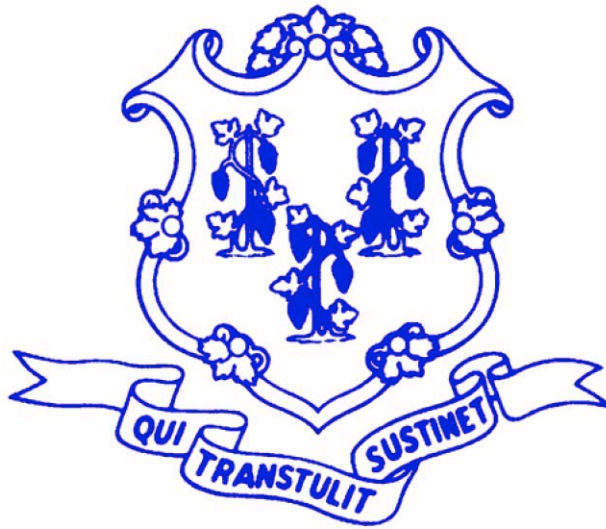


CONNECTICUT STATE BUDGET

FY 19 Revisions



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Table of Contents

Executive Summary	1
PART I. OVERVIEW	3
Section I. FY 19 Balance.....	3
Section II. Revenue	5
Section III. Appropriations	6
Section IV. Major Policies	8
Section V. Capital.....	12
Section VI. Out-Year Projections.....	14
PART II. APPROPRIATIONS.....	16
PART III. REVENUE.....	194
PART IV. CAPITAL BUDGET.....	210
PART V. MUNICIPAL AID	218
APPENDIX A. Authorized Permanent Full-Time Positions.....	221
APPENDIX B. Appropriations Growth Rates by Fund	224
APPENDIX C. Out-Year Projections by Fund.....	224
APPENDIX D: Revised FY 18-FY 19 Spending Cap Calculations.....	225
APPENDIX E: Other Appropriated Funds.....	226
APPENDIX F. Budget Reserve (“Rainy Day”) Fund	229
APPENDIX G. Historical Expenditures	230
APPENDIX H. All Appropriated Funds FY 19 Revenue Estimates:	231
APPENDIX I. All Appropriated Funds FY 19 Revised Budget:	233
APPENDIX J. Funds Carried Forward.....	237
APPENDIX K. FY 19 Budgeted Lapses and Agency Holdbacks.....	239
APPENDIX L: Budget and Finance Related Legislation	242

Office of Fiscal Analysis

Executive Summary

FY 19 Balance

At the beginning of the 2018 legislative session, the FY 19 Original Budget had projected deficits of \$165.2 million in the General Fund and \$39.9 million in the Special Transportation Fund.

April Consensus improved the projected FY 19 General Fund balance to \$266.0 million. The changes were primarily (1) a one-time delay of \$400 million in federal reimbursements and (2) stronger than anticipated revenue from withholding taxes (\$88.7 million).

In response, the **FY 19 Revised Budget** increases net appropriations by \$197.2 million over the FY 19 Original Budget and reduces net revenue by \$18.9 million, resulting in a balance of \$23 million across all appropriated funds.

FY 19 Revised Balance In Millions of Dollars

All Appropriated Funds	FY 19 Revised
Revenue Estimate	20,878.4
Net Appropriation	20,855.4
Balance	23.0

Across all appropriated funds, the FY 19 Revised Budget is 2.1% (\$424.9 million) greater than the FY 18 Budget and under the spending cap by \$0.5 million. The FY 19 Revised Budget is 1.0% (\$197.2 million) greater than the FY 19 Original Budget.

Revenue Highlights

FY 19 Revised Revenue Change from Original In Millions of Dollars

Fund	Net Change
General	(47.9)
Special Transportation	29.0
Total All Appropriated	(18.9)

The most significant changes impacting revenue include:

- Restoring the Medicare Savings Program;
- Indexing the volatility cap; and
- Accelerating the transfer of sales tax revenue related to motor vehicle purchases from the General Fund to the Special Transportation Fund.

Appropriation Highlights

The FY 19 Revised Budget makes a limited number of appropriation changes to the FY 19 Original Budget and formalizes the (partial) rollout of the Original Budget's lapses.

The most significant changes are:

- Restoring the Medicare Savings Program;
- Expanding eligibility for HUSKY A;
- Increasing funding for private providers;
- Providing additional funds for community colleges' fringe benefits; and
- Providing additional funds for municipal car tax grants.

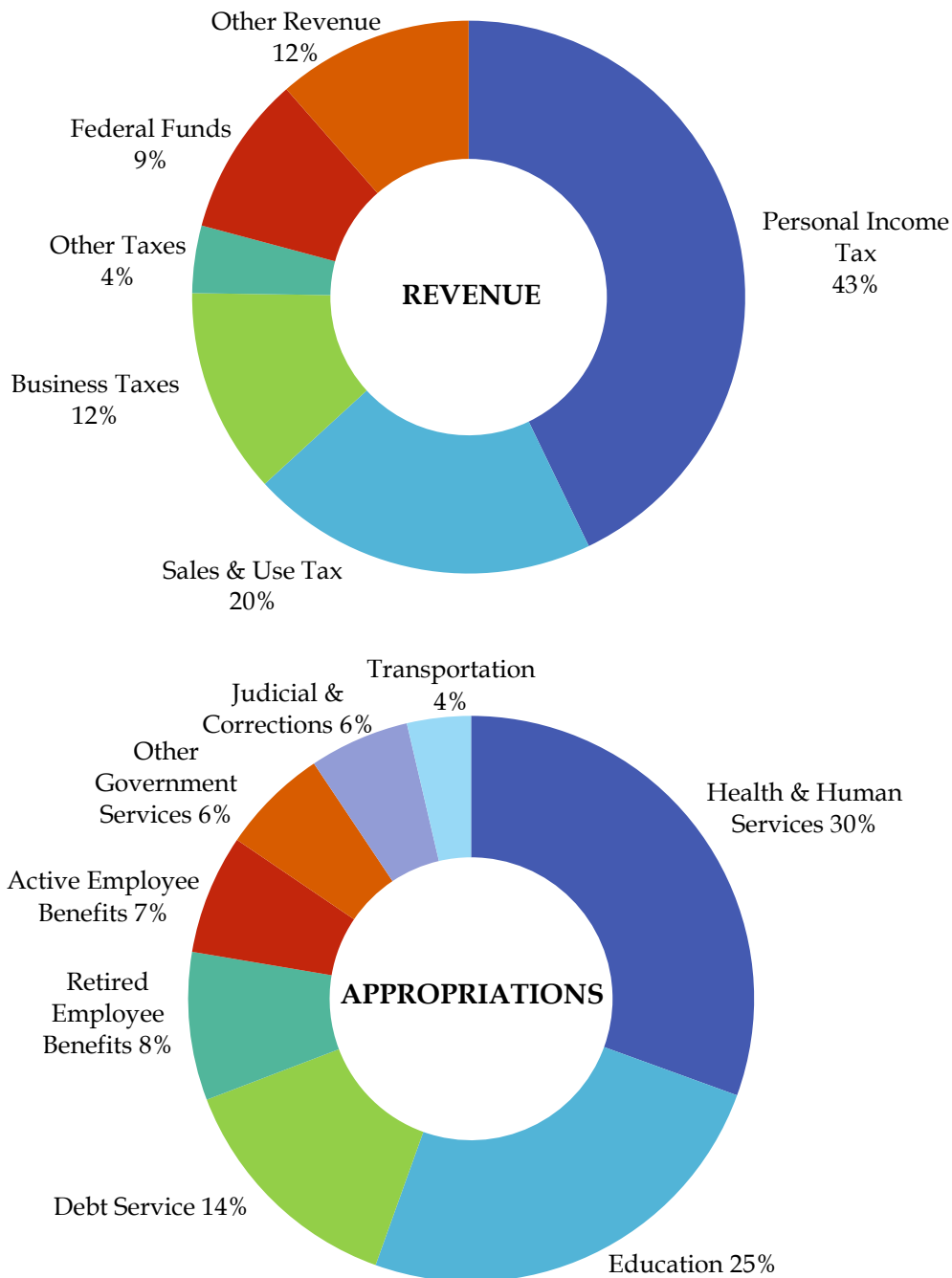
Capital Budget

PA 18-178, the bond act, authorized an additional \$182.0 million in General Obligation bonds and reduced prior authorizations by \$406.3 million, for a net reduction of \$224.3 million for FY 19.

Out-Years

The General Fund is projected to be in deficit by over \$2 billion in FY 20, increasing to over \$3.6 billion by FY 23. The revised budget improves the projected out-year deficits compared to the FY 19 Original Budget. The Special Transportation Fund is projected to have surpluses through FY 23.

FY 19 Revised Gross Revenue and Appropriations All Appropriated Funds



Note: Across all appropriated funds the Revised FY 19 Budget includes (1) \$22.7 billion in gross revenue, or a net \$20.9 billion after accounting for an estimated \$1.8 billion in refunds and transfers and (2) \$20.9 billion in gross appropriations, or a net \$20.9 billion when including \$33.5 million in budgeted lapses.

Appendices H and I provide categorization detail. For appropriations, whole agencies are categorized according to their primary purpose with a few exceptions. Debt Service, Active Employee Benefits and Retired Employee Benefits are generally budgeted centrally and therefore are shown as separate categories. As such, "Transportation" is only a subset of total Special Transportation Fund appropriations.

PART I. OVERVIEW

Section I. FY 19 Balance

The 2018 legislative session began with deficits projected for FY 19, the second year of the biennial budget, in both the General Fund (GF) and Special Transportation Fund (STF). Revenue projections included in April Consensus reversed the General Fund deficit, leaving only the Special Transportation Fund with a negative balance. Adjustments adopted under PA 18-81, the FY 19 Revised Budget, result in a projected surplus across all appropriated funds of \$23.0 million, including a \$3.2 million projected surplus in the Special Transportation Fund.

Table 1.1 FY 19 Balance Comparisons: January Budget Outlook to FY 19 Revised Budget
In Millions of Dollars

Fund	January Budget Outlook ¹	April Revenue Update	FY 19 Revised Budget
General Fund			
Revenue Estimate	18,625.4	19,056.6	19,008.7
Appropriation	18,790.6	18,790.6	18,998.2
NET BALANCE	(165.2)	266.0	10.5
Special Transportation Fund			
Revenue Estimate	1,588.2	1,591.5	1,620.5
Appropriation	1,628.1	1,628.1	1,617.3
NET BALANCE	(39.9)	(36.6)	3.2
Other Appropriated Funds			
Revenue Estimate	249.2	249.2	249.2
Appropriation	239.5	239.5	239.9
NET BALANCE	9.7	9.7	9.3
All Appropriated Funds			
Revenue Estimate	20,462.8	20,897.3	20,878.4
Appropriation	20,658.3	20,658.3	20,855.4
NET BALANCE	(195.4)	239.1	23.0

¹Reflects January Consensus Revenue and FY 19 Original Appropriations

April Consensus improved FY 19 projected balances to a surplus of \$239.1 million across all appropriated funds. The improvement allowed the FY 19 Revised Budget to increase net appropriations by \$197.2 million from the FY 19 Original Budget and decrease net revenues by \$18.9 million, resulting in positive net balances across all appropriated funds.

Table 1.2 Changes to FY 19 Balance

In Millions of Dollars

Status	GF	STF	Other ¹	All Funds
January Balance	(165.2)	(39.9)	9.7	(195.4)
+ April Consensus Adjustment	431.2	3.3	-	434.5
April Balance	266.0	(36.6)	9.7	239.1
- Appropriation Adjustments	207.5	(10.8)	0.4	197.2
+ Revenue Policy Changes	(47.9)	29.0	-	(18.9)
Balance at Passage of FY 19 Revised	10.5	3.2	9.3	23.0

¹Other Appropriated Funds reflect revenue estimates as adopted in PA 18-81

Spending Cap & Budget Growth

The FY 19 Revised Budget is 2.1% (\$424.9 million) greater than the FY 18 Budget and under the spending cap by \$0.5 million. The FY 19 Revised Budget is 1.0% (\$197.2 million) greater than the FY 19 Original Budget, which was 1.1% (\$227.7 million) greater than the FY 18 Budget.

Section II. Revenue

APRIL CONSENSUS

In April, the outlook for FY 19 revenue improved by \$431.2 million for the General Fund and \$3.3 million for the Special Transportation Fund.

Table 2.1 Changes to FY 19 GF Balance
In Millions of Dollars

Status	Balance
January Balance	(165.2)
+ April Consensus Adjustment	431.2
April Balance	266.0

Table 2.2 General Fund Adjustment
In Millions of Dollars

Delay in Federal Reimbursements	400.0
Income Tax (Withholding) Adjustment	88.7
Other (Net) Adjustments	(57.5)
April Adjustment Total	431.2

Delay in FY 18 Federal Grant Revenue to FY 19 Related to Hospital Payments

Federal Grant projections for FY 19 were revised upward by approximately \$400 million to reflect the receipt of federal funds associated with two quarters of FY 18 hospital supplemental Medicaid payments anticipated to be paid out in FY 19.

Personal Income Tax Update

Personal Income Tax projections for FY 19 were revised upward by \$485.5 million to reflect stronger than anticipated FY 18 growth in collections: \$88.7 million in Withholding and \$396.8 million in the Estimated and Finals (E&F) payments portion. The entirety of the improved E&F outlook was set aside for the Budget Reserve Fund via a volatility cap adjustment. See Appendix F for more information on the status of the Budget Reserve Fund.

Table 2.3 Personal Income Tax Update
In Millions of Dollars

Withholding	88.7
Estimates/Finals	396.8
Total Income Tax Adjust	485.5
Less: Volatility Cap Transfer	(396.8)
Total Impact to GF	88.7

All other revenue adjustments to the General Fund resulted in a net reduction of \$57.5 million.

FY 19 Revised Budget Revenue Related Policies

Under the FY 19 Revised Budget, revenue related policies decreased the FY 19 balance by \$47.9 million in the General Fund and \$18.9 million across all funds.¹ Table 2.4 summarizes the major revenue changes adopted in the budget. A detailed discussion of these policies follows in Section IV.

Table 2.4 FY 19 Revised Budget Revenue Related Policies
In Millions of Dollars

Policy	FY 19 Impact
Restore Medicare Savings Program Eligibility	(68.5)
Index the Volatility Cap	46.8
Accelerate Car Sales Tax Diversion to Special Transportation Fund	(29.0)
Other GF Policies	2.8
General Fund Total	(47.9)
Accelerate Car Sales Tax Diversion to Special Transportation Fund	29.0
Special Transportation Fund Total	29.0
All Appropriated Funds Total	(18.9)

¹ It should be noted that PA 18-81 implemented a policy lowering the sales tax rate on vessels. The revenue schedule as adopted by the Finance, Revenue and Bonding Committee does not include this policy in its underlying assumptions.

Section III. Appropriations

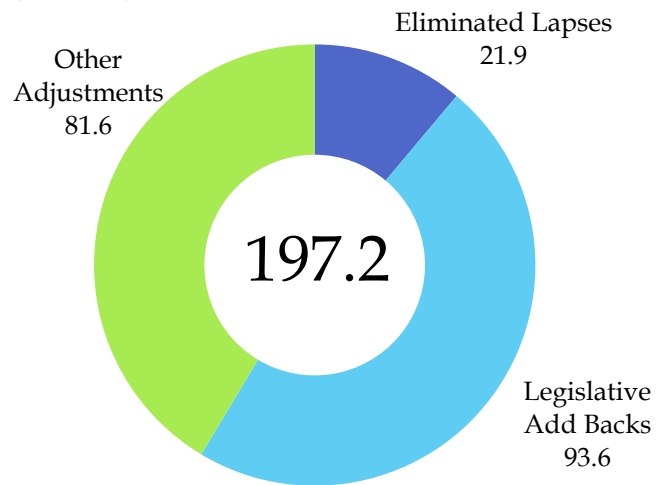
The \$197.2 million overall increase in net appropriations reflects the cancellation of \$115.5 million in budgeted lapses included in the FY 19 Original Budget, achieved by (1) eliminating \$21.9 million in unallocated lapses and (2) adding back \$93.6 million in planned agency reductions. The remaining \$81.6 million reflects the net impact of other appropriation adjustments.

Rollout of Budgeted Lapses

The FY 19 Original Budget provided the executive branch authority to reduce General Fund expenditures by \$1,073.2 million. The FY 19 Revised Budget adopts the governor's planned reductions in most agencies resulting in a reduction to agency

appropriations of \$1,028.8 million in the General Fund and \$22.3 million in the Special Transportation Fund. Rather than distributing all budgeted lapses, the FY 19 Revised Budget reflects adding back \$93.6 million in planned reductions, including \$74.7 million related to education (e.g., Education Cost Sharing and magnet schools). The FY 19 Revised Budget eliminates the remaining \$21.9 million in budgeted lapses.

Figure 3.1 Increases in FY 19 Net Appropriations (\$ millions)



Budgeted Lapses are required savings assumed in the budget adopted by the General Assembly which are reflected as reductions to an agency's available funding. Once the fiscal year begins, the Office of Policy and Management is responsible for "rolling out," or distributing, the lapses to specific agencies in the form of holdbacks, to achieve the required savings.

Table 3.1 FY 19 Adjustments

In Millions of Dollars

Fund	Rollout Budgeted Lapses		Other Adjustments	Total
	Governor's Distribution	Legislative Add Backs		
General Fund	44.2	93.6	69.7	207.5
Agency Appropriations	(1,029.0)	93.6	69.7	(865.7)
Lapses	1,073.2	-	-	1,073.2
Special Transportation Fund	(22.3)	-	11.5	(10.8)
Other Appropriated Funds	(0.0)	0.0	0.4	0.4
All Appropriated Funds Total	21.9	93.6	81.6	197.2

Other Adjustments²

The FY 19 Revised Budget includes \$81.6 million in additional net appropriations across all appropriated funds (\$69.7 million in the General Fund, \$11.5 million in the Special Transportation Fund and \$0.4 million in Other Funds). The additional net appropriations reflect funding changes predominantly related to health and human services, public transit services, education and municipal aid. Table 3.2 and Section IV detail these adjustments.

