Fringe Benefits

Non-salary benefits for employees, including: (1) pensions, (2) unemployment compensation, (3) health and life insurance and (4) social security. For the General Fund and the Special Transportation Fund, fringe benefits are not included in an agency's budget but instead are appropriated to the Fringe Benefit accounts, which are administered by the Comptroller. For other appropriated funds, fringe benefit costs are budgeted to the specific accounts within the agency's budget and recovered by the Comptroller based on an actual-cost basis.

Enabling Legislation

See "Implementer Bills"

Encumbrances

Funds that have been committed for payment from an account via a requisition or purchase order, but have not yet been paid.

Expenditure

Funds committed to be paid for specific goods received or services rendered.

Federal Grants

Funds made available to the state by the federal government in order to reimburse the state for specific expenditures or to encourage specific programs or projects.

Fiduciary Funds

Assets held by the state when it serves as an agent for individuals or government units. In the future, the assets within these funds will be transferred to other state funds or to sources outside the state (e.g., various retirement funds).

Finance Advisory Committee (FAC)

A joint legislative–executive body whose main task is to approve fund transfers between accounts that are within the same agency. The committee is comprised of: (1) the Governor, (2) Lieutenant Governor, (3) Treasurer, (4) Comptroller, and (5) two Senate members and three House members of the Appropriations Committee. It meets on the first Thursday of every month, or as needed during the legislative session.

Finance, Revenue and Bonding Committee

A legislative committee that is currently composed of 54 members of either the Senate or the House of Representatives. It has cognizance over matters relating to: (1) finance, (2) revenue, (3) taxation, (4) the capital budget (bonding), (5) the Department of Revenue Services and (6) the revenue aspects of the Division of Special Revenue. All bills related to these matters that are favorably reported (approved) by any other legislative committee are referred to this committee.

Fiscal Note

A brief statement of costs/savings or the revenue impact of: (1) a favorably-reported bill or (2) any amendments to a bill, which is prepared by the Office of Fiscal Analysis (description below). All bills taken up by either chamber of the General Assembly are required to have a fiscal note.

Fiscal Year (FY)

The twelve-month budget or financial year. Connecticut’s fiscal year runs from July 1st through June 30th. At the end of this period the Comptroller’s Office closes all accounts and determines: (1) the state’s financial condition and (2) the net results of its operations. The federal government’s fiscal year runs from October 1st through September 30th.

Fixed Charge or Grant

Payments to: (a) institutions, agencies or individuals or (b) for undertakings that may or may not be directly under state control. Fixed charges are divided into either: (1) Payments to Other Than Local Governments (Grants - Other) or (2) Payments to Local Governments (Grants - Local or Town Grants).

Function of Government

Categories of state government responsibilities and activities that are related to public interest. The categories are useful for budgeting purposes because they allow expenditure levels for different activities to be compared with other jurisdictions. Connecticut’s budget document is organized into eleven categories, including: (1) Legislative; (2) General Government; (3) Regulation and Protection; (4) Conservation

and Development, (5) Health; (6) Transportation; (7) Human Services; (8) Education, Museums and Libraries; (9) Corrections; (10) Judicial; and (11) Non-Functional. All state agencies or commissions are assigned to one of the ten function categories based on its mission. The Non-Functional category includes expenditures that do not easily fit into one of the other categories, such as Debt Service, the central Workers' Compensation account, and Fringe Benefits Administered by the Comptroller.

Fund

An independent financial and accounting entity. Each fund is comprised of a self-balancing set of accounts and records, cash and other financial resources. Monies within a fund share a common purpose or objective in accordance with special regulations, restrictions, or limitations. The state has nine appropriated funds.

Funded Positions

The number of full-time positions that could be filled by an agency during the fiscal year without incurring a deficit: (1) after turnover is taken into account, and (2) provided that all other personal services items were expended as budgeted.

General Assembly

The official name of the Connecticut legislature.

Generally Accepted Accounting Practice (GAAP)

GAAP is the standard framework of guidelines for financial accounting used in any given jurisdiction. The guidelines for state and local governments are set by the Government Accounting Standards Board (GASB). They include the standards, conventions, and rules that the state is required to follow in preparing its annual financial statements and its annual budget. GAAP requires the state to: (1) budget for expenses when they are incurred rather than when bills are actually paid and (2) recognize revenues when they are earned.

Accumulated GAAP Deficit

The cumulative GAAP deficit refers to the aggregate amount of liabilities that exceed assets in the General Fund. The deficit accumulated prior to July 1, 2013, when the state changed to a modified accrual basis of accounting utilized under GAAP.

General Fund (GF)

The main operating fund of the state government that is used to finance the majority of the state's operations. The fund receives income from taxes, federal aid, licenses, permits and fees. It is operated according to a budget plan adopted by the General Assembly and signed by the Governor.

General Obligation (GO) Bonds

Nontaxable or taxable bonds issued by the state that pledge the revenue stream from the state's General Fund to pay debt service. They are used to finance: (1) the construction of state buildings, (2) capital improvements to state buildings and parks,

(3) school construction grants-in-aid to towns, and (4) grants and loans for housing, economic development, community care facilities, and open space. The General Assembly has also authorized the issuance of two specialized forms of GO bonds: (a) UConn 2000 Infrastructure Improvement Bonds and (b) Tax Incremental Financing (TIF) Bonds.

Governor's Bills

Bills introduced by legislative leaders of the Governor's party at the request of the Governor. Governor's bills are generally introduced at the beginning of the legislative session.

Governor's Recommended Biennial Budget

The financial recommendations of the Governor that are contained in a budget document and presented to the General Assembly for action each February in odd-numbered years. Since Connecticut uses a biennial budget process, the Governor's budget covers a two-year period in the first year.

Governor's Recommended Budget Revisions

The Governor presents his recommendations for midterm (mid-biennial) adjustments for the second year of the biennial budget to the General Assembly for action each February in even-numbered years.

Grant Payments to Towns (also, Grant-in-aid Payments to Towns)

Payments to Connecticut's municipalities (towns and cities) for a specified purpose or to reimburse expenses already incurred. Education grants make up the largest portion of these payments. Payments in this category are made to towns, not to a town's Board of Education or other local subsidiary body.

Grant Payments Other Than to Towns

State obligations that are not part of an agency's direct operating budget (e.g., Temporary Assistance to Needy Families, Medicaid, and payments to the Teachers' Retirement Fund).

Holdback (also, Budgeted Lapse or Allotment Reduction)

The amount of an agency's General Fund appropriation that is retained (i.e., held back) by the Office of Policy and Management (description below) in order to achieve the amount of overall savings assumed in the adopted budget.

Implementer Bills (also, Enabling Legislation)

A bill or set of bills that contain the policy provisions needed to put into effect or "implement" the state budget. Implementer bills are necessary because the budget act often contains the funding necessary for a program but does not contain the statutory changes that enable the program to function as intended. Implementers are often referred to by the agency or department most affected, as in "Education Implementer."

Unlike most other bills, implementers don't go through legislative committees or public hearings.

Internal Service Funds

Funds used to finance goods or services provided by one state agency to another state agency, on a cost-reimbursed basis. The state's Internal Service Funds include: (1) the Correction Industries Fund, (2) the Technical Services Fund, (3) the General Services Fund, and (4) the Capital Equipment Data Processing Fund.

Lapse

Appropriated funds that: (1) an agency does not or cannot spend by the end of the fiscal year and (2) are not carried forward into the next fiscal year. A lapse may occur naturally because the funding available is more than is needed, or may be a budgeted lapse (holdback) that is programmed in the adopted budget to achieve savings.

Line Item

A single account listed in the budget act that provides funding for a specific type of expenditure. Examples include Personal Services, Other Expenses and Equipment.

New or Expanded Services

Changes that reflect policy decisions to expand current services or provide new services. Increases in revenue may or may not be associated with these changes.

Nonlapsing Account or Fund

An account or fund with the statutory authority to carry forward its balance from one fiscal year to the next.

Office of Fiscal Analysis (OFA)

A nonpartisan professional office of the Connecticut General Assembly established in 1973 that supports the legislature in both budget formulation and execution. Its primary function is to provide technical support to the Committee on Appropriations and the Committee on Finance, Revenue and Bonding, as well as the other committees and members of the legislature. OFA: (1) analyzes the Governor's budget recommendations, (2) determines fiscal impact of legislation by completing fiscal notes on bills and amendments and (3) responds to fiscal requests by legislators.

Office of Policy and Management (OPM)

An executive branch budget office established in 1977. The agency: (a) develops the forms and instructions that are used by state agencies in preparing their budget requests, (b) works closely with the Governor to develop the budget for presentation to

the legislature, (c) prepares all proposed enabling legislation associated with the Governor's budget, and (d) implements and monitors the budget plan once it's been adopted. It is composed of seven divisions that report to the Secretary of OPM:

1. Administration,
2. Budget and Financial Management,
3. Criminal Justice Policy and Planning Division,
4. Finance,
5. Intergovernmental Policy,
6. Labor Relations, and
7. Policy Development and Planning.

Office of the State Comptroller

See "Comptroller's Office"

Operating Budget

An itemized summary of estimated funding needs for a given period of time that will allow an agency to carry out the specific functions assigned to it in the state statutes.

Other Current Expenses (OCE)

A category of expenses that can be used for Personal Services, Other Expenses, Equipment or fixed charges directly associated with that program. Funds appropriated for a nonfunctional OCE account can be used for any category of expenditure as long as it is consistent with the purpose of the appropriation.

Other Expenses (OE)

One of the three major categories of accounts (the other two are Personal Services and Equipment). OE is comprised of: (1) Contractual Services, (2) Commodities and (3) Sundry. (1) Contractual Services are considered compensation for services secured by contract. (2) Commodities refer to all supplies, materials and equipment not normally regarded as capital items. (3) Sundry charges include all expenditures not properly assignable to other standard accounts, for example: employee fringe benefits, lottery prizes, and student grants.