Table 3.2 Other Adjustments

In Millions of Dollars

GENERAL FUND	Increases	Decreases	Total
HEALTH AND HUMAN SERVICES			
Restore Medicare Savings Program (MSP)	61.5	-	61.5
Increase Income Eligibility for Husky A	11.3	-	11.3
Provide Funding for Private Provider Wages	40.1	-	40.1
EDUCATION			
Provide Fringe Benefit Subsidy to Community Colleges	16.2	-	16.2
Provide Funding for K-12 Education	8.3	-	8.3
MUNICIPAL			
Provide Additional Funding for Car Tax Grant	15.7	-	15.7
OTHER & TECHNICAL			
Carryforward FY 18 Funds	-	(42.5)	(42.5)
Current Service Updates	8.2	(65.0)	(56.8)
Miscellaneous	16.5	(0.6)	15.8
General Fund Total	177.8	(108.1)	69.7
TRANSPORTATION			
Increase Public Transit Services Subsidy	40.5	-	40.5
Reflect \$750 million STO Bond Issuance Cap	-	(9.0)	(9.0)
Current Service Update	-	(20.0)	(20.0)
Special Transportation Fund Total	40.5	(29.0)	11.5
OTHER APPROPRIATED FUNDS			
Other Appropriated Funds Total	0.7	(0.3)	0.4
All Appropriated Funds Total	219.0	(137.4)	81.6

² Agency-specific budget adjustments are provided in Part II Appropriations.

Section IV. Major Policies

This section describes major policies impacting appropriations and revenue, as reflected in Tables 3.2 and 2.4 respectively.

HEALTH AND HUMAN SERVICES

Restore Medicaid Savings Program

The FY 19 Revised Budget restores \$61.5 million (with a corresponding revenue loss of \$68.5 million) to reflect maintaining the Medicare Savings Program (MSP) income eligibility at 211% to 246% FPL, instead of reducing eligibility to the federal minimum as reflected in Table 4.1.

Table 4.1 Medicare Savings Program (MSP)

Medicare Savings Program ¹	Benefit Summary	Annual Income Limit		Annual Income Limit	
		(Prior law, 17-2 JSS)		(PA 18-81, Effective 7/1/18)	
		FPL%	Single \$	FPL%	Single \$
QMB	Medicaid pays the Medicare Part A premiums, Medicare Part B premiums, and Medicare deductibles and coinsurance for Medicare services provided by Medicare-enrolled providers.	Less than 100%	\$12,140	Less than 211%	\$25,615
SLMB	Medicaid pays Medicare Part B premiums only.	100% to 120%	\$14,568	211% to 231%	\$28,043
ALMB	Medicaid pays Medicare Part B premiums only.	120% to 135%	\$16,389	231% to 246%	\$29,864

¹QMB = Qualified Medicare Beneficiary; SLMB = Specified Low-Income Medicare Beneficiary; ALMB = Additional Low-Income Medicare Beneficiary, also known as Qualifying Individual. At all three levels, there is an income 'disregard' for beneficiaries who have income through employment, meaning that the actual eligibility levels for the Medicare Savings Programs will be somewhat higher for working people.

Provide Funding to Support Private Provider Wage Increases

The FY 19 Revised Budget provides funding of \$31,037,000 within the Office of Policy and Management budget to support wage increases through (1) implementing SA 18-5, which increases the wages of certain employees who provide services to Department of Developmental Services consumers, and (2) delivering a 1% cost-of-living adjustment (COLA) to employees of providers who support state-administered human services.

Increase Eligibility for HUSKY A

The FY 19 Revised Budget provides funding of \$11.3 million to restore income eligibility for HUSKY A adults to FY 17 levels (from 138% to 155% FPL, inclusive of a 5% income disregard).

EDUCATION

Provide Additional Fringe Benefits Funding to Community Colleges

The FY 19 Revised Budget provides funding of \$16.2 million for the community colleges within the Office of the State Comptroller-Fringe Benefits budget, to support fringe benefit costs for employees whose salaries are not supported with the community college block grant.

Provide Funding for K-12 Education

The FY 19 Revised Budget provides an additional \$8.3 million in FY 19 across multiple education accounts, as displayed in Table 4.2. While the table shows an Education Cost Sharing (ECS) increase of \$2.9 million for hurricane evacuee grants, updated data reduces ECS formula funding required by \$3.3 million. These adjustments result in a net ECS reduction of approximately \$0.4 million.

Table 4.2 Additional K-12 Funding
In Millions of Dollars

Increase Vo-Ag Grants	3.5
Distribute Grants for Enrolling Hurricane Evacuees:	3.3
Bilingual Education	0.4
ECS	2.9
Fund TEAM Mentoring	1.5
Total	8.3

MUNICIPAL AID

Provide Additional Funding for Car Tax Grants

The FY 19 Revised Budget provides an additional \$15.7 million for the Municipal Transition Grant (i.e., the car tax grant). The grant is intended to reimburse towns for revenue loss resulting from the motor vehicle mill rate cap. The FY 19 Original Budget provided sufficient funding (\$15.0 million) to reimburse municipalities at their FY 15 mill rates; the FY 19 Revised Budget allows reimbursement to be provided at current town mill rates, with total funding of \$30.7 million.

The motor vehicle mill rate cap, set at 45 mills in the FY 19 Original Budget, is unchanged.

OTHER & TECHNICAL ADJUSTMENTS

Carry Forward FY 18 Funds to FY 19

The FY 19 Revised Budget reduces retiree health funding by \$21.5 million and Medicaid funding by \$21.0 million to reflect the carry forward and use of FY 18 funds (that otherwise would have lapsed) into FY 19.

VOLATILITY CAP & BUDGET RESERVE FUND

Index the Volatility Cap to Growth in Personal Income

The revised volatility cap potentially increases the amount of E&F revenue available to the General Fund while reducing the amount set aside for year-end transfers to the Budget Reserve Fund (BRF).

Table 4.3 reflects the estimated General Fund (+) and Budget Reserve Fund (-) changes. For instance, the impact in FY 19 increases General Fund revenues by \$46.8 million while reducing the set aside for the Budget Reserve Fund in the same amount.

Table 4.3 Impact of the “Volatility Cap” Revision

In Millions of Dollars

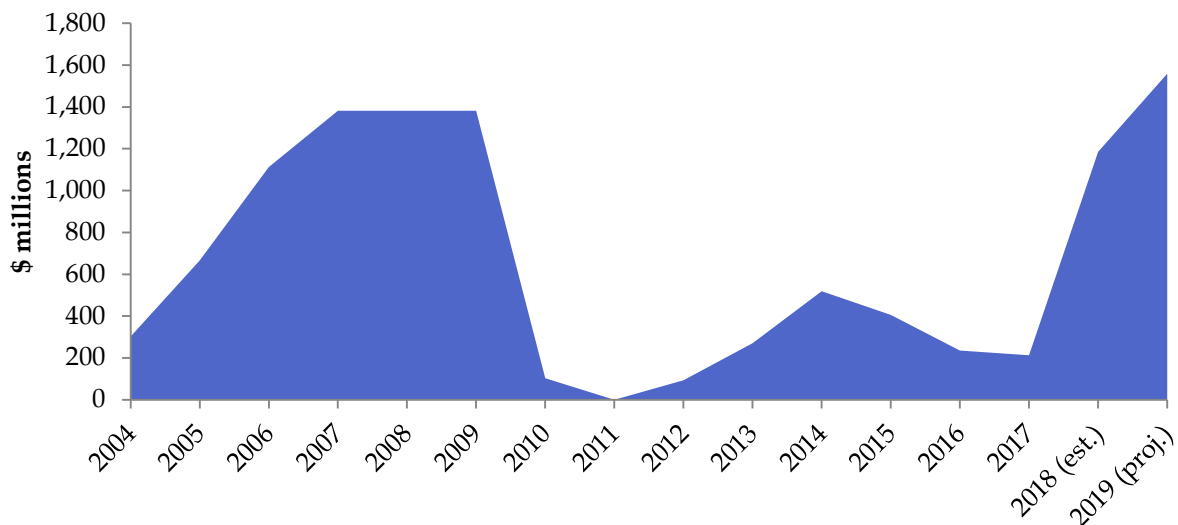
	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23
Growth Rate	-	1.5%	2.6%	2.5%	2.6%	3.0%
Revised Volatility Cap	3,150.0	3,196.8	3,278.8	3,362.4	3,449.4	3,551.4
Change	-	46.8	82.0	83.6	87.0	102.0
Change: Cumulative	-	46.8	128.8	212.4	299.4	401.4

The Budget Reserve Fund is anticipated to grow \$373.6 million in FY 19, raising the balance of the fund to approximately \$1.6 billion. A “volatility adjustment” transfer of \$363.1 million accounts for most of the projected FY 19 growth, with the remaining growth of \$10.5 million due to the budgeted General Fund surplus. See Appendix F for additional information.

\$972 Million Increase in Budget Reserve Fund Balance in FY 18

At the close of FY 17, the BRF balance was equal to approximately 1.1% of General Fund appropriations in the subsequent fiscal year (FY 18). In contrast, the BRF balance estimated for the close of FY 18 is approximately 6.2% of FY 19 General Fund net appropriations. The FY 18 improvement in large part is due to a windfall of approximately \$764 million in Estimated & Final Income Tax revenues from the repatriation of hedge funds’ historical (pre-2009) offshore fee income. Federal law mandated repatriation of this income by December 31, 2017.

Figure 4.1 Budget Reserve Fund Balances

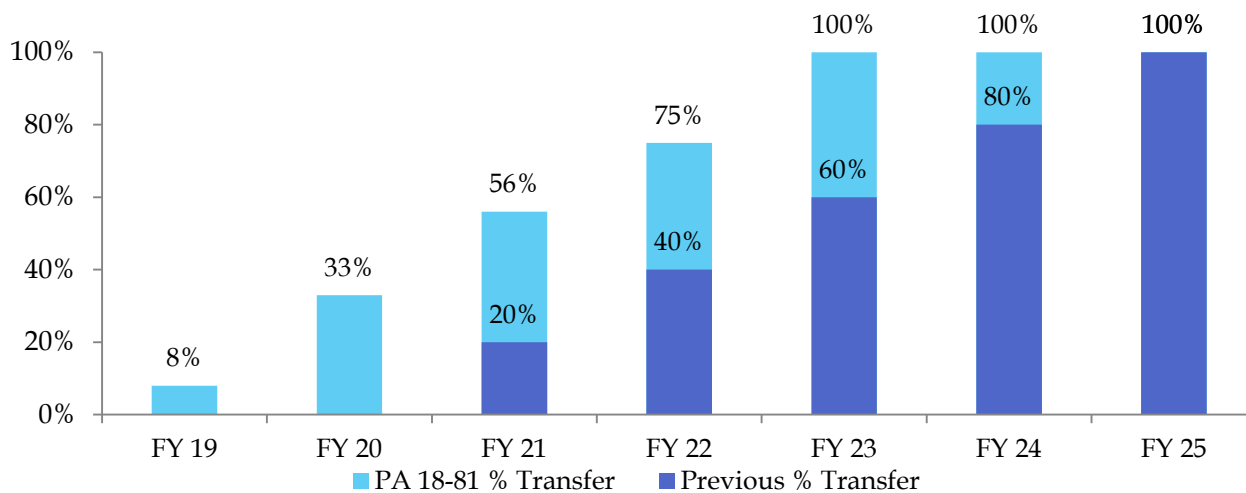


TRANSPORTATION

Accelerate Car Sales Tax Diversion to Special Transportation Fund

The FY 19 Revised Budget accelerates the shift in Sales and Use Tax revenues related to the sale of new motor vehicles from the General Fund to the Special Transportation Fund.

Figure 4.2 Car Sales Tax Transfer Rate Comparison



Reflect \$750 Million Special Tax Obligation (STO) Bond Issuance Cap for FY 19 and FY 20

PA 18-178, the bond act, allows for a total of \$1 billion in transportation bonding per year, split between General Obligation (GO) and STO bonds. The GO transportation bonds are limited to \$250 million per year in each of CY 18 and CY 19. Concurrently, STO issuances are capped at \$750 million in each of FY 19 and FY 20. STF debt service is adjusted downward by \$9 million to reflect the expected decrease in FY 19 STO issuance from \$900 million to the capped level of \$750 million.

Provide Funding for Public Transit Services

The Rail Operations, Bus Operations, and ADA Para-Transit accounts increase by \$13,447,293, \$23,266,111 and \$3.8 million respectively from the FY 19 Original Budget, to support ongoing transit subsidies.

Section V. Capital

Changes to Debt Limit and Amount of Aggregate Indebtedness

Net indebtedness under PA 18-178, the bond act, is 89.33% of the debt limit, \$170 million below the 90% threshold.³ General Obligation (GO) bond authorizations for FY 19 are reduced by \$224 million on a net basis.

April Consensus

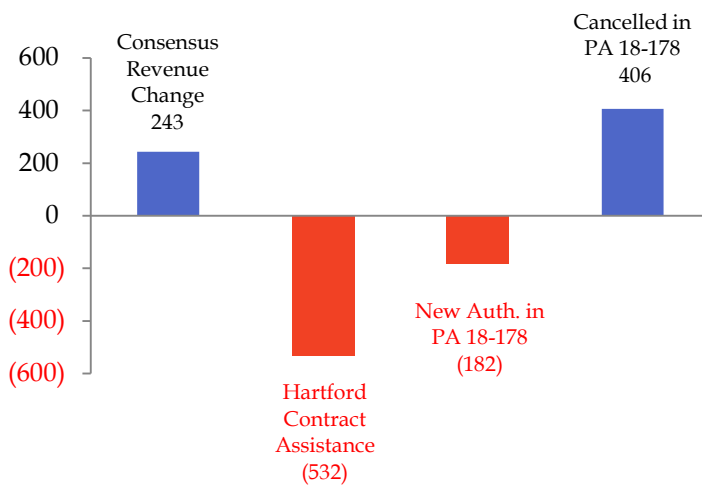
April Consensus increased net tax revenue estimates. Absent other changes, this upward revision provides approximately \$240 million of additional space under the 90% threshold pursuant to C.G.S. 3-21.

Hartford Assistance Agreement

In March 2018, the Municipal Accountability Review Board entered into a contract that assumed state repayment of approximately \$550 million of the city of Hartford's debt. Under C.G.S. 3-21, debts repaid by the General Fund are counted under the debt limit. The Treasurer estimated that there would be almost \$532 million remaining of debt assumed under the Hartford contract assistance agreement to start FY 19.

The **statutory debt limit**, established in C.G.S. 3-21, caps the aggregate amount of indebtedness that is supported by the General Fund and is set based on net tax revenues times a constant figure (1.6). When aggregate indebtedness reaches 90% of the limit, the Governor must recommend cancellation or reduction of authorized bonds.

Figure 5.1 Impact on GO Bond Authorization Usable Space
In Millions of Dollars



CHANGES TO AUTHORIZATION LEVELS

Public Act 18-178, the 2018 bond act, authorizes an additional \$182 million in GO bonds. Programs with additional or new bond funding are shown in Table 5.1. The act also reduces authorizations by \$406 million. The two major reductions are:

School Construction

The FY 19 Original Budget authorized \$450 million of GO bonds FY 19 for school construction. PA 18-178 reduces this total by \$360 million, to \$90 million. The administration indicated the lower amount is expected to be sufficient to meet program cash flow needs through FY 19. While the state has

reimbursed an estimated \$8 billion for local school construction projects since 1997, there remains approximately \$3 billion worth of projects already approved that may be eligible for reimbursement in the future.

³ The debt certification calculation performed by the Office of the State Treasurer in May 2018 reflected the changes from PA 18-178 and the revised Finance, Revenue, and Bonding Committee Revenue Schedule, as well as other updates to aggregate indebtedness estimates for the start of FY 19.

Grants to Hospitals

The FY 19 Original Budget included authorization for \$100 million of GO bonds for grants to hospitals, in anticipation of an agreement with state hospitals. No such agreement was reached and this bond authorization is cancelled. Because the authorization was for \$20 million per year for five years starting in FY 18, only the \$40 million that otherwise would have been effective in FY 19 is reflected in the changes for FY 19.

All authorization changes, including revised FY 19 amounts, are detailed in Part IV Capital.

Table 5.1 New or Additional Bond Authorization in PA 18-178
In Millions of Dollars

Distressed Municipalities	5.5
Greenways/Recreational Trails	3.0
IT Capital Investment	20.0
School Security	10.0
Dredging	25.0
Bushnell Area Parking	16.0
Libraries	2.5
Urban Act	100.0
Total New/Additional	182.0
Reductions/Cancellations	(406.3)
Net GO Bond Authorization Change	(224.3)

Section VI. Out-Year Projections

Policies enacted in the FY 19 Revised Budget improve General Fund projected out-year deficits in the next two bienniums as reflected in Figure 6.1. See Table 6.1 for additional details.

Table 6.1 reflects the impact of the FY 19 Revised Budget on General Fund projected deficits for the period FY 20 to FY 23.

Figure 6.1 General Fund Projected Deficits
In Millions of Dollars

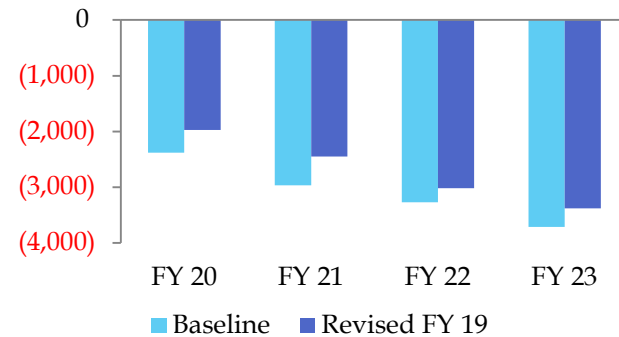


Table 6.1 Impact of the FY 19 Revised Budget on General Fund Projected Deficits
In Millions of Dollars

Category	FY 20	FY 21	FY 22	FY 23
Baseline	(2,379.6)	(2,967.6)	(3,271.5)	(3,712.2)
Accelerate Car Sales Tax Diversion	(120.1)	(137.9)	(130.1)	(147.7)
Restore Medicare Savings Program	(130.0)	(130.0)	(130.0)	(130.0)
Impact of FY 19 Carry Forwards	(42.5)	(42.5)	(42.5)	(42.5)
Delay Restoration of MRSA	339.2	347.3	-	-
Index the Volatility Cap	128.8	212.4	299.4	401.4
Hospital Supplemental Reduction	107.6	107.6	107.6	107.6
Other Revenue Changes (Net)	36.7	65.0	52.0	44.4
Other Expenditure Changes (Net)	<u>90.5</u>	<u>96.9</u>	<u>100.6</u>	<u>100.6</u>
FY 19 Revised Budget Policies Total	410.2	518.8	257.0	333.8
FY 19 Revised Budget Projected Deficit	(1,969.4)	(2,448.8)	(3,014.5)	(3,378.4)

MAJOR POLICIES IMPACTING OUT-YEARS

Index the Volatility Cap

Indexing the volatility cap to the five year average growth in personal income compared to maintaining the cap at \$3.15 billion provides an estimated \$401 million in additional available General Fund revenue by FY 23.

Reduce Hospital Medicaid Supplemental Payments

The FY 19 Revised Budget reduces the hospital Medicaid supplemental payments starting in FY 20, from \$496.3 million in FY 19 to \$166.5 million (a reduction of \$329.8 million) with a corresponding reduction in federal grant revenue of approximately \$222.2 million. The reduction in the hospital Medicaid supplemental payments and the related revenue change result in a positive net impact to the General Fund of \$107.6 million beginning in FY 20.

Delay Restoration of the Municipal Revenue Sharing Account (MRSA)

The FY 19 Revised Budget delays the transfer of 0.5 percentage points of the Sales Tax into the Municipal Revenue Sharing Account for FY 20 and FY 21, effectively delaying the transfer until FY 22. PA 17-2, the FY 18-19 budget, suspended the transfer for FY 18 and 19.

OTHER FACTORS IMPACTING THE OUT-YEARS

Other factors impacting the General Fund out-year deficit projections include: (1) acceleration of the car sales tax diversion to the Special Transportation Fund; (2) restoration of the Medicare Savings Program; and (3) the impact of using FY 18 carry forwards to help balance the FY 19 Revised Budget.

SPECIAL TRANSPORTATION FUND OUT-YEAR PROJECTIONS

The FY 19 Revised Budget results in a projected operating surplus for the STF, mainly through accelerating the diversion to the STF of Sales and Use tax revenues associated with car sales. The projected annual operating surplus grows from \$3.2 million in FY 19 to \$98.1 million in FY 23.

Table 6.2 Projected Balance of the Special Transportation Fund

In Millions of Dollars

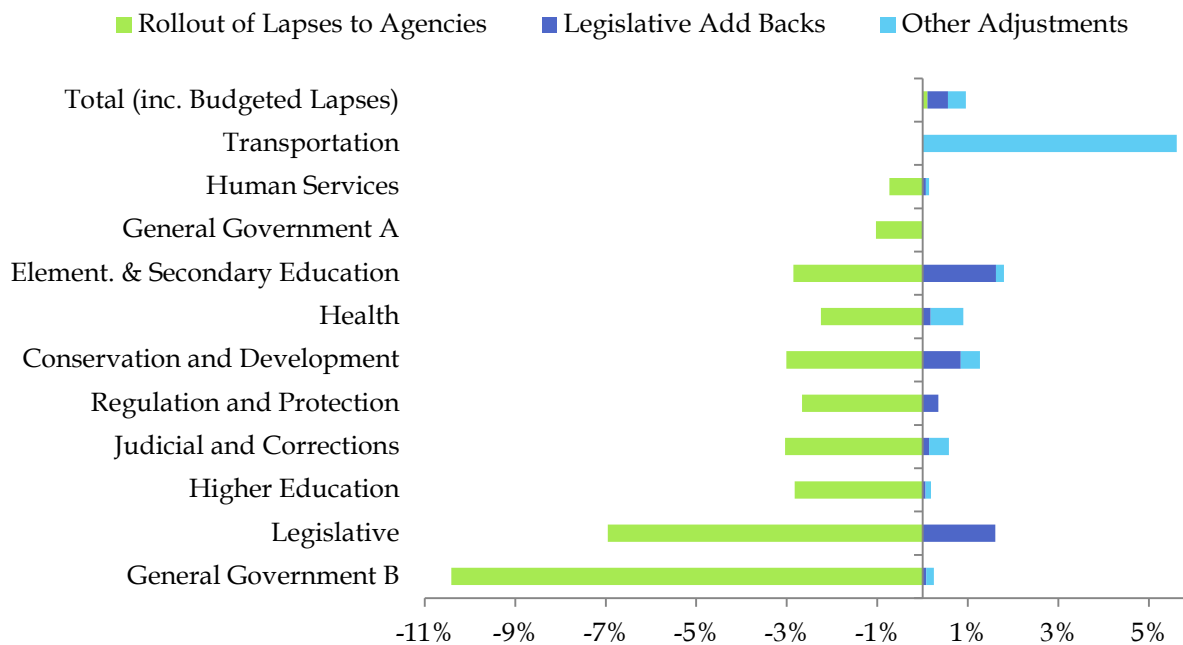
	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23
Starting Balance	97.6	245.7	248.9	294.3	361.0	461.4
Operating Surplus / (Deficit)	148.1	3.2	45.4	66.7	100.4	98.1
Ending Balance	245.7	248.9	294.3	361.0	461.4	559.5

PART II. APPROPRIATIONS

Appropriation Changes by Subcommittee

Appropriation changes in the FY 19 Revised Budget fall into three main categories: the rollout of budgeted lapses, legislative add backs, and other adjustments. These categories are described further in Section III of the Overview. Figure 1 reflects the size of the changes as a percent of the subcommittee's FY 19 Original Budget appropriation.

Figure 1 Change in Appropriations by Subcommittee
(Percent of FY 19 Original Budget)



The rollout of budgeted lapses to agencies reduced General Government B appropriations by 10.4%, reflecting large reductions in centralized fringe benefit accounts and the Reserve for Salary Adjustments account resulting predominately from the SEBAC 2017 Agreement. The Transportation subcommittee saw a 5.6% increase, due largely to increases in funding for public transit services at the Department of Transportation.

Table 1 provides the adjustment amounts in millions and Table 2 provides the net percentage change in the subcommittees' agency budgets from all adjustments.

Table 1 Appropriation Changes by Subcommittee
In Millions of Dollars

Subcommittee	Rollout Budgeted Lapses			
	Governor's Distribution	Legislative Add backs	Net Impact of Rollout	Other Adjustments
Conservation and Development	(8.8)	2.5	(6.4)	1.2
Element. & Secondary Education	(131.8)	74.7	(57.1)	8.3
General Government A	(0.4)	-	(0.4)	-
General Government B	(775.9)	6.2	(769.8)	12.4
Health	(29.1)	2.3	(26.7)	9.3
Higher Education	(18.5)	0.5	(18.0)	0.8
Human Services	(37.8)	3.7	(34.1)	3.6
Judicial and Corrections	(37.0)	1.7	(35.3)	5.4
Legislative	(4.9)	1.1	(3.8)	-
Regulation and Protection	(7.1)	0.9	(6.1)	-
Transportation	-	-	-	40.5
Total	21.9	93.6	115.5	81.6

Table 2 Total Appropriation Changes by Subcommittee
In Millions of Dollars

Subcommittee	Total Adjustments	FY 19 Original Appropriations	Net Percentage Change
Conservation and Development	(5.1)	292.9	-1.7%
Element. & Secondary Education	(48.8)	4,620.8	-1.1%
General Government A	(0.4)	41.4	-1.0%
General Government B	(757.3)	7,451.1	-10.2%
Health	(17.4)	1,294.8	-1.3%
Higher Education	(17.3)	654.2	-2.6%
Human Services	(30.5)	5,134.0	-0.6%
Judicial and Corrections	(29.9)	1,217.6	-2.5%
Legislative	(3.8)	70.5	-5.3%
Regulation and Protection	(6.1)	265.5	-2.3%
Transportation	40.5	722.0	5.6%
Total	197.2	20,658.2	1.0%

Subcommittees: Table of Contents

Legislative	19
General Government A.....	26
General Government B	39
Regulation and Protection	69
Conservation and Development.....	87
Health.....	111
Transportation	132
Human Services	139
Elementary & Secondary Education.....	157
Higher Education.....	172
Judicial and Corrections.....	182

The following pages detail appropriation adjustments by agency, organized by subcommittee and prefaced by a summary of each subcommittee's major changes, as applicable.

Legislative

	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative Recommended FY 19	Difference Leg-Gov FY 19
General Fund							
Legislative Management	60,228,136	55,479,502	54,190,078	59,023,164	54,115,837	55,252,531	1,136,694
Auditors of Public Accounts	11,267,495	10,035,605	10,167,806	10,621,294	10,167,806	10,621,294	453,488
Commission on Aging	437,287	-	-	-	-	-	-
Permanent Commission on the Status of Women	497,881	-	-	-	-	-	-
Commission on Children	763,419	-	-	-	-	-	-
Latino and Puerto Rican Affairs Commission	395,228	-	-	-	-	-	-
African-American Affairs Commission	303,458	-	-	-	-	-	-
Asian Pacific American Affairs Commission	196,470	-	-	-	-	-	-
Commission Women, Children, Seniors	-	513,731	422,366	430,000	422,366	430,000	7,634
Commission on Equity and Opportunity	-	516,256	422,366	430,000	422,366	430,000	7,634
Total - General Fund	74,089,375	66,545,094	65,202,616	70,504,458	65,128,375	66,733,825	1,605,450
Total - Appropriated Funds	74,089,375	66,545,094	65,202,616	70,504,458	65,128,375	66,733,825	1,605,450

Legislative Management OLM10000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	450	444	444	436	436	436	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	43,029,937	42,040,103	42,329,559	43,332,854	42,119,559	42,119,559	-
Other Expenses	14,829,043	12,363,242	11,365,535	13,975,741	11,976,294	11,976,294	-
Equipment	54,928	99,995	50,000	100,000	-	50,000	50,000
Other Current Expenses							
Flag Restoration	4,882	-	-	-	-	-	-
Interim Salary/Caucus Offices	613,031	452,875	19,984	452,875	19,984	19,984	-
Redistricting	-	-	25,000	100,000	-	25,000	25,000
Connecticut Academy of Science and Engineering	604,250	-	-	-	-	-	-
Old State House	542,747	-	400,000	500,000	-	500,000	500,000
Other Than Payments to Local Governments							
Interstate Conference Fund	365,568	339,537	-	377,944	-	377,944	377,944
New England Board of Higher Education	183,750	183,750	-	183,750	-	183,750	183,750
Agency Total - General Fund	60,228,136	55,479,502	54,190,078	59,023,164	54,115,837	55,252,531	1,136,694

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Annualize FY 18 Budgeted Lapses

Personal Services	(95,840)	(95,840)	-
Other Expenses	(1,999,447)	(1,999,447)	-
Equipment	(50,000)	(50,000)	-
Interim Salary/Caucus Offices	(432,891)	(432,891)	-
Redistricting	(75,000)	(75,000)	-
Old State House	(100,000)	-	100,000
Interstate Conference Fund	(377,944)	-	377,944
New England Board of Higher Education	(183,750)	-	183,750
Total - General Fund	(3,314,872)	(2,653,178)	661,694

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$3,314,872 to reflect this agency's portion of the non-SEBAC lapses.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Maintain funding in the following accounts: Old State House (\$100,000), Interstate Conference Fund (\$377,944) and the New England Board of Higher Education (\$183,750).

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(1,117,455)	(1,117,455)	-
Total - General Fund	(1,117,455)	(1,117,455)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$1,117,455 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Adjust Funding for Various Accounts

Equipment	(50,000)	-	50,000
Redistricting	(25,000)	-	25,000
Old State House	(400,000)	-	400,000
Total - General Fund	(475,000)	-	475,000

Governor

Reduce funding by \$475,000 to reflect the elimination of the Old State House (\$400,000), Equipment (\$50,000), and Redistricting (\$25,000) accounts.

Legislative

Maintain funding in the following accounts: Equipment (\$50,000), Redistricting (\$25,000) and the Old State House (\$400,000).

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	59,023,164	59,023,164	-
Policy Revisions	(4,907,327)	(3,770,633)	1,136,694
Total Recommended - GF	54,115,837	55,252,531	1,136,694

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	436	436	-
Total Recommended - GF	436	436	-

Auditors of Public Accounts APA11000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	117	121	126	126	126	126	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	10,899,914	9,687,187	9,909,270	10,349,151	9,909,270	10,349,151	439,881
Other Expenses	367,581	348,418	258,536	272,143	258,536	272,143	13,607
Agency Total - General Fund	11,267,495	10,035,605	10,167,806	10,621,294	10,167,806	10,621,294	453,488

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Annualize FY 2018 Budgeted Lapses

Personal Services	(174,287)	-	174,287
Other Expenses	(13,607)	-	13,607
Total - General Fund	(187,894)	-	187,894

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$187,894 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Do not annualize the FY 18 budgeted lapses.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(265,594)	-	265,594
Total - General Fund	(265,594)	-	265,594

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$265,594 to reflect this agency's portion of the attrition savings.

Legislative

Do not rollout the SEBAC attrition savings.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	10,621,294	10,621,294	-
Policy Revisions	(453,488)	-	453,488
Total Recommended - GF	10,167,806	10,621,294	453,488

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	126	126	-
Total Recommended - GF	126	126	-

Commission Women, Children, Seniors CWS11960

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	-	9	6	6	6	6	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	-	481,587	400,000	400,000	400,000	400,000	-
Other Expenses	-	32,144	22,366	30,000	22,366	30,000	7,634
Agency Total - General Fund	-	513,731	422,366	430,000	422,366	430,000	7,634

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Annualize FY 18 Budgeted Lapses

Other Expenses	(7,634)	-	7,634
Total - General Fund	(7,634)	-	7,634

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$7,634 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Do not annualize the FY 18 budgeted lapses.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	430,000	430,000	-
Policy Revisions	(7,634)	-	7,634
Total Recommended - GF	422,366	430,000	7,634

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	6	6	-
Total Recommended - GF	6	6	-

Commission on Equity and Opportunity

CEO11970

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	-	9	6	6	6	6	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	-	500,068	400,000	400,000	400,000	400,000	-
Other Expenses	-	16,188	22,366	30,000	22,366	30,000	7,634
Agency Total - General Fund	-	516,256	422,366	430,000	422,366	430,000	7,634

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Annualize FY 18 Budgeted Lapses

Other Expenses	(7,634)	-	7,634
Total - General Fund	(7,634)	-	7,634

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$7,634 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Do not annualize the FY 18 budgeted lapses.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	430,000	430,000	-
Policy Revisions	(7,634)	-	7,634
Total Recommended - GF	422,366	430,000	7,634

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	6	6	-
Total Recommended - GF	6	6	-

General Government A

	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative Recommended FY 19	Difference Leg-Gov FY 19
General Fund							
Governor's Office	2,481,314	2,377,942	2,291,501	2,375,598	2,398,940	2,291,501	(107,439)
Secretary of the State	9,701,475	8,909,845	8,681,518	8,980,949	8,443,156	8,743,156	300,000
Lieutenant Governor's Office	548,798	676,249	648,950	651,963	648,950	648,950	-
Elections Enforcement Commission	-	3,034,677	3,125,570	3,125,570	3,134,136	3,125,570	(8,566)
Office of State Ethics	-	1,381,774	1,431,755	1,431,755	1,436,245	1,431,755	(4,490)
Freedom of Information Commission	-	1,494,592	1,513,476	1,513,476	1,515,804	1,513,476	(2,328)
Office of Governmental Accountability	8,713,102	1,705,194	1,623,380	1,724,491	1,623,380	1,623,380	-
Total - General Fund	21,444,689	19,580,273	19,316,150	19,803,802	19,200,611	19,377,788	177,177
Banking Fund							
Department of Banking	20,418,193	20,137,806	21,487,877	21,586,105	21,956,213	21,586,105	(370,108)
Total - Appropriated Funds	41,862,882	39,718,079	40,804,027	41,389,907	41,156,824	40,963,893	(192,931)

Governor's Office GOV12000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	28	28	28	28	28	28	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	2,089,549	2,027,707	1,943,213	1,998,912	1,943,213	1,943,213	-
Other Expenses	200,857	158,952	176,132	185,402	176,132	176,132	-
Other Current Expenses							
Gubernatorial Transition	-	-	-	-	100,000	-	(100,000)
Other Than Payments to Local Governments							
New England Governors' Conference	74,391	74,391	66,952	74,391	74,391	66,952	(7,439)
National Governors' Association	116,517	116,892	105,204	116,893	105,204	105,204	-
Agency Total - General Fund	2,481,314	2,377,942	2,291,501	2,375,598	2,398,940	2,291,501	(107,439)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(51,299)	(51,299)	-
Total - General Fund	(51,299)	(51,299)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$51,299 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Personal Services	(4,400)	(4,400)	-
Other Expenses	(9,270)	(9,270)	-
New England Governors' Conference	(7,439)	(7,439)	-
National Governors' Association	(11,689)	(11,689)	-
Total - General Fund	(32,798)	(32,798)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Governor

Reduce funding by \$32,798 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Provide Funding for the Gubernatorial Transition Expenses

Gubernatorial Transition	100,000	-	(100,000)
Total - General Fund	100,000	-	(100,000)

Governor

Provide funding of \$100,000 to cover expenses associated with the transition of the Governor-elect.

Legislative

Do not provide funding of \$100,000 to cover gubernatorial transition expenses.

Current Services**Provide Funding for the Coalition of Northeastern Governors**

New England Governors' Conference	7,439	-	(7,439)
Total - General Fund	7,439	-	(7,439)

Background

The Coalition of Northeastern Governors (CONEG) is a non-partisan association where the seven governors of the Northeast states work to encourage intergovernmental cooperation on issues affecting the economic, social, and environmental well-being of the Northeast.

Governor

Provide funding of \$7,439 to reflect full-funding for the dues payment to CONEG.