Personal Services (PS)

One of the three major categories of accounts (the other two are Other Expenses and Equipment). PS is used for actual direct payroll costs. For example: full-time, part-time and temporary employee salaries, overtime, payments for vacation and sick leave, longevity and shift differential. Fringe benefits are not included in this category.

Personal Services (PS) Reduction

A reduction in Personal Services that often reflects economies and efficiencies in an agency's operations.

Policy Revision (also, Policy Change)

A shift in the direction or set of principles that determine the course of action for: (1) an agency's program or (2) adopted legislation.

Program Budget

A method of budgeting expenditures to meet programmatic objectives rather than on a line-item basis. The program budget for an agency includes the objectives for each program, a description of each program, performance measures, and an explanation of significant program changes requested and recommended.

Program and Outcome Measures

The measures that quantify the key aspects of a program's performance such as workload, output, outcome, client/employee ratios, response times, etc.

Rainy Day Fund

See "Budget Reserve Fund"

Reimbursement

Cash or other assets paid by the state to another governmental unit, fund or department to repay that entity for an expenditure made on behalf of the state.

Rescission

Cancellation of the authority to expend money previously approved by the legislature and Governor. The Governor is permitted to reduce state agency allotments by up to: (1) 3% of the total appropriation from any fund or (2) 5% of any appropriation. As part of a deficit mitigation plan to address the Comptroller's projected deficit of more than 1% of General Fund appropriations, the Governor may seek Finance Advisory Committee (description above) approval to reduce total appropriations from any fund by up to 5%. The Governor is granted rescission authority under CGS Sec. 4-85.

Results Based Accountability (RBA)

A management tool can be used: (1) to facilitate collaboration among various agencies, (2) to decentralize services or (3) as a regulatory process. The term implies that expected results (also known as goals) are clearly articulated and that data are regularly collected and reported to address questions of whether results have been achieved.

Revenue

Cash paid to or collected by the state. Connecticut receives revenue from a variety of sources, including: (1) state taxes, such as the sales tax and the income tax, (2) federal grants and payments, (3) licenses, permits and fees, and (4) Indian Gaming Payments from Foxwoods and the Mohegan Sun casinos.

Special Revenue Fund

Any fund that can only be used only in accordance with specific regulations. Special revenue funds are created by law to finance particular activities with revenue from specific taxes or other sources. Examples include the Special Transportation Fund, the Regional Market Operation Fund, and Higher Education Tuition Funds.

Special Tax Obligation (STO) Bonds

Nontaxable bonds issued by the state to finance the state's share of the cost of highway and bridge construction and maintenance projects (the federal government finances the remainder of the cost). The bonds have also been used to provide grants to towns for local road improvement under the Town Aid Road program. The debt service costs for the bonds are funded by: (1) the motor fuels tax, (2) oil companies tax, (3) sales tax collected on motor vehicle sales, and (4) motor vehicle registrations, licenses and fees.

Special Transportation Fund (STF)

The operating fund of the State Department of Transportation and the State Department of Motor Vehicles. The STF finances: (1) the ordinary, everyday operations of the two agencies, including fringe benefits for employees and (2) debt service costs for Special Tax Obligation (STO) bonds, which pay for road and bridge improvement projects.

State Bond Commission (SBC)

A joint legislative-executive body that: (1) allocates General Obligation (GO) and Special Tax Obligation (STO) bond funds for capital budget projects and programs and (2) approves the amount and timing of bond sales requested by the State Treasurer. The agenda for SBC meetings is determined by the Governor. The ten-member commission includes six executive members (the Governor, the Treasurer, the Comptroller, the Attorney General, the Secretary of the Office of Policy and Management, the Commissioner of Administrative Services) and four legislative members (the House and Senate chairs and ranking members of the Finance, Revenue and Bonding Committee). SBC meetings are scheduled in every month except November.

Surplus

A budget surplus occurs when an entity takes in more money than it expends. A projected surplus occurs during the fiscal year and an actual surplus occurs after the close of the fiscal year. The term lapse is used to describe a surplus in a specific account within an agency. The opposite of a budget surplus is a budget deficit.

Tax Expenditure

A type of "off budget" spending through the tax code that is used to implement government policies. Tax expenditures include tax credits, deductions, exclusions, exemptions, deferrals, and preferential rates. They may be used to encourage: (1) people save for retirement, buy a home, or pay for college or (2) companies to invest in

green energy technologies or build new plants. Examples include the state personal income tax deduction for contributions to the Connecticut Higher Education Trust and the sales tax exemption for residential weatherization products that meet federal Energy Star standards.

Transfers

The movement of funds from one funding category to another, including: (1) the redirection of resources within an agency by the Finance Advisory Committee (FAC), (2) transfers from one agency to another by the deficiency bill, and (3) transfers from one fund to another by the budget act.

Turnover

A net adjustment made to the Personal Services account that reflects: (1) the natural reduction made to an agency's payroll due to the loss of employees through voluntary separation, retirements, deaths and transfers, and (2) payroll increases due to the hiring of new employees.

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