Legislative

Do not provide funding of \$7,439 for CONEG membership dues.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	2,375,598	2,375,598	-
Policy Revisions	15,903	(84,097)	(100,000)
Current Services	7,439	-	(7,439)
Total Recommended - GF	2,398,940	2,291,501	(107,439)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	28	28	-
Total Recommended - GF	28	28	-

Secretary of the State

SOS12500

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	84	85	85	85	85	85	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	2,775,915	2,604,835	2,527,735	2,623,326	2,550,229	2,550,229	-
Other Expenses	1,877,820	1,709,133	1,660,213	1,747,589	1,360,209	1,660,209	300,000
Other Current Expenses							
Commercial Recording Division	4,822,177	4,595,877	4,493,570	4,610,034	4,532,718	4,532,718	-
Board of Accountancy	225,562	-	-	-	-	-	-
Agency Total - General Fund	9,701,475	8,909,845	8,681,518	8,980,949	8,443,156	8,743,156	300,000

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(67,323)	(67,323)	-
Commercial Recording Division	(71,209)	(71,209)	-
Total - General Fund	(138,532)	(138,532)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce various accounts by \$138,532 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Personal Services	(5,774)	(5,774)	-
Other Expenses	(87,380)	(87,380)	-
Commercial Recording Division	(6,107)	(6,107)	-
Total - General Fund	(99,261)	(99,261)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$99,261 to reflect this agency's portion of the non-SEBAC lapses.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Same as Governor

Adjust Funding for the Connecticut Data Collaborative

Other Expenses	(300,000)	-	300,000
Total - General Fund	(300,000)	-	300,000

Background

The Connecticut Data Collaborative is a public-private partnership that advocates for the public availability of open and accessible data to drive planning, policy, budgeting and decision making in Connecticut at the state, regional and local levels.

Governor

Eliminate funding of \$300,000 for the Connecticut Data Collaborative.

Legislative

Do not eliminate funding of \$300,000 for the Connecticut Data Collaborative.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	8,980,949	8,980,949	-
Policy Revisions	(537,793)	(237,793)	300,000
Total Recommended - GF	8,443,156	8,743,156	300,000

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	85	85	-
Total Recommended - GF	85	85	-

Lieutenant Governor's Office LGO13000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	7	7	7	7	7	7	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	516,873	587,707	591,699	591,699	591,699	591,699	-
Other Expenses	31,925	88,542	57,251	60,264	57,251	57,251	-
Agency Total - General Fund	548,798	676,249	648,950	651,963	648,950	648,950	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Annualize FY 18 Budgeted Lapses

Other Expenses	(3,013)	(3,013)	-
Total - General Fund	(3,013)	(3,013)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$3,013 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	651,963	651,963	-
Policy Revisions	(3,013)	(3,013)	-
Total Recommended - GF	648,950	648,950	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	7	7	-
Total Recommended - GF	7	7	-

Elections Enforcement Commission

ELE13500

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	-	35	35	35	35	35	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Other Current Expenses							
Elections Enforcement Commission	-	3,034,677	3,125,570	3,125,570	3,134,136	3,125,570	(8,566)
Agency Total - General Fund	-	3,034,677	3,125,570	3,125,570	3,134,136	3,125,570	(8,566)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Current Services

Adjust Funding to Reflect Wage & Compensation Related Costs

Elections Enforcement Commission	8,566	-	(8,566)
Total - General Fund	8,566	-	(8,566)

Governor

Provide funding of \$8,566 to reflect a step increase for an Attorney position.

Legislative

Do not provide funding of \$8,566 for the Attorney step increase.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	3,125,570	3,125,570	-
Current Services	8,566	-	(8,566)
Total Recommended - GF	3,134,136	3,125,570	(8,566)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	35	35	-
Total Recommended - GF	35	35	-

Office of State Ethics

ETH13600

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	-	15	16	16	16	16	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Other Current Expenses							
Information Technology Initiatives	-	11,295	28,226	28,226	28,226	28,226	-
Office of State Ethics	-	1,370,479	1,403,529	1,403,529	1,408,019	1,403,529	(4,490)
Agency Total - General Fund	-	1,381,774	1,431,755	1,431,755	1,436,245	1,431,755	(4,490)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Current Services

Adjust Funding to Reflect Wage & Compensation Related Costs

Office of State Ethics	4,490	-	(4,490)
Total - General Fund	4,490	-	(4,490)

Governor

Provide funding of \$4,490 to increase the salary of the Executive Director.

Legislative

Do not provide funding of \$4,490.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	1,431,755	1,431,755	-
Current Services	4,490	-	(4,490)
Total Recommended - GF	1,436,245	1,431,755	(4,490)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	16	16	-
Total Recommended - GF	16	16	-

Freedom of Information Commission

FOI13700

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	-	15	16	16	16	16	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Other Current Expenses							
Freedom of Information Commission	-	1,494,592	1,513,476	1,513,476	1,515,804	1,513,476	(2,328)
Agency Total - General Fund	-	1,494,592	1,513,476	1,513,476	1,515,804	1,513,476	(2,328)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Current Services

Adjust Funding to Reflect Wage & Compensation Related Costs

Freedom of Information Commission	2,328	-	(2,328)
Total - General Fund	2,328	-	(2,328)

Governor

Provide funding of \$2,328 to reflect a position reclassification approved by the Department of Administrative Services.

Legislative

Do not provide funding of \$2,328 for a position reclassification.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	1,513,476	1,513,476	-
Current Services	2,328	-	(2,328)
Total Recommended - GF	1,515,804	1,513,476	(2,328)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	16	16	-
Total Recommended - GF	16	16	-

Office of Governmental Accountability

OGA17000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	92	19	19	19	19	19	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	727,201	33,814	-	-	-	-	-
Other Expenses	43,245	29,211	32,507	34,218	32,507	32,507	-
Other Current Expenses							
Child Fatality Review Panel	90,218	101,840	94,734	94,734	94,734	94,734	-
Information Technology Initiatives	23,621	-	-	-	-	-	-
Citizens' Election Fund Admin	3,995	-	-	-	-	-	-
Elections Enforcement Commission	3,168,931	-	-	-	-	-	-
Office of State Ethics	1,457,607	-	-	-	-	-	-
Freedom of Information Commission	1,666,254	-	-	-	-	-	-
Contracting Standards Board	261,243	250,007	158,494	257,894	158,494	158,494	-
Judicial Review Council	116,767	112,972	124,509	124,509	124,509	124,509	-
Judicial Selection Commission	84,191	81,914	82,097	82,097	82,097	82,097	-
Office of the Child Advocate	563,242	631,052	630,059	630,059	630,059	630,059	-
Office of the Victim Advocate	383,158	376,019	387,708	387,708	387,708	387,708	-
Board of Firearms Permit Examiners	123,429	88,365	113,272	113,272	113,272	113,272	-
Agency Total - General Fund	8,713,102	1,705,194	1,623,380	1,724,491	1,623,380	1,623,380	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Annualize FY 18 Budgeted Lapses

Other Expenses	(1,711)	(1,711)	-
Contracting Standards Board	(99,400)	(99,400)	-
Total - General Fund	(101,111)	(101,111)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$101,111 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	1,724,491	1,724,491	-
Policy Revisions	(101,111)	(101,111)	-
Total Recommended - GF	1,623,380	1,623,380	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	19	19	-
Total Recommended - GF	19	19	-

Department of Banking

DOB37000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Banking Fund	120	123	119	119	119	119	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	10,596,822	10,333,909	10,874,258	10,984,235	10,984,235	10,984,235	-
Other Expenses	1,459,901	1,419,990	1,478,390	1,478,390	1,478,390	1,478,390	-
Equipment	46,768	35,383	44,900	44,900	44,900	44,900	-
Other Current Expenses							
Fringe Benefits	8,147,550	8,261,662	8,799,137	8,787,388	9,007,073	8,787,388	(219,685)
Indirect Overhead	167,151	86,862	291,192	291,192	441,615	291,192	(150,423)
Agency Total - Banking Fund	20,418,193	20,137,806	21,487,877	21,586,105	21,956,213	21,586,105	(370,108)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Current Services

Adjust Fringe Benefits and Indirect Overhead

Fringe Benefits	219,685	-	(219,685)
Indirect Overhead	150,423	-	(150,423)
Total - Banking Fund	370,108	-	(370,108)

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 \$370,108 to reflect revised fringe benefits and indirect overhead costs.

Legislative

No funding is provided for revised fringe benefits and indirect costs.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - BF	21,586,105	21,586,105	-
Current Services	370,108	-	(370,108)
Total Recommended - BF	21,956,213	21,586,105	(370,108)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - BF	119	119	-
Total Recommended - BF	119	119	-

General Government B

	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative Recommended FY 19	Difference Leg-Gov FY 19
General Fund							
State Treasurer	3,200,772	2,991,806	2,863,591	2,970,703	2,974,999	2,884,999	(90,000)
Debt Service - State Treasurer	1,967,727,167	2,058,197,172	2,311,062,836	2,213,623,729	2,213,623,729	2,213,623,729	-
State Comptroller	26,541,126	27,052,125	26,280,213	27,403,951	26,658,812	26,535,237	(123,575)
State Comptroller - Miscellaneous	43,911,555	98,251,622	22,546,139	2,985,705	2,985,705	2,985,705	-
State Comptroller - Fringe Benefits	2,669,556,055	2,724,157,238	2,723,887,021	3,208,895,923	2,880,472,523	2,843,095,923	(37,376,600)
Department of Revenue Services	65,667,146	61,554,636	61,618,895	63,041,860	61,872,788	61,072,788	(800,000)
Office of Policy and Management	267,266,995	248,326,343	339,182,204	325,649,732	289,060,867	370,000,258	80,939,391
Reserve for Salary Adjustments	-	-	16,450,763	484,497,698	107,097,698	99,232,684	(7,865,014)
Department of Administrative Services	129,225,270	120,145,517	109,783,097	116,272,234	112,766,104	112,906,307	140,203
Workers' Compensation Claims - Administrative Services	7,235,801	7,557,621	7,605,530	7,605,530	7,605,530	7,605,530	-
Attorney General	30,574,461	30,095,649	30,198,809	31,992,210	30,398,825	31,098,825	700,000
Total - General Fund	5,210,906,346	5,378,329,729	5,651,479,098	6,484,939,275	5,735,517,580	5,771,041,985	35,524,405
Special Transportation Fund							
Debt Service - State Treasurer	493,938,883	543,188,610	583,279,938	680,223,716	659,623,716	651,223,716	(8,400,000)
State Comptroller - Miscellaneous	9,029,529	10,551,207	675,402	213,133	213,133	213,133	-
State Comptroller - Fringe Benefits	184,929,702	193,668,784	185,386,068	217,355,084	196,294,284	195,055,084	(1,239,200)
Reserve for Salary Adjustments	-	-	2,301,186	2,301,186	2,301,186	2,301,186	-
Department of Administrative Services	6,390,246	6,221,235	8,353,680	8,508,924	8,508,924	8,508,924	-
Workers' Compensation Claims - Administrative Services	6,076,764	4,641,036	6,723,297	6,723,297	6,723,297	6,723,297	-
Total - Special Transportation Fund	700,365,124	758,270,872	786,719,571	915,325,340	873,664,540	864,025,340	(9,639,200)
Mashantucket Pequot and Mohegan Fund							
Office of Policy and Management	61,687,907	58,076,610	57,649,850	49,942,796	49,692,232	49,942,796	250,564
Regional Market Operation Fund							
State Comptroller - Miscellaneous	6,176	11,792	2,845	2,845	2,845	2,845	-
Banking Fund							
State Comptroller - Miscellaneous	199,530	95,178	95,178	95,178	95,178	95,178	-
Insurance Fund							
State Comptroller - Miscellaneous	291,264	358,784	116,945	116,945	116,945	116,945	-
Office of Policy and Management	478,802	485,163	519,712	520,776	520,776	520,776	-
Total - Insurance Fund	770,065	843,947	636,657	637,721	637,721	637,721	-
Consumer Counsel and Public Utility Control Fund							
State Comptroller - Miscellaneous	266,964	162,673	89,658	89,658	89,658	89,658	-
Workers' Compensation Fund							
State Comptroller - Miscellaneous	29,886	33,672	72,298	72,298	72,298	72,298	-
Criminal Injuries Compensation Fund							
State Comptroller - Miscellaneous	63,293	(253,234)	-	-	-	-	-
Municipal Revenue Sharing Fund							
Office of Policy and Management	-	184,952,889	-	-	-	-	-
Total - Appropriated Funds	5,974,295,291	6,380,524,128	6,496,745,155	7,451,105,111	6,659,772,052	6,685,907,821	26,135,769

MAJOR CHANGES

OFFICE OF POLICY AND MANAGEMENT

- Increase Funding for Car Tax Grants:** PA 18-81 provides \$15.7 million for the Municipal Transition Grant (i.e., the Car Tax Grant). This funding is intended to reimburse towns for the revenue loss resulting from the motor vehicle mill rate cap, based on their current mill rates.

OFFICE OF THE STATE COMPTROLLER

- **Provide Additional Fringe Benefits Funding for the Community Colleges:** PA 18-81 provides \$16.2 million for the community colleges to subsidize the cost of fringe benefits for non-General Fund supported employees (see also Higher Education Subcommittee Major Changes).
- **Gross Fund Higher Education Alternate Retirement Program (ARP):** PA 18-81 provides funding of \$27.3 million to reflect gross appropriating the ARP account. There is a corresponding revenue gain of \$35.5 million to the General Fund.
- **Carry Forward FY 18 Retiree Health Funds:** Funding is reduced by \$21.5 million to reflect the carry forward and use of FY 18 Retiree Health funds (that otherwise would have lapsed) into FY 19.

OFFICE OF THE STATE TREASURER

- **Reduce STF Debt Service:** The appropriation for debt service paid from the Special Transportation Fund (STF) is reduced by a total of \$29.6 million. Of the total reduction, \$20.6 million reflects lower than anticipated debt repayments based on the FY 18 Special Tax Obligation (STO) bond issuance. The remaining \$9.0 million reflects lower than anticipated debt service payments in FY 19 due to a new \$750 million cap on STO issuances in FY 19 and FY 20.

State Treasurer

OTT14000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	45	45	45	45	46	45	(1)
Special Transportation Fund	1	1	1	1	1	1	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	3,066,325	2,864,352	2,737,977	2,838,478	2,849,385	2,759,385	(90,000)
Other Expenses	134,447	127,454	125,614	132,225	125,614	125,614	-
Agency Total - General Fund	3,200,772	2,991,806	2,863,591	2,970,703	2,974,999	2,884,999	(90,000)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Adjust Funding to Assist with Boards and Commissions

Personal Services	90,000	-	(90,000)
Total - General Fund	90,000	-	(90,000)
Positions - General Fund	1	-	(1)

Background

The Governor's revised FY 19 budget creates and funds an additional position within the Office of the Treasurer. The additional position would help the office to staff various boards and commissions.

Governor

Increase funding for Personal Services by \$90,000 and add one position in FY 19 to assist with boards and commissions.

Legislative

Do not increase number of positions or funding in FY 19.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(72,845)	(72,845)	-
Total - General Fund	(72,845)	(72,845)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$72,845 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Annualize FY 18 Budgeted Lapses

Personal Services	(6,248)	(6,248)	-
Other Expenses	(6,611)	(6,611)	-
Total - General Fund	(12,859)	(12,859)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$12,859 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	2,970,703	2,970,703	-
Policy Revisions	4,296	(85,704)	(90,000)
Total Recommended - GF	2,974,999	2,884,999	(90,000)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	45	45	-
Policy Revisions	1	-	(1)
Total Recommended - GF	46	45	(1)
Original Appropriation - TF	1	1	-
Total Recommended - TF	1	1	-

Debt Service - State Treasurer

OTT14100

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Other Current Expenses							
Debt Service	1,682,659,701	1,768,625,362	1,955,817,562	1,858,767,569	1,858,767,569	1,858,767,569	-
UConn 2000 - Debt Service	148,249,734	165,904,014	189,526,253	210,955,639	210,955,639	210,955,639	-
CHEFA Day Care Security	4,085,086	4,069,825	5,500,000	5,500,000	5,500,000	5,500,000	-
Pension Obligation Bonds - TRB	132,732,646	119,597,971	140,219,021	118,400,521	118,400,521	118,400,521	-
Grant Payments to Local Governments							
Municipal Restructuring	-	-	20,000,000	20,000,000	20,000,000	20,000,000	-
Agency Total - General Fund	1,967,727,167	2,058,197,172	2,311,062,836	2,213,623,729	2,213,623,729	2,213,623,729	-
Debt Service	493,938,883	543,188,610	583,279,938	680,223,716	659,623,716	651,223,716	(8,400,000)
Agency Total - Special Transportation Fund	493,938,883	543,188,610	583,279,938	680,223,716	659,623,716	651,223,716	(8,400,000)
Total - Appropriated Funds	2,461,666,050	2,601,385,782	2,894,342,774	2,893,847,445	2,873,247,445	2,864,847,445	(8,400,000)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Reduce STF Debt Service to Reflect Lower Future STO Issuance

Debt Service	-	(9,000,000)	(9,000,000)
Total - Special Transportation Fund	-	(9,000,000)	(9,000,000)

Background

The amount of funding necessary for debt service is dependent on both existing outstanding debt and projections of the costs of repayment of debt to be issued in the future. New debt issuance is closely related to recent and anticipated spending in bond-funded programs. Special Tax Obligation (STO) bonds rely on the Special Transportation Fund (STF) for debt repayment.

The Official Statement for the February 2018 STO bond issuance indicates that the state expected to issue \$800 million of STO bonds in FY 19, absent other changes to the transportation fund. The Governor's proposed budget revision for FY 19 anticipated STO issuance would be \$900 million or more for FY 19 if recommended changes to the STF were adopted. PA 18-178 limits the issuance of Special Tax Obligation bonds in FY 19 and FY 20 to \$750 million.

PA 18-178 also requires the State Bond Commission to allocate up to \$250 million of transportation bonds legislatively authorized as STO debt as General Obligation (GO) debt in each of CY 18 and CY 19. STO bond authorizations that are issued as GO debt are exempt from GO bond limits, including the debt limit, allocation cap, and issuance cap.

Legislative

Reflect savings of \$9 million in FY 19 in the STF associated with the STO bond issuance cap established in PA 18-178. A total of \$1 billion of transportation projects are expected to be bond funded in each of FY 19 and FY 20, with \$750 million of the \$1 billion issued as STO debt and the remaining \$250 million issued as GO debt. Because STO and GO debt issuance and repayment are slightly different, debt service in the GF is not expected to increase to reflect the increased GO issuance until after the biennium.

Reflect Impact of FY 18 STO Issuance on STF Debt Service

Debt Service	(20,600,000)	(20,000,000)	600,000
Total - Special Transportation Fund	(20,600,000)	(20,000,000)	600,000

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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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 19 debt service payment is to repay bonds that were issued prior to FY 18. The FY 18 Special Tax Obligation (STO) bond issuance was anticipated to be \$900 million offered in the Fall of 2017. The actual issuance closed in February 2018 and was for \$800 million of STO bonds.

Governor

The Governor's FY 19 budget revision reduces debt service within the Special Transportation Fund by \$20.6 million in FY 19. This reduction is primarily the result of the amount, timing, and favorable market factors of the FY 18 Special Tax Obligation bond issuance.

Legislative

Reduce STF debt service by \$20 million in FY 19.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	2,213,623,729	2,213,623,729	-
Total Recommended - GF	2,213,623,729	2,213,623,729	-
Original Appropriation - TF	680,223,716	680,223,716	-
Policy Revisions	(20,600,000)	(29,000,000)	(8,400,000)
Total Recommended - TF	659,623,716	651,223,716	(8,400,000)

State Comptroller OSC15000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	276	277	277	277	277	277	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	23,338,261	22,448,969	21,768,802	22,655,097	22,023,826	22,023,826	-
Other Expenses	5,584,945	4,603,156	4,511,411	4,748,854	4,634,986	4,511,411	(123,575)
Nonfunctional - Change to Accruals	(2,382,081)	-	-	-	-	-	-
Agency Total - General Fund	26,541,126	27,052,125	26,280,213	27,403,951	26,658,812	26,535,237	(123,575)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(581,406)	(581,406)	-
Total - General Fund	(581,406)	(581,406)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of the 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$581,406 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Annualize FY 19 Budgeted Lapses

Personal Services	(49,865)	(49,865)	-
Other Expenses	(237,443)	(237,443)	-
Total - General Fund	(287,308)	(287,308)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$287,308 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Current Services

Provide Funding for Software Maintenance Expenses

Other Expenses	123,575	-	(123,575)
Total - General Fund	123,575	-	(123,575)

Governor

Provide Funding of \$123,575 in the Other Expenses account for software maintenance: \$52,145 is provided for projects which were originally funded with bond funds, whose continued maintenance must be paid for out of operating costs, including the School Construction Project strategic sourcing software and security software for the Grants Management Project. The balance of the funding, \$71,430, is to support maintenance to system management software and an upgrade to DocuSign, which is used for electronic transmission and approval of contracts.

Legislative

Do not provide funding of \$123,575 in the Other Expenses account for software maintenance.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	27,403,951	27,403,951	-
Policy Revisions	(868,714)	(868,714)	-
Current Services	123,575	-	(123,575)
Total Recommended - GF	26,658,812	26,535,237	(123,575)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	277	277	-
Total Recommended - GF	277	277	-

State Comptroller - Miscellaneous

OSC15100

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Other Current Expenses							
Adjudicated Claims	43,911,555	29,182,213	22,000,000	-	-	-	-
Nonfunctional - Change to Accruals	-	69,069,409	546,139	2,985,705	2,985,705	2,985,705	-
Agency Total - General Fund	43,911,555	98,251,622	22,546,139	2,985,705	2,985,705	2,985,705	-
Nonfunctional - Change to Accruals	9,029,529	10,551,207	675,402	213,133	213,133	213,133	-
Agency Total - Special Transportation Fund	9,029,529	10,551,207	675,402	213,133	213,133	213,133	-
Nonfunctional - Change to Accruals	6,176	11,792	2,845	2,845	2,845	2,845	-
Agency Total - Regional Market Operation Fund	6,176	11,792	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	358,784	116,945	116,945	116,945	116,945	-
Agency Total - Insurance Fund	291,264	358,784	116,945	116,945	116,945	116,945	-
Nonfunctional - Change to Accruals	266,964	162,673	89,658	89,658	89,658	89,658	-
Agency Total - Consumer Counsel and Public Utility Control Fund	266,964	162,673	89,658	89,658	89,658	89,658	-
Nonfunctional - Change to Accruals	29,886	33,672	72,298	72,298	72,298	72,298	-
Agency Total - Workers' Compensation Fund	29,886	33,672	72,298	72,298	72,298	72,298	-
Nonfunctional - Change to Accruals	63,293	(253,234)	-	-	-	-	-
Agency Total - Criminal Injuries Compensation Fund	63,293	(253,234)	-	-	-	-	-
Total - Appropriated Funds	53,798,196	109,211,694	23,598,465	3,575,762	3,575,762	3,575,762	-

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	2,985,705	2,985,705	-
Total Recommended - GF	2,985,705	2,985,705	-
Original Appropriation - TF	213,133	213,133	-
Total Recommended - TF	213,133	213,133	-
Original Appropriation - RF	2,845	2,845	-
Total Recommended - RF	2,845	2,845	-
Original Appropriation - BF	95,178	95,178	-
Total Recommended - BF	95,178	95,178	-
Original Appropriation - IF	116,945	116,945	-
Total Recommended - IF	116,945	116,945	-
Original Appropriation - PF	89,658	89,658	-
Total Recommended - PF	89,658	89,658	-
Original Appropriation - WF	72,298	72,298	-
Total Recommended - WF	72,298	72,298	-

State Comptroller - Fringe Benefits

OSC15200

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Other Current Expenses							
Unemployment Compensation	5,068,428	9,324,015	7,272,256	6,465,764	6,518,764	6,465,764	(53,000)
State Employees Retirement Contributions	1,096,800,201	1,124,661,963	1,051,288,149	1,324,658,878	1,154,873,978	1,165,586,416	10,712,438
Higher Education Alternative Retirement System	(34,354)	(4,481,076)	1,000	1,000	27,300,000	1,000	(27,299,000)
Pensions and Retirements - Other Statutory	1,602,498	1,588,430	1,606,796	1,657,248	1,657,248	1,657,248	-
Judges and Compensation Commissioners Retirement	18,258,707	19,163,487	25,457,910	27,427,480	27,427,480	27,427,480	-
Insurance - Group Life	7,754,314	7,700,785	7,991,900	8,235,900	8,237,400	8,270,468	33,068
Employers Social Security Tax	228,290,741	213,479,495	198,812,550	197,818,172	198,500,172	199,077,427	577,255
State Employees Health Service Cost	662,862,284	644,726,791	622,442,460	707,332,481	654,556,781	655,811,120	1,254,339
Retired State Employees Health Service Cost	645,975,176	706,466,675	717,699,000	844,099,000	709,099,000	687,599,000	(21,500,000)
Tuition Reimbursement - Training and Travel	2,961,860	1,508,278	115,000	-	-	-	-
Other Post Employment Benefits	-	-	91,200,000	91,200,000	91,200,000	91,200,000	-
Death Benefits For St Employ	16,200	16,200	-	-	-	-	-
Insurance Recovery	-	2,195	-	-	-	-	-
SERS Defined Contribution Match	-	-	-	-	1,101,700	-	(1,101,700)
Agency Total - General Fund	2,669,556,055	2,724,157,238	2,723,887,021	3,208,895,923	2,880,472,523	2,843,095,923	(37,376,600)
Unemployment Compensation	287,591	194,746	203,548	203,548	203,548	203,548	-
State Employees Retirement Contributions	122,166,623	129,227,978	116,442,942	144,980,942	126,280,942	126,280,942	-
Insurance - Group Life	268,204	270,550	273,357	277,357	277,357	277,357	-
Employers Social Security Tax	15,498,733	15,562,386	15,655,534	15,674,834	15,908,834	15,674,834	(234,000)
State Employees Health Service Cost	46,708,551	48,413,124	46,810,687	50,218,403	47,503,403	46,618,403	(885,000)
Other Post Employment Benefits	-	-	6,000,000	6,000,000	6,000,000	6,000,000	-
SERS Defined Contribution Match	-	-	-	-	120,200	-	(120,200)
Agency Total - Special Transportation Fund	184,929,702	193,668,784	185,386,068	217,355,084	196,294,284	195,055,084	(1,239,200)
Total - Appropriated Funds	2,854,485,757	2,917,826,022	2,909,273,089	3,426,251,007	3,076,766,807	3,038,151,007	(38,615,800)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Provide Fringe Benefit Subsidy to Community Colleges

State Employees Retirement Contributions	-	11,127,538	11,127,538
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Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Insurance - Group Life	-	34,568	34,568
Employers Social Security Tax	-	1,259,255	1,259,255
State Employees Health Service Cost	-	3,778,639	3,778,639
Total - General Fund	-	16,200,000	16,200,000

Legislative

Provide \$16.2 million in General Fund support for the Community Technical College System to subsidize the cost of fringe benefits for non-General Fund supported employees at the institutions. Section 16 of PA 18-81, the budget bill, implements this policy.

Carryforward Retiree Health Funding

Retired State Employees Health Service Cost	-	(21,500,000)	(21,500,000)
Total - General Fund	-	(21,500,000)	(21,500,000)

Legislative

Reduce funding by \$21.5 million in the Retired State Employees Health Service Cost account to reflect the use of \$21.5 million in carry forward funding from FY 18 in FY 19. Section 49 of PA 18-81, the budget bill, is related to this change.

Gross Fund Higher Education Alternate Retirement Program

Higher Education Alternative Retirement System	27,299,000	-	(27,299,000)
Total - General Fund	27,299,000	-	(27,299,000)

Background

CGS 5-155a authorizes eligible unclassified employees of the constituent units of higher education to participate in an alternate retirement program (ARP), a defined contribution plan. Pursuant to the SEBAC 2017 Agreement the state's contribution is 7.25% of salary and employees contribute 5.75%. In FY 20, these contribution rates are modified by 1/4% to 7% and 6% respectively. For employees hired on or after July 31, 2017, the state contribution is 6.5% and the employee default contribution is 6.5%. The state's contribution is paid for from various funding sources and is based on where the employee's salary is charged. Currently, recoveries from other funding sources, predominately tuition funds of higher education institutions are deposited into the ARP appropriation within the General Fund (GF) for non-GF supported employees as an expenditure offset. In recent years the recoveries have exceeded GF expenditures. The Governor recommends gross appropriating the ARP account whereby all recoveries will be deposited into the GF as revenue and the GF appropriation will reflect the state's contribution for those employees whose salaries are supported by the GF (including those employees funded out of the higher education block grants).

Governor

Provide funding of \$27,299,000 in FY 19 to reflect gross appropriating the ARP account. There is a corresponding increase in GF revenue of \$35.5 million.

Legislative

Maintain the current accounting structure of the Higher Education Alternate Retirement System.

Rollout SEBAC Savings to Agencies

State Employees Retirement Contributions	(170,200,000)	(170,200,000)	-
State Employees Health Service Cost	(55,300,000)	(55,300,000)	-
Retired State Employees Health Service Cost	(135,000,000)	(135,000,000)	-
Total - General Fund	(360,500,000)	(360,500,000)	-
State Employees Retirement Contributions	(18,700,000)	(18,700,000)	-
State Employees Health Service Cost	(3,600,000)	(3,600,000)	-
Total - Special Transportation Fund	(22,300,000)	(22,300,000)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of the 2017 SEBAC agreement, including savings associated with changes to the state employee and retiree health plan and the State Employees' Retirement System. The Governor's revised FY 19 budget allocates \$835.3 million in the General and Special Transportation Funds to various agencies to achieve savings.

Governor

Reduce the fringe benefit accounts by \$360.5 million in the General Fund and \$22.3 million in the Special Transportation in FY 19 to reflect this agency's portion of the SEBAC 2017 savings.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Same as Governor

Provide Funding for Fringe Benefits for Additional Positions

Employers Social Security Tax	14,500	-	(14,500)
State Employees Health Service Cost	51,700	-	(51,700)
Total - General Fund	66,200	-	(66,200)

Governor

Provide funding of \$66,200 in the General Fund in FY 19 to reflect the addition of 3 positions.

Legislative

Do not provide funding for additional positions.

Adjust Fringe Benefits for the Transfer of Positions

State Employees Retirement Contributions	415,100	-	(415,100)
Insurance - Group Life	1,500	-	(1,500)
Employers Social Security Tax	56,100	-	(56,100)
State Employees Health Service Cost	159,300	-	(159,300)
Total - General Fund	632,000	-	(632,000)

Governor

Provide funding of \$632,000 in the General Fund in FY 19 to reflect the transfer of state personnel.

Legislative

Do not provide funding for the transfer of positions.

Current Services**Provide Funding for SERS Tier IV Employer Contribution**

SERS Defined Contribution Match	1,101,700	-	(1,101,700)
Total - General Fund	1,101,700	-	(1,101,700)
SERS Defined Contribution Match	120,200	-	(120,200)
Total - Special Transportation Fund	120,200	-	(120,200)

Background

The SEBAC 2017 Agreement established a new Tier IV within the State Employees' Retirement System (SERS), a hybrid defined contribution/defined benefit tier, for employees hired on or after July 31, 2017. The state's contribution, as well as the employee's default contribution towards the defined contribution portion, is 1% of salary. The 1% contribution is not included as part of the state's actuarially determined employer contribution (ADEC) for SERS and therefore a new account is recommended to distinguish between the employer's contribution towards Tier IV employees' defined contribution accounts versus the General Fund's share of the SERS ADEC.

Governor

Provide funding of \$1,101,700 in the General Fund and \$120,200 in the Special Transportation Fund to reflect the state's contribution towards Tier IV employees' defined contribution accounts.

Legislative

Do not provide funding for the SERS Tier IV defined contribution employer match.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Adjust Fringe Benefits to Reflect Technical Adjustments

Unemployment Compensation	53,000	-	(53,000)
Employers Social Security Tax	611,400	-	(611,400)
State Employees Health Service Cost	2,313,300	-	(2,313,300)
Total - General Fund	2,977,700	-	(2,977,700)
Employers Social Security Tax	234,000	-	(234,000)
State Employees Health Service Cost	885,000	-	(885,000)
Total - Special Transportation Fund	1,119,000	-	(1,119,000)

Governor

Provide funding of \$2,977,700 in the General Fund and \$1,119,000 in the Special Transportation Fund in FY 19 to reflect the net impact of technical position changes.

Legislative

Do not provide funding for the net impact of technical position changes.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	3,208,895,923	3,208,895,923	-
Policy Revisions	(332,502,800)	(365,800,000)	(33,297,200)
Current Services	4,079,400	-	(4,079,400)
Total Recommended - GF	2,880,472,523	2,843,095,923	(37,376,600)
Original Appropriation - TF	217,355,084	217,355,084	-
Policy Revisions	(22,300,000)	(22,300,000)	-
Current Services	1,239,200	-	(1,239,200)
Total Recommended - TF	196,294,284	195,055,084	(1,239,200)

Department of Revenue Services

DRS16000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	660	660	660	660	660	660	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	57,801,853	54,294,775	54,055,834	56,210,743	53,964,727	54,639,727	675,000
Other Expenses	7,865,293	7,259,861	7,563,061	6,831,117	7,908,061	6,433,061	(1,475,000)
Agency Total - General Fund	65,667,146	61,554,636	61,618,895	63,041,860	61,872,788	61,072,788	(800,000)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Adjust Funding in Other Expenses

Other Expenses	800,000	-	(800,000)
Total - General Fund	800,000	-	(800,000)

Background

FY 17 actual expenditures in Other Expenses totaled \$7,259,861.

Governor

Provide funding of \$800,000 in Other Expenses to pay for information technology costs including maintenance contracts for the Integrated Tax Administration System.

Legislative

Do not provide additional funding.

Adjust Funding for Temporary Staff

Personal Services	(675,000)	-	675,000
Other Expenses	675,000	-	(675,000)
Total - General Fund	-	-	-

Governor

Transfer funding of \$675,000 for seasonal staff from Personal Services to Other Expenses. The agency will obtain temporary staff through a staffing agency rather than hire seasonal state employees.

Legislative

Do not transfer funding.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(1,446,919)	(1,446,919)	-
Total - General Fund	(1,446,919)	(1,446,919)	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$1,446,919 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Personal Services	(124,097)	(124,097)	-
Other Expenses	(398,056)	(398,056)	-
Total - General Fund	(522,153)	(522,153)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$522,153 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	63,041,860	63,041,860	-
Policy Revisions	(1,169,072)	(1,969,072)	(800,000)
Total Recommended - GF	61,872,788	61,072,788	(800,000)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	660	660	-
Total Recommended - GF	660	660	-

Office of Policy and Management

OPM20000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	125	125	125	125	125	125	-
Insurance Fund	2	2	2	2	2	2	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	11,244,909	10,349,080	9,699,404	10,006,964	10,324,283	9,728,126	(596,157)
Other Expenses	1,482,071	1,076,636	1,043,180	1,098,084	1,043,180	1,043,180	-
Other Current Expenses							
Litigation Settlement Costs	1,177,151	345,024	-	-	-	-	-
Automated Budget System and Data Base Link	9,134	25,137	26,776	39,668	26,776	26,776	-
Justice Assistance Grants	732,653	858,401	818,828	910,489	819,440	819,440	-
Criminal Justice Information System	1,671,049	892,447	-	-	-	-	-
Project Longevity	940,000	799,423	573,750	850,000	573,750	573,750	-
Council of Governments	-	-	1,856,250	5,000,000	1,856,250	4,106,250	2,250,000
Other Than Payments to Local Governments							
Tax Relief For Elderly Renters	26,287,142	25,021,326	24,394,720	25,020,226	21,955,248	25,020,226	3,064,978
Private Providers	-	-	-	-	-	31,037,000	31,037,000
Grant Payments to Local Governments							
Reimbursement to Towns for Loss of Taxes on State Property	71,356,484	66,730,438	50,306,436	56,045,788	46,603,503	56,045,788	9,442,285
Reimbursements to Towns for Private Tax-Exempt Property	122,919,655	114,950,767	98,377,557	105,889,432	95,131,701	105,889,432	10,757,731
Reimbursement Property Tax - Disability Exemption	400,000	374,065	364,713	374,065	364,713	364,713	-
Distressed Municipalities	5,549,101	4,884,698	-	-	-	-	-
Property Tax Relief Elderly Circuit Breaker	20,505,900	19,176,502	-	-	-	-	-
Property Tax Relief Elderly Freeze Program	94,757	64,853	65,000	65,000	50,026	65,000	14,974
Property Tax Relief for Veterans	2,896,990	2,777,546	2,708,107	2,777,546	2,708,107	2,708,107	-
Municipal Revenue Sharing	-	-	35,221,814	36,819,135	35,221,814	36,819,135	1,597,321
Municipal Transition	-	-	30,944,314	15,000,000	15,000,000	30,700,000	15,700,000
Municipal Stabilization Grant	-	-	55,481,355	37,753,335	30,082,076	37,753,335	7,671,259
Municipal Restructuring	-	-	27,300,000	28,000,000	27,300,000	27,300,000	-
Agency Total - General Fund	267,266,995	248,326,343	339,182,204	325,649,732	289,060,867	370,000,258	80,939,391
Grants To Towns	61,687,907	58,076,610	57,649,850	49,942,796	49,692,232	49,942,796	250,564
Agency Total - Mashantucket Pequot and Mohegan Fund	61,687,907	58,076,610	57,649,850	49,942,796	49,692,232	49,942,796	250,564
Personal Services	294,370	295,305	312,818	313,882	313,882	313,882	-
Other Expenses	5,355	5,797	6,012	6,012	6,012	6,012	-
Fringe Benefits	179,077	184,061	200,882	200,882	200,882	200,882	-
Agency Total - Insurance Fund	478,802	485,163	519,712	520,776	520,776	520,776	-

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Municipal Revenue Sharing	-	184,952,889	-	-	-	-	-
Agency Total - Municipal Revenue Sharing Fund	-	184,952,889	-	-	-	-	-
Total - Appropriated Funds	329,433,704	491,841,005	397,351,766	376,113,304	339,273,875	420,463,830	81,189,955

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Adjust Funding for Municipal Aid

Reimbursement to Towns for Loss of Taxes on State Property	(5,323,213)	-	5,323,213
Reimbursements to Towns for Private Tax-Exempt Property	(6,950,294)	-	6,950,294
Municipal Revenue Sharing	(1,597,321)	-	1,597,321
Municipal Stabilization Grant	(4,749,008)	-	4,749,008
Total - General Fund	(18,619,836)	-	18,619,836
Grants To Towns	(91,295)	-	91,295
Total - Mashantucket Pequot and Mohegan Fund	(91,295)	-	91,295

Background

State Property PILOT: This program provides a payment in lieu of local property taxes (PILOT) 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. Payment percentages are generally 1) 100% for property used for prisons, 2) 65% for Connecticut Valley Hospital, and 3) 45% for most other state property. Payments are reduced during years when appropriations are insufficient to fully fund the program.

College & Hospital PILOT: This program provides a payment in lieu of local property taxes (PILOT) for property owned and used by the private colleges and hospitals. The payment is equal to 77% of the amount of taxes that would be paid if the property were not exempt from taxation. Payments are reduced during years when appropriations are insufficient to fully fund the program.

Pequot: The Mashantucket Pequot/Mohegan Fund annually distributes a grant to each of the state's 169 municipalities. The distribution is based on numerous factors including, but not limited to, the value of state-owned property, private college and general hospitals, population, equalized net grand list, and per capita income

Municipal Revenue Sharing: This grant is a supplemental PILOT payment to the five towns with the highest percentage of tax exempt property in the state (Bridgeport, Hartford, New Haven, Mansfield and Waterbury).

Municipal Stabilization: This grant was established during the FY 18 and FY 19 biennial budget to mitigate the impact to towns of reductions in other types of state aid.

Governor

Reduce various municipal aid accounts by a total of \$18,619,836 in the General Fund and \$91,295 in the Pequot Fund in FY 19. This reflects the elimination of increased funding from these accounts to any town between FY 18 and FY 19.

Legislative

Do not eliminate funding increases to towns between FY 18 and FY 19.

Reduce Municipal Aid to Wealthy Communities

Reimbursement to Towns for Loss of Taxes on State Property	(2,829,163)	-	2,829,163
Reimbursements to Towns for Private Tax-Exempt Property	(1,284,936)	-	1,284,936
Municipal Stabilization Grant	(1,499,652)	-	1,499,652
Total - General Fund	(5,613,751)	-	5,613,751
Grants To Towns	(159,269)	-	159,269
Total - Mashantucket Pequot and Mohegan Fund	(159,269)	-	159,269

Background

See account descriptions above for background on effected grants.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Governor

Reduce funding for various municipal aid accounts by \$5,613,751 in the General Fund and \$159,269 in the Pequot Fund in FY 19 to reflect the elimination of funding from these accounts to 33 municipalities with adjusted equalized net grand lists per capita of more than \$200,000, based on FY 16 data.

Legislative

Do not reduce funding for various municipal aid accounts for wealthy communities in FY 19.

Adjust Funding for Car Tax Grants

Municipal Transition	-	15,700,000	15,700,000
Total - General Fund	-	15,700,000	15,700,000

Background

The Municipal Transition Grant provides grants to municipalities that lose revenue as a result of the motor vehicle mill rate cap. PA 17-2, the FY 18 and FY 19 budget, provided grants sufficient to reimburse municipalities for the revenue loss resulting from the motor vehicle mill rate cap, based on their FY 15 mill rates.

Legislative

Provide funding of \$15,700,000 to reimburse municipalities for the revenue loss resulting from the motor vehicle mill rate cap, based on their current mill rates.

Provide Funding for Private Providers

Private Providers	-	31,037,000	31,037,000
Total - General Fund	-	31,037,000	31,037,000

Legislative

Provide funding of \$31,037,000 for the Office of Policy and Management to allocate to private providers of human services agencies as follows: (1) \$9.5 million to provide a 1% cost-of-living adjustment (COLA) to employees who provide state-administered human services in the Departments of Correction, Housing, Public Health, Social Services, Children and Families, Rehabilitation Services and Mental Health and Addiction Services, the Office of Early Childhood and the Judicial Department, and (2) \$21,537,000 to increase wages of certain employees who provide services to consumers of the Department of Developmental Services by increasing the minimum wage paid to employees to not less than \$14.75 per hour and providing a wage increase of up to 5% to employees earning not less than \$14.76 and not more than \$30.00 per hour, effective January 1, 2019.

Adjust Funding for Elderly Renters' Relief

Tax Relief For Elderly Renters	(2,439,472)	-	2,439,472
Total - General Fund	(2,439,472)	-	2,439,472

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 \$2,439,472 in FY 19 to achieve savings.

Legislative

Do not reduce funding in FY 19 for the Renters' Rebate program.

Adjust Funding for Councils of Government

Council of Governments	(2,250,000)	-	2,250,000
Total - General Fund	(2,250,000)	-	2,250,000

Background

This account provides grants-in-aid to the nine regional Councils of Government (COG). The distribution of funding is determined by the Office of Policy and Management. The FY 18 appropriation provides each COG with a base grant of \$100,000, with each COG receiving an additional grant of \$0.27 per person.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Governor

Reduce funding by \$2,250,000 to reflect grant funding at FY 18 expenditure levels.

Legislative

Do not reduce funding in FY 19 for regional Councils of Government.

Annualize FY 18 Budgeted Lapses

Personal Services	(22,026)	(22,026)	-
Other Expenses	(54,904)	(54,904)	-
Automated Budget System and Data Base Link	(12,892)	(12,892)	-
Justice Assistance Grants	(91,049)	(91,049)	-
Project Longevity	(276,250)	(276,250)	-
Council of Governments	(893,750)	(893,750)	-
Tax Relief For Elderly Renters	(625,506)	-	625,506
Reimbursement to Towns for Loss of Taxes on State Property	(1,289,909)	-	1,289,909
Reimbursements to Towns for Private Tax-Exempt Property	(2,522,501)	-	2,522,501
Reimbursement Property Tax - Disability Exemption	(9,352)	(9,352)	-
Property Tax Relief for Veterans	(69,439)	(69,439)	-
Municipal Stabilization Grant	(1,422,599)	-	1,422,599
Municipal Restructuring	(700,000)	(700,000)	-
Total - General Fund	(7,990,177)	(2,129,662)	5,860,515

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$7,990,177 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Do not annualize FY 18 holdbacks of \$5,860,515 to the following accounts: 1) Elderly Renters' Rebate, 2) State Property PILOT, 3) College & Hospital PILOT, and 4) Municipal Stabilization Grant. Reduce funding by \$2,129,662 to reflect this agency's portion of the non-SEBAC lapses.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(256,812)	(256,812)	-
Total - General Fund	(256,812)	(256,812)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$256,812 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Adjust Funding for Various Initiatives

Personal Services	596,157	-	(596,157)
Total - General Fund	596,157	-	(596,157)

Background

Several recently established initiatives require Office of Policy and Management to implement, or provide staffing for those initiatives. These initiatives include 1) the Municipal Accountability Review Board, 2) a stress test analysis of the teachers' retirement system, 3) the development of a report concerning child recidivism rates, 4) staffing for the Transportation Advisory Council, 5) development of a data sharing program for executive agencies, 6) the creation of a pilot program to test fully autonomous vehicles, and 7) staffing for the Personal Care Attendant Workforce Council.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Governor

Provide funding of \$596,157 in FY 19 to fill nine vacancies to provide staffing for a variety of initiatives.

Legislative

Do not provide funding in FY 19 to staff unfunded vacancies for various initiatives.

Current Services

Adjust Funding for Elderly Tax Freeze

Property Tax Relief Elderly Freeze Program	(14,974)	-	14,974
Total - General Fund	(14,974)	-	14,974

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.

Governor

Reduce by \$14,974 in FY 19 to reflect program funding at FY 18 expenditure levels.

Legislative

Do not reduce FY 19 funding for Elderly Tax Freeze program.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	325,649,732	325,649,732	-
Policy Revisions	(36,573,891)	44,350,526	80,924,417
Current Services	(14,974)	-	14,974
Total Recommended - GF	289,060,867	370,000,258	80,939,391
Original Appropriation - MF	49,942,796	49,942,796	-
Policy Revisions	(250,564)	-	250,564
Total Recommended - MF	49,692,232	49,942,796	250,564
Original Appropriation - IF	520,776	520,776	-
Total Recommended - IF	520,776	520,776	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	125	125	-
Total Recommended - GF	125	125	-
Original Appropriation - IF	2	2	-
Total Recommended - IF	2	2	-

Reserve for Salary Adjustments OPM20100

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Other Current Expenses							
Reserve For Salary Adjustments	-	-	16,450,763	484,497,698	107,097,698	99,232,684	(7,865,014)
Agency Total - General Fund	-	-	16,450,763	484,497,698	107,097,698	99,232,684	(7,865,014)
Reserve For Salary Adjustments	-	-	2,301,186	2,301,186	2,301,186	2,301,186	-
Agency Total - Special Transportation Fund	-	-	2,301,186	2,301,186	2,301,186	2,301,186	-
Total - Appropriated Funds	-	-	18,751,949	486,798,884	109,398,884	101,533,870	(7,865,014)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Transfer Funding to Judicial for SEBAC Payments

Reserve For Salary Adjustments	-	(7,865,014)	(7,865,014)
Total - General Fund	-	(7,865,014)	(7,865,014)

Legislative

Transfer funding of \$7,865,014 from the Reserve for Salary Adjustment account to the Judicial Department to reflect mandatory payments for unionized staff (lump sum payments and longevity payments), in accordance with the 2017 SEBAC agreement.

Current Services

Adjust RSA to Reflect SEBAC Savings

Reserve For Salary Adjustments	(377,400,000)	(377,400,000)	-
Total - General Fund	(377,400,000)	(377,400,000)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of the 2017 SEBAC agreement, including savings associated with changes to the state employee and retiree health plan and the State Employees' Retirement System. The Governor's revised FY 19 budget allocates \$835.3 million in the General and Special Transportation Funds to various agencies to achieve savings.

Governor

Reduce funding by \$377,400,000 to reflect the savings associated with wages in accordance with the 2017 SEBAC agreement.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	484,497,698	484,497,698	-
Policy Revisions	-	(7,865,014)	(7,865,014)
Current Services	(377,400,000)	(377,400,000)	-
Total Recommended - GF	107,097,698	99,232,684	(7,865,014)
Original Appropriation - TF	2,301,186	2,301,186	-
Total Recommended - TF	2,301,186	2,301,186	-

Department of Administrative Services

DAS23000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	663	665	663	663	666	663	(3)

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	48,541,367	46,239,496	43,364,873	47,168,198	46,095,936	45,853,884	(242,052)
Other Expenses	31,246,877	30,203,892	27,116,087	28,804,457	27,709,202	27,377,295	(331,907)
Other Current Expenses							
Tuition Reimbursement -							
Training and Travel	438,334	436,419	-	-	-	-	-
Management Services	4,177,121	3,000,316	-	-	-	-	-
Loss Control Risk Management	98,934	94,693	92,634	92,634	92,634	92,634	-
Employees' Review Board	15,476	17,611	17,611	17,611	44,749	17,611	(27,138)
Surety Bonds for State Officials and Employees	125,367	55,313	65,949	147,524	147,524	147,524	-
Quality of Work-Life	24,300	5,251	-	-	-	-	-
Refunds Of Collections	21,650	12,247	21,453	21,453	21,453	21,453	-
Rents and Moving	10,999,900	9,641,484	10,562,692	11,318,952	10,628,124	11,318,952	690,828
W. C. Administrator	4,908,333	4,346,352	5,000,000	5,000,000	5,000,000	5,000,000	-
Insurance Recovery	6,500	-	-	-	-	-	-
Connecticut Education Network	2,764,393	1,066,979	857,616	-	-	-	-
State Insurance and Risk Mgmt Operations	11,942,226	12,328,576	10,719,619	10,917,391	10,917,391	10,917,391	-
IT Services	13,914,492	12,696,888	11,864,563	12,384,014	12,009,091	11,759,563	(249,528)
Firefighters Fund	-	-	100,000	400,000	100,000	400,000	300,000
Agency Total - General Fund	129,225,270	120,145,517	109,783,097	116,272,234	112,766,104	112,906,307	140,203
State Insurance and Risk Mgmt Operations	6,390,246	6,221,235	8,353,680	8,508,924	8,508,924	8,508,924	-
Agency Total - Special Transportation Fund	6,390,246	6,221,235	8,353,680	8,508,924	8,508,924	8,508,924	-
Total - Appropriated Funds	135,615,516	126,366,752	118,136,777	124,781,158	121,275,028	121,415,231	140,203

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Annualize FY 18 Budgeted Lapses

Personal Services	(103,820)	(103,820)	-
Other Expenses	(1,427,162)	(1,427,162)	-
IT Services	(624,451)	(624,451)	-
Firefighters Fund	(300,000)	-	300,000
Total - General Fund	(2,455,433)	(2,155,433)	300,000

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$2,455,433 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Maintain funding of \$300,000 in the Firefighters Fund account.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(1,210,494)	(1,210,494)	-
Total - General Fund	(1,210,494)	(1,210,494)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$1,210,494 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Provide Support to the Identity Access Management System

Personal Services	242,052	-	(242,052)
Total - General Fund	242,052	-	(242,052)
Positions - General Fund	3	-	(3)

Background

An Identity Access Management (IAM) system maintains and manages user identities for applications. It manages application roles that define what functions and privileges the user identity has access to, and provides logging and audit information to allow supervisory review of system and application usage. Several agencies currently utilize consultants to handle their IAM responsibilities.

Governor

Provide funding of \$242,052 to hire three IT Analyst positions to support the IAM systems. These technical positions would perform maintenance functions such as: version upgrades, user and role creation, and security configurations.

Legislative

Do not provide funding for the Identity Access Management System.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Current Services

Provide Funding to the Employee Review Board

Employees' Review Board	27,138	-	(27,138)
Total - General Fund	27,138	-	(27,138)

Background

The Employee Review Board was established as an independent state agency, and funding was included in DAS under a separate OCE account in FY 93. The board's objective is to resolve the grievances of, and disciplinary actions against, permanent state employees not included in any collective bargaining unit, by providing a panel to hear and act on appeals. Funding supports per diem payments to board members, transcription services, miscellaneous supplies, and part-time clerical support.

Governor

Provide funding of \$27,138 to reflect increased caseload/hearing costs.

Legislative

Additional funding is not provided for the Employee Review Board.

Provide Funding for the Operation of the New Parking Garage

Other Expenses	331,907	-	(331,907)
Total - General Fund	331,907	-	(331,907)

Governor

Provide funding of \$331,907 for nine months of operation and maintenance of the new 1,000 vehicle parking garage for the State Office Building. Funding will be utilized for electricity, ground maintenance, water, sewer, elevators and guard services. The garage is scheduled to open on October 1, 2018.

Legislative

Do not provide funding for the new parking garage.

Adjust Funding due to Cancelled Leases in FY 18

Rents and Moving	(690,828)	-	690,828
Total - General Fund	(690,828)	-	690,828

Governor

Reduce funding by \$690,828 to reflect cancelled leases at 60B Weston Street and 1 Constitution Plaza.

Legislative

Do not reduce funding for the cancelled leases at 60B Weston Street and 1 Constitution Plaza.

Provide Funding for Unified Examination Costs

IT Services	249,528	-	(249,528)
Total - General Fund	249,528	-	(249,528)

Background

DAS has posted an RFP seeking a vendor to develop examinations comprised of approximately 50-100 multiple choice questions for entry-level and promotional examinations for certain correctional and law enforcement job classes. These examinations will be loaded into the State's web-based talent management system (JobAps) for candidates to submit an online application.

Governor

Provide funding of \$249,528 to enter into a contract to develop and validate entry-level and promotional examinations for certain correctional and law enforcement job classes.

Legislative

Do not provide funding to enter into this contract.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	116,272,234	116,272,234	-
Policy Revisions	(3,423,875)	(3,365,927)	57,948
Current Services	(82,255)	-	82,255
Total Recommended - GF	112,766,104	112,906,307	140,203
Original Appropriation - TF	8,508,924	8,508,924	-
Total Recommended - TF	8,508,924	8,508,924	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	663	663	-
Policy Revisions	3	-	(3)
Total Recommended - GF	666	663	(3)

Workers' Compensation Claims - Administrative Services

DAS23100

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Other Current Expenses							
Workers' Compensation Claims	7,235,801	7,557,621	7,605,530	7,605,530	7,605,530	7,605,530	-
Agency Total - General Fund	7,235,801	7,557,621	7,605,530	7,605,530	7,605,530	7,605,530	-
Workers' Compensation Claims	6,076,764	4,641,036	6,723,297	6,723,297	6,723,297	6,723,297	-
Agency Total - Special Transportation Fund	6,076,764	4,641,036	6,723,297	6,723,297	6,723,297	6,723,297	-
Total - Appropriated Funds	13,312,565	12,198,657	14,328,827	14,328,827	14,328,827	14,328,827	-

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	7,605,530	7,605,530	-
Total Recommended - GF	7,605,530	7,605,530	-
Original Appropriation - TF	6,723,297	6,723,297	-
Total Recommended - TF	6,723,297	6,723,297	-

Attorney General OAG29000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	303	303	311	311	311	311	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	29,582,649	29,171,100	29,278,348	30,923,304	29,478,364	30,078,364	600,000
Other Expenses	991,811	924,549	920,461	1,068,906	920,461	1,020,461	100,000
Agency Total - General Fund	30,574,461	30,095,649	30,198,809	31,992,210	30,398,825	31,098,825	700,000

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Adjust Funding for Additional Attorneys and Other Expenses

Personal Services	(600,000)	-	600,000
Other Expenses	(100,000)	-	100,000
Total - General Fund	(700,000)	-	700,000

Background

Public Act 17-2 (JSS) included \$600,000 in funding and eight additional positions for attorneys within the Office of the Attorney General beginning in FY 19. These increases were requested by the office to maintain staffing levels for large ongoing cases, including those likely to generate revenue such as multi-state settlements.

An additional \$100,000 for other expenses was budgeted for FY 19 in anticipation of relocation costs associated with the pending move of the office into the renovated State Office building.

Governor

The Governor's proposal eliminates \$600,000 for personal services and \$100,000 for other expenses.

Legislative

Funding is maintained for additional attorneys and other expenses.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(778,197)	(778,197)	-
Total - General Fund	(778,197)	(778,197)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$778,197 to reflect this agency's portion of the attrition savings.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Personal Services	(66,743)	(66,743)	-
Other Expenses	(48,445)	(48,445)	-
Total - General Fund	(115,188)	(115,188)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$115,188 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	31,992,210	31,992,210	-
Policy Revisions	(1,593,385)	(893,385)	700,000
Total Recommended - GF	30,398,825	31,098,825	700,000

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	311	311	-
Total Recommended - GF	311	311	-

Regulation and Protection

	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative Recommended FY 19	Difference Leg-Gov FY 19
General Fund							
Department of Emergency Services and Public Protection	185,723,649	176,512,862	181,307,147	187,995,449	181,937,158	182,645,113	707,955
Military Department	5,419,116	4,939,528	5,244,316	5,614,366	5,276,117	5,425,700	149,583
Department of Consumer Protection	15,504,091	14,161,591	13,357,115	13,942,982	13,528,046	13,528,046	-
Commission on Human Rights and Opportunities	6,477,869	6,130,047	5,970,689	6,188,882	6,008,912	6,008,912	-
Protection and Advocacy for Persons with Disabilities	2,441,751	2,114,121	-	-	-	-	-
Total - General Fund	215,566,476	203,858,149	205,879,267	213,741,679	206,750,233	207,607,771	857,538
Insurance Fund							
Insurance Department	27,741,661	27,362,769	27,091,246	26,982,039	27,207,422	26,982,039	(225,383)
Office of the Healthcare Advocate	4,922,993	5,035,408	6,536,888	3,439,836	3,248,475	3,267,179	18,704
Total - Insurance Fund	32,664,654	32,398,177	33,628,134	30,421,875	30,455,897	30,249,218	(206,679)
Workers' Compensation Fund							
Workers' Compensation Commission	19,910,312	18,440,457	20,986,692	21,384,053	22,556,746	21,384,053	(1,172,693)
Total - Appropriated Funds	268,141,442	254,696,783	260,494,093	265,547,607	259,762,876	259,241,042	(521,834)

Department of Emergency Services and Public Protection

DPS32000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	1,733	1,733	1,735	1,735	1,736	1,735	(1)

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	146,232,420	139,524,468	142,477,934	146,234,975	142,292,235	142,219,449	(72,786)
Other Expenses	28,435,284	25,795,008	25,292,723	26,611,310	25,280,114	25,280,114	-
Equipment	87,003	83,525	-	-	-	-	-
Other Current Expenses							
Stress Reduction	250	250	25,354	25,354	25,354	25,354	-
Fleet Purchase	5,979,054	6,136,527	6,202,962	6,581,737	6,581,737	6,581,737	-
Workers' Compensation Claims	4,243,453	4,587,241	4,541,962	4,636,817	4,636,817	4,636,817	-
Criminal Justice Information System	-	-	2,392,840	2,739,398	2,739,398	2,739,398	-
Other Than Payments to Local Governments							
Fire Training School - Willimantic	93,176	19,000	-	150,076	-	150,076	150,076
Maintenance of County Base Fire Radio Network	22,681	20,580	14,646	21,698	19,528	19,528	-
Maintenance of State-Wide Fire Radio Network	15,096	13,697	9,748	14,441	12,997	12,997	-
Police Association of Connecticut	99,660	89,658	172,353	172,353	172,353	172,353	-
Connecticut State Firefighter's Association	133,077	90,908	176,625	176,625	176,625	176,625	-
Fire Training School - Torrington	56,083	19,000	-	81,367	-	81,367	81,367
Fire Training School - New Haven	37,455	19,000	-	48,364	-	48,364	48,364
Fire Training School - Derby	28,082	19,000	-	37,139	-	37,139	37,139
Fire Training School - Wolcott	65,370	19,000	-	100,162	-	100,162	100,162
Fire Training School - Fairfield	46,706	19,000	-	70,395	-	70,395	70,395
Fire Training School - Hartford	93,090	19,000	-	169,336	-	169,336	169,336
Fire Training School - Middletown	27,835	19,000	-	68,470	-	68,470	68,470
Fire Training School - Stamford	27,875	19,000	-	55,432	-	55,432	55,432
Agency Total - General Fund	185,723,649	176,512,862	181,307,147	187,995,449	181,937,158	182,645,113	707,955

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(3,698,333)	(3,698,333)	-
Total - General Fund	(3,698,333)	(3,698,333)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$3,698,333 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Personal Services	(317,193)	(317,193)	-
Other Expenses	(1,331,196)	(1,331,196)	-
Fire Training School - Willimantic	(150,076)	-	150,076
Maintenance of County Base Fire Radio Network	(2,170)	(2,170)	-
Maintenance of State-Wide Fire Radio Network	(1,444)	(1,444)	-
Fire Training School - Torrington	(81,367)	-	81,367
Fire Training School - New Haven	(48,364)	-	48,364
Fire Training School - Derby	(37,139)	-	37,139
Fire Training School - Wolcott	(100,162)	-	100,162
Fire Training School - Fairfield	(70,395)	-	70,395
Fire Training School - Hartford	(169,336)	-	169,336
Fire Training School - Middletown	(68,470)	-	68,470
Fire Training School - Stamford	(55,432)	-	55,432
Total - General Fund	(2,432,744)	(1,652,003)	780,741

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$2,432,744 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Reduce funding by \$1,652,003 to reflect this agency's portion of the non-SEBAC lapses.

Current Services**Provide Funding for Body-Worn Camera Program**

Personal Services	72,786	-	(72,786)
Total - General Fund	72,786	-	(72,786)
Positions - General Fund	1	-	(1)

Background

Public Act 15-4 requires the State Police to use body-worn cameras while interacting with members of the public in their law enforcement capacity. In 2016, \$2 million in bond funding was allocated to DESPP for the purchase of body-worn cameras. Funding for the positions related to maintaining the video database and responding to freedom of information requests was not. In the passed biennial budget, funding of \$159,405 was provided for two full time positions: an IT analyst and a Forensic Scientist.

Governor

Provide funding of \$72,786 for a Staff Attorney to manage the increased Freedom of Information requests associated with the body-worn camera program.

Legislative

Do not provide funding of \$72,786 for a Staff Attorney to manage the increased Freedom of Information requests associated with the body-worn camera program.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	187,995,449	187,995,449	-
Policy Revisions	(6,131,077)	(5,350,336)	780,741
Current Services	72,786	-	(72,786)
Total Recommended - GF	181,937,158	182,645,113	707,955

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	1,735	1,735	-
Current Services	1	-	(1)
Total Recommended - GF	1,736	1,735	(1)

Military Department MIL36000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	42	42	42	42	42	42	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	2,799,547	2,701,720	2,607,995	2,711,254	2,635,706	2,635,706	-
Other Expenses	2,092,068	1,778,008	2,149,238	2,284,779	2,171,661	2,171,661	-
Other Current Expenses							
Honor Guards	451,300	431,500	393,750	525,000	393,750	525,000	131,250
Veteran's Service Bonuses	76,200	28,300	93,333	93,333	75,000	93,333	18,333
Agency Total - General Fund	5,419,116	4,939,528	5,244,316	5,614,366	5,276,117	5,425,700	149,583

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Annualize FY 18 Budgeted Lapses

Personal Services	(5,968)	(5,968)	-
Other Expenses	(113,118)	(113,118)	-
Honor Guards	(131,250)	-	131,250
Total - General Fund	(250,336)	(119,086)	131,250

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$250,336 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Reduce funding by \$119,086 to reflect this agency's portion of the non-SEBAC lapses.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(69,580)	(69,580)	-
Total - General Fund	(69,580)	(69,580)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$69,580 to reflect this agency's portion of the attrition savings.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Same as Governor

*Current Services***Reduce Veterans' Services Bonus Account**

Veteran's Service Bonuses	(18,333)	-	18,333
Total - General Fund	(18,333)	-	18,333

Background

The Veterans' Service Bonus program was established for National Guard members called to active service on or after September 11, 2001. The bonus is \$50 for each month of active service, up to a maximum of \$1,200 for each member who meets the eligibility qualifications. The average annual expenditures for this account for the last three fiscal years are \$46,700.

Governor

Reduce funding by \$18,333 to reflect anticipated payment levels.

Legislative

Maintain funding for veterans' service bonuses.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	5,614,366	5,614,366	-
Policy Revisions	(319,916)	(188,666)	131,250
Current Services	(18,333)	-	18,333
Total Recommended - GF	5,276,117	5,425,700	149,583

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	42	42	-
Total Recommended - GF	42	42	-

Insurance Department DOI37500

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Insurance Fund	159	159	151	150	150	150	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	14,217,831	13,753,332	13,788,701	13,796,046	13,796,046	13,796,046	-
Other Expenses	2,228,919	2,124,801	1,727,807	1,727,807	1,774,279	1,727,807	(46,472)
Equipment	95,000	52,423	52,500	52,500	52,500	52,500	-
Other Current Expenses							
Fringe Benefits	10,950,982	10,899,326	11,055,498	10,938,946	11,312,758	10,938,946	(373,812)
Indirect Overhead	248,930	532,887	466,740	466,740	271,839	466,740	194,901
Agency Total - Insurance Fund	27,741,661	27,362,769	27,091,246	26,982,039	27,207,422	26,982,039	(225,383)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Current Services

Provide Funding to Reflect New Lease Cost

Other Expenses	46,472	-	(46,472)
Total - Insurance Fund	46,472	-	(46,472)

Governor

Provide funding of \$46,472 to recognize increased tax obligation in the agency's lease.

Legislative

Do not provide funding.

Adjust Fringe Benefits and Indirect Overhead

Fringe Benefits	373,812	-	(373,812)
Indirect Overhead	(194,901)	-	194,901
Total - Insurance Fund	178,911	-	(178,911)

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 \$178,911 in FY 19 to reflect revised fringe benefits and indirect overhead costs. The adjustment is comprised of an increase of \$373,812 to fringe benefits and a reduction of \$194,901 to indirect overhead costs.

Legislative

Do not provide funding or adjust allocation.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - IF	26,982,039	26,982,039	-
Current Services	225,383	-	(225,383)
Total Recommended - IF	27,207,422	26,982,039	(225,383)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - IF	150	150	-
Total Recommended - IF	150	150	-

Office of the Healthcare Advocate

MCO39400

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Insurance Fund	29	29	27	22	18	18	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	1,874,765	1,994,650	2,079,010	1,683,355	1,578,246	1,596,950	18,704
Other Expenses	1,342,541	1,192,401	2,691,767	305,000	305,000	305,000	-
Equipment	14,883	14,990	15,000	15,000	5,000	5,000	-
Other Current Expenses							
Fringe Benefits	1,548,749	1,691,312	1,644,481	1,329,851	1,253,599	1,253,599	-
Indirect Overhead	142,055	142,055	106,630	106,630	106,630	106,630	-
Agency Total - Insurance Fund	4,922,993	5,035,408	6,536,888	3,439,836	3,248,475	3,267,179	18,704

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Transfer SIM Resources to the Office of Health Strategy

Personal Services	(86,405)	(86,405)	-
Equipment	(10,000)	(10,000)	-
Fringe Benefits	(76,252)	(76,252)	-
Total - Insurance Fund	(172,657)	(172,657)	-
Positions - Insurance Fund	(4)	(4)	-

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 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 \$172,657 and four positions to complete the transfer of SIM operations to the Office of Health Strategy.

Legislative

Same as Governor

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Annualize FY 18 Budgeted Lapses

Personal Services	(18,704)	-	18,704
Total - Insurance Fund	(18,704)	-	18,704

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$18,704 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Do not reduce funding.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - IF	3,439,836	3,439,836	-
Policy Revisions	(191,361)	(172,657)	18,704
Total Recommended - IF	3,248,475	3,267,179	18,704

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - IF	22	22	-
Policy Revisions	(4)	(4)	-
Total Recommended - IF	18	18	-

Department of Consumer Protection

DCP39500

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	239	241	218	218	218	218	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	14,359,405	12,997,420	12,223,114	12,749,297	12,394,045	12,394,045	-
Other Expenses	1,144,687	1,164,171	1,134,001	1,193,685	1,134,001	1,134,001	-
Agency Total - General Fund	15,504,091	14,161,591	13,357,115	13,942,982	13,528,046	13,528,046	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(327,190)	(327,190)	-
Total - General Fund	(327,190)	(327,190)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$327,190 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Personal Services	(28,062)	(28,062)	-
Other Expenses	(59,684)	(59,684)	-
Total - General Fund	(87,746)	(87,746)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$87,746 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	13,942,982	13,942,982	-
Policy Revisions	(414,936)	(414,936)	-
Total Recommended - GF	13,528,046	13,528,046	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	218	218	-
Total Recommended - GF	218	218	-

Commission on Human Rights and Opportunities

HRO41100

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	85	85	82	82	82	82	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	6,154,994	5,817,720	5,677,754	5,880,844	5,715,977	5,715,977	-
Other Expenses	318,292	307,671	286,958	302,061	286,958	286,958	-
Other Current Expenses							
Martin Luther King, Jr. Commission	4,582	4,656	5,977	5,977	5,977	5,977	-
Agency Total - General Fund	6,477,869	6,130,047	5,970,689	6,188,882	6,008,912	6,008,912	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(151,844)	(151,844)	-
Total - General Fund	(151,844)	(151,844)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$151,844 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Personal Services	(13,023)	(13,023)	-
Other Expenses	(15,103)	(15,103)	-
Total - General Fund	(28,126)	(28,126)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$28,126 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	6,188,882	6,188,882	-
Policy Revisions	(179,970)	(179,970)	-
Total Recommended - GF	6,008,912	6,008,912	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	82	82	-
Total Recommended - GF	82	82	-

Workers' Compensation Commission

WCC42000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Workers' Compensation Fund	117	117	117	117	117	117	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	9,313,544	8,894,715	10,158,810	10,240,361	10,240,361	10,240,361	-
Other Expenses	2,922,910	2,236,506	2,321,765	2,659,765	2,659,765	2,659,765	-
Equipment	-	-	1	1	1	1	-
Other Current Expenses							
Fringe Benefits	7,209,830	6,910,914	8,214,479	8,192,289	9,216,325	8,192,289	(1,024,036)
Indirect Overhead	464,028	398,322	291,637	291,637	440,294	291,637	(148,657)
Agency Total - Workers' Compensation Fund	19,910,312	18,440,457	20,986,692	21,384,053	22,556,746	21,384,053	(1,172,693)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Current Services

Adjust Fringe Benefits and Indirect Overhead

Fringe Benefits	1,024,036	-	(1,024,036)
Indirect Overhead	148,657	-	(148,657)
Total - Workers' Compensation Fund	1,172,693	-	(1,172,693)

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 \$1,172,693 in FY 19 to reflect revised fringe benefit and indirect overhead costs.

Legislative

Do not provide funding for revised fringe benefit and indirect overhead costs.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - WF	21,384,053	21,384,053	-
Current Services	1,172,693	-	(1,172,693)
Total Recommended - WF	22,556,746	21,384,053	(1,172,693)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - WF	117	117	-
Total Recommended - WF	117	117	-

Office of Consumer Counsel

DCC38100

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Consumer Counsel and Public Utility Control Fund	15	15	12	12	12	12	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	1,246,956	1,054,536	1,276,326	1,288,453	1,288,453	1,288,453	-
Other Expenses	489,230	397,776	332,907	332,907	332,907	332,907	-
Equipment	-	-	2,200	2,200	2,200	2,200	-
Other Current Expenses							
Fringe Benefits	969,551	859,287	1,056,988	1,056,988	1,082,301	1,056,988	(25,313)
Indirect Overhead	97,613	66,419	100	100	67,663	100	(67,563)
Agency Total - Consumer Counsel and Public Utility Control Fund	2,803,350	2,378,018	2,668,521	2,680,648	2,773,524	2,680,648	(92,876)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Adjust Fringe Benefits and Indirect Overhead

Fringe Benefits	25,313	-	(25,313)
Indirect Overhead	67,563	-	(67,563)
Total - Consumer Counsel and Public Utility Control Fund	92,876	-	(92,876)

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 \$92,876 in FY 19 to reflect revised fringe benefits and indirect overhead costs.

Legislative

Do not provide funding.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - PF	2,680,648	2,680,648	-
Policy Revisions	92,876	-	(92,876)
Total Recommended - PF	2,773,524	2,680,648	(92,876)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - PF	12	12	-
Total Recommended - PF	12	12	-

Conservation and Development

	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative Recommended FY 19	Difference Leg-Gov FY 19
General Fund							
Labor Department	73,005,206	70,555,837	62,979,383	71,182,712	66,208,130	68,538,339	2,330,209
Department of Agriculture	4,955,281	4,556,468	4,709,674	4,973,736	4,743,180	5,830,791	1,087,611
Department of Energy and Environmental Protection	67,726,973	60,665,152	56,731,110	54,004,276	52,417,765	52,717,765	300,000
Council on Environmental Quality	172,725	170,481	173,772	-	-	-	-
Department of Economic and Community Development	33,308,404	27,845,780	27,052,093	14,769,848	13,533,881	13,883,881	350,000
Department of Housing	81,364,350	81,007,294	89,568,576	95,997,845	95,042,209	94,792,230	(249,979)
Agricultural Experiment Station	7,350,753	6,815,675	6,878,079	7,141,972	6,939,389	6,939,389	-
Total - General Fund	267,883,692	251,616,687	248,092,687	248,070,389	238,884,554	242,702,395	3,817,841
Special Transportation Fund							
Department of Energy and Environmental Protection	2,549,733	2,663,333	2,746,922	2,762,462	2,762,462	2,762,462	-
Regional Market Operation Fund							
Department of Agriculture	1,042,974	932,519	1,062,429	1,064,461	1,064,461	1,064,461	-
Banking Fund							
Labor Department	1,615,000	1,615,000	1,425,000	1,425,000	1,425,000	1,425,000	-
Department of Housing	670,000	670,000	670,000	670,000	670,000	670,000	-
Total - Banking Fund	2,285,000	2,285,000	2,095,000	2,095,000	2,095,000	2,095,000	-
Insurance Fund							
Department of Housing	-	-	110,844	110,844	110,844	110,844	-
Consumer Counsel and Public Utility Control Fund							
Office of Consumer Counsel	2,803,350	2,378,018	2,668,521	2,680,648	2,773,524	2,680,648	(92,876)
Department of Energy and Environmental Protection	23,020,512	22,802,888	22,678,849	22,801,648	22,801,648	22,801,648	-
Total - Consumer Counsel and Public Utility Control Fund	25,823,862	25,180,906	25,347,370	25,482,296	25,575,172	25,482,296	(92,876)
Workers' Compensation Fund							
Labor Department	661,693	662,911	686,300	687,148	687,148	687,148	-
Passport to the Parks Fund							
Department of Energy and Environmental Protection	-	-	-	-	11,515,132	-	(11,515,132)
Council on Environmental Quality	-	-	-	-	322,193	-	(322,193)
Total - Passport to the Parks Fund	-	-	-	-	11,837,325	-	(11,837,325)
Tourism Fund							
Department of Economic and Community Development	-	-	-	12,644,988	16,282,076	12,894,988	(3,387,088)
Total - Appropriated Funds	300,246,954	283,341,356	280,141,552	292,917,588	299,299,042	287,799,594	(11,499,448)

MAJOR CHANGES

DEPARTMENT OF AGRICULTURE

- **Appropriate Funding to Dairy Farmers:** Funding of \$1.0 million is provided in the newly established “Dairy Farmer” account, and is transferred to the Community Investment Act (CIA) for grants to dairy farmers.

DEPARTMENT OF ENERGY & ENVIRONMENTAL PROTECTION

- **Specify Distribution for Passport to Parks Funding:** PA 18-81 prescribes how Passport to Parks funding is distributed to various conservation districts located throughout the state and to the Connecticut Environmental Review Team. Other legislation specifies that Passport to Parks will remain a non-lapsing account.

DEPARTMENT OF HOUSING

- **Provide Funding for Evacuees Displaced by Hurricane Maria:** The Housing Homeless Services account receives \$600,000 to provide housing assistance for eligible Hurricane Maria evacuees in Connecticut.

Labor Department

DOL40000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	191	191	191	191	201	191	(10)
Workers' Compensation Fund	2	2	2	2	2	2	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	9,480,620	8,617,273	8,418,030	8,747,739	9,003,989	8,503,989	(500,000)
Other Expenses	1,231,539	1,145,343	1,026,326	1,080,343	1,126,326	1,026,326	(100,000)
Other Current Expenses							
CETC Workforce	584,594	493,670	556,800	619,591	457,632	557,632	100,000
Workforce Investment Act	32,518,662	34,117,416	36,626,347	36,758,476	36,662,281	36,662,281	-
Job Funnels Projects	213,828	149,132	73,342	108,656	-	73,342	73,342
Connecticut's Youth Employment Program	5,149,042	5,188,454	250,000	4,000,000	3,000,000	4,000,000	1,000,000
Jobs First Employment Services	15,145,904	14,169,348	12,477,223	13,869,606	12,482,645	12,482,645	-
STRIDE	490,768	412,680	-	-	-	-	-
Apprenticeship Program	544,048	481,559	465,342	465,342	465,342	465,342	-
Spanish-American Merchants Association	474,426	393,219	300,367	400,489	300,367	300,367	-
Connecticut Career Resource Network	147,125	144,006	153,113	153,113	153,113	153,113	-
Incumbent Worker Training	663,588	529,257	-	-	-	-	-
STRIVE	224,788	179,970	76,058	108,655	-	76,058	76,058
Customized Services	395,157	-	-	-	-	-	-
Opportunities for Long Term Unemployed	3,023,025	1,753,994	1,315,495	1,753,994	1,315,495	1,753,994	438,499
Veterans' Opportunity Pilot	301,230	349,669	227,606	227,606	227,606	227,606	-
Second Chance Initiative	1,004,783	1,178,312	311,403	444,861	311,403	311,403	-
Cradle To Career	191,980	97,767	-	100,000	-	100,000	100,000
2Gen - TANF	739,245	675,000	-	-	-	-	-
ConnectiCorps	74,000	76,567	-	-	-	-	-
New Haven Jobs Funnel	406,853	403,201	201,931	344,241	201,931	344,241	142,310
Healthcare Apprenticeship Initiative	-	-	-	1,000,000	-	500,000	500,000
Manufacturing Pipeline Initiative	-	-	500,000	1,000,000	500,000	1,000,000	500,000
Agency Total - General Fund	73,005,206	70,555,837	62,979,383	71,182,712	66,208,130	68,538,339	2,330,209
Opportunity Industrial Centers	475,000	475,000	475,000	475,000	475,000	475,000	-
Individual Development Accounts	190,000	190,000	-	-	-	-	-
Customized Services	950,000	950,000	950,000	950,000	950,000	950,000	-
Agency Total - Banking Fund	1,615,000	1,615,000	1,425,000	1,425,000	1,425,000	1,425,000	-
Occupational Health Clinics	661,693	662,911	686,300	687,148	687,148	687,148	-

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Agency Total - Workers' Compensation Fund	661,693	662,911	686,300	687,148	687,148	687,148	-
Total - Appropriated Funds	75,281,899	72,833,748	65,090,683	73,294,860	68,320,278	70,650,487	2,330,209

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Adjust Funding Due To Diminishing Federal Funds

Personal Services	500,000	-	(500,000)
Total - General Fund	500,000	-	(500,000)
Positions - General Fund	10	-	(10)

Background

The agency is primarily federally-funded. Recent reductions in federal funds available to the agency have resulted in deficiencies that have historically been covered using existing agency reserves.

Governor

Provide one-time, half-year funding of \$500,000 to cover diminishing federal funds through 12/31/18.

Effective 1/1/19 a proposed administrative assessment surcharge of 0.05% on the first \$15,000 of taxable employees' wages (to be paid by the employer) is implemented in order to provide on-going funding to the agency. The surcharge is anticipated to yield approximately \$9 million when fully annualized. Section 1 of SB 6, "An Act Implementing the Governor's Budget Recommendations for General Government," enacts this policy.

Legislative

Do not provide state funding to cover diminishing federal funds. Do not implement an administrative surcharge.

Adjust Funding for Other Expenses

Other Expenses	100,000	-	(100,000)
Total - General Fund	100,000	-	(100,000)

Background

PA 16-3 MSS, the FY 17 Revised budget implementer, increased (from \$225 to \$325), the arbitrator fee paid to State Board of Mediation and Arbitration (SBMA) members for the first day of mediation. An appropriation of \$91,600 was provided to cover the estimated cost of this increase.

PA 17-2 JSS, the FY 18 - FY 19 biennial budget, increased (from \$175 to \$500) the additional compensation paid to arbitrators of the SBMA for preparing a written decision. An appropriation of \$40,000 was provided to cover the estimated cost of this increase.

Governor

Provide \$100,000 to fund recent shortfalls due to increases in SBMA board member fees.

Legislative

Do not provide additional funding.

Adjust Funding for Various Line Items

Job Funnels Projects	(73,342)	-	73,342
STRIVE	(76,058)	-	76,058
Healthcare Apprenticeship Initiative	(500,000)	-	500,000
Total - General Fund	(649,400)	-	649,400

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 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 Healthcare Apprenticeship Initiative supplements federal American Apprenticeship Initiative funding to support apprenticeships and pre-apprenticeships statewide in the healthcare field.

Governor

Reduce funding by \$649,400 to reflect the elimination of various programs.

Legislative

Do not reduce funding for these programs.

Adjust Funding for CETC Workforce

CETC Workforce	(100,000)	-	100,000
Total - General Fund	(100,000)	-	100,000

Background

The Connecticut Employment Training Commission (CETC) has oversight responsibilities for employment and training efforts statewide, and serves as the chief policy board for workforce development. The account partially funds six agency positions.

Governor

Reduce funding by \$100,000 in FY 19 to achieve savings.

Legislative

Do not reduce funding.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(224,496)	(224,496)	-
Workforce Investment Act	(88,596)	(88,596)	-
Total - General Fund	(313,092)	(313,092)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services and Workforce Investment Act by \$313,092 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Personal Services	(19,254)	(19,254)	-
Other Expenses	(54,017)	(54,017)	-
CETC Workforce	(61,959)	(61,959)	-
Workforce Investment Act	(7,599)	(7,599)	-
Job Funnels Projects	(35,314)	(35,314)	-
Connecticut's Youth Employment Program	(1,000,000)	-	1,000,000
Jobs First Employment Services	(1,386,961)	(1,386,961)	-
Spanish-American Merchants Association	(100,122)	(100,122)	-
STRIVE	(32,597)	(32,597)	-
Opportunities for Long Term Unemployed	(438,499)	-	438,499
Second Chance Initiative	(133,458)	(133,458)	-
Cradle To Career	(100,000)	-	100,000
New Haven Jobs Funnel	(142,310)	-	142,310
Healthcare Apprenticeship Initiative	(500,000)	(500,000)	-
Manufacturing Pipeline Initiative	(500,000)	-	500,000
Total - General Fund	(4,512,090)	(2,331,281)	2,180,809

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Governor

Reduce funding by \$4,512,090 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Reduce funding by \$2,331,281 to reflect this agency's portion of the non-SEBAC lapses.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	71,182,712	71,182,712	-
Policy Revisions	(4,974,582)	(2,644,373)	2,330,209
Total Recommended - GF	66,208,130	68,538,339	2,330,209
Original Appropriation - BF	1,425,000	1,425,000	-
Total Recommended - BF	1,425,000	1,425,000	-
Original Appropriation - WF	687,148	687,148	-
Total Recommended - WF	687,148	687,148	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	191	191	-
Policy Revisions	10	-	(10)
Total Recommended - GF	201	191	(10)
Original Appropriation - WF	2	2	-
Total Recommended - WF	2	2	-

Department of Agriculture DAG42500

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	50	50	50	50	50	50	-
Regional Market Operation Fund	7	7	7	7	7	7	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	3,647,578	3,504,969	3,476,119	3,610,221	3,509,625	3,509,625	-
Other Expenses	811,457	630,827	802,786	845,038	802,786	802,786	-
Other Current Expenses							
Senior Food Vouchers	361,037	350,334	262,831	350,442	262,831	350,442	87,611
Dairy Farmer - Agriculture Sustainability	-	-	-	-	-	1,000,000	1,000,000
Other Than Payments to Local Governments							
Tuberculosis and Brucellosis Indemnity	-	-	-	97	-	-	-
WIC Coupon Program for Fresh Produce	135,209	70,338	167,938	167,938	167,938	167,938	-
Agency Total - General Fund	4,955,281	4,556,468	4,709,674	4,973,736	4,743,180	5,830,791	1,087,611
Personal Services	408,192	381,109	428,106	430,138	430,138	430,138	-
Other Expenses	310,825	217,384	273,007	273,007	273,007	273,007	-
Fringe Benefits	323,957	334,026	361,316	361,316	361,316	361,316	-
Agency Total - Regional Market Operation Fund	1,042,974	932,519	1,062,429	1,064,461	1,064,461	1,064,461	-
Total - Appropriated Funds	5,998,255	5,488,987	5,772,103	6,038,197	5,807,641	6,895,252	1,087,611

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Annualize FY 18 Budgeted Lapses

Personal Services	(7,946)	(7,946)	-
Other Expenses	(42,252)	(42,252)	-
Senior Food Vouchers	(87,611)	-	87,611
Tuberculosis and Brucellosis Indemnity	(97)	(97)	-
Total - General Fund	(137,906)	(50,295)	87,611

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$137,906 to reflect this agency's portion of the non-SEBAC lapses.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Maintain funding of \$87,611 in the Senior Food Voucher account.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(92,650)	(92,650)	-
Total - General Fund	(92,650)	(92,650)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$92,650 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Provide Funds to Support Dairy Farmers

Dairy Farmer - Agriculture Sustainability	-	1,000,000	1,000,000
Total - General Fund	-	1,000,000	1,000,000

Legislative

Sec. 1 of PA 18-81, the FY 19 budget revisions, appropriates \$1.0 million to the Department of Agriculture (DoAg) for the Dairy Farmer - Agriculture Sustainability account. Sec. 53 transfers the DoAg appropriation to the agricultural sustainability account within the Community Investment Act (CIA) for grants to dairy farmers. Lastly, Sec. 50 of PA 18-81 specifies that in FY 19 any reduction or transfer of funds from the CIA must be result in a proportional reduction from each of the programs funded under the CIA.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	4,973,736	4,973,736	-
Policy Revisions	(230,556)	857,055	1,087,611
Total Recommended - GF	4,743,180	5,830,791	1,087,611
Original Appropriation - RF	1,064,461	1,064,461	-
Total Recommended - RF	1,064,461	1,064,461	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	50	50	-
Total Recommended - GF	50	50	-
Original Appropriation - RF	7	7	-
Total Recommended - RF	7	7	-

Department of Energy and Environmental Protection

DEP43000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	644	642	618	618	618	618	-
Special Transportation Fund	28	29	29	29	29	29	-
Consumer Counsel and Public Utility Control Fund	127	127	122	122	122	122	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	29,688,841	27,041,789	22,327,943	22,144,784	21,499,368	21,499,368	-
Other Expenses	3,685,187	2,928,030	1,337,854	527,266	356,853	456,853	100,000
Other Current Expenses							
Mosquito Control	235,969	176,271	224,243	221,097	221,097	221,097	-
State Superfund Site Maintenance	404,599	340,328	399,577	399,577	399,577	399,577	-
Laboratory Fees	140,073	129,015	129,015	129,015	129,015	129,015	-
Dam Maintenance	157,906	121,112	120,486	113,740	113,740	113,740	-
Emergency Spill Response	6,409,311	5,946,852	6,254,027	6,481,921	6,336,389	6,336,389	-
Solid Waste Management	3,853,407	3,433,145	3,528,007	3,613,792	3,557,478	3,557,478	-
Underground Storage Tank	803,418	852,946	855,844	855,844	855,844	855,844	-
Clean Air	3,964,671	3,619,342	3,812,499	3,925,897	3,850,673	3,850,673	-
Environmental Conservation	8,461,462	7,763,781	7,571,209	4,950,803	4,850,115	4,850,115	-
Environmental Quality	9,508,772	8,207,276	8,140,825	8,410,957	8,218,035	8,218,035	-
Greenways Account	-	-	-	2	-	-	-
Conservation Districts & Soil and Water Councils	252,938	-	-	-	-	-	-
Fish Hatcheries	-	-	1,879,562	2,079,562	1,879,562	2,079,562	200,000
Other Than Payments to Local Governments							
Interstate Environmental Commission	48,052	3,333	44,937	44,937	44,937	44,937	-
New England Interstate Water Pollution Commission	28,395	25,758	26,554	26,554	26,554	26,554	-
Northeast Interstate Forest Fire Compact	3,295	2,990	3,082	3,082	3,082	3,082	-
Connecticut River Valley Flood Control Commission	32,395	29,387	30,295	30,295	30,295	30,295	-
Thames River Valley Flood Control Commission	48,281	43,797	45,151	45,151	45,151	45,151	-
Agency Total - General Fund	67,726,973	60,665,152	56,731,110	54,004,276	52,417,765	52,717,765	300,000
Personal Services	1,869,322	1,961,359	2,044,948	2,060,488	2,060,488	2,060,488	-
Other Expenses	680,411	701,974	701,974	701,974	701,974	701,974	-
Agency Total - Special Transportation Fund	2,549,733	2,663,333	2,746,922	2,762,462	2,762,462	2,762,462	-
Personal Services	11,683,195	11,572,340	11,712,024	11,834,823	11,834,823	11,834,823	-
Other Expenses	1,592,850	1,479,367	1,479,367	1,479,367	1,479,367	1,479,367	-
Equipment	359,381	19,500	19,500	19,500	19,500	19,500	-
Fringe Benefits	8,992,349	9,091,961	9,467,858	9,467,858	9,467,858	9,467,858	-

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Indirect Overhead	392,736	639,720	100	100	100	100	-
Agency Total - Consumer Counsel and Public Utility Control Fund	23,020,512	22,802,888	22,678,849	22,801,648	22,801,648	22,801,648	-
Personal Services	-	-	-	-	4,101,924	-	(4,101,924)
Fringe Benefits	-	-	-	-	2,645,331	-	(2,645,331)
Conservation Districts & Soil and Water Councils	-	-	-	-	653,000	-	(653,000)
Park Operational Expenses	-	-	-	-	4,114,877	-	(4,114,877)
Agency Total - Passport to the Parks Fund	-	-	-	-	11,515,132	-	(11,515,132)
Total - Appropriated Funds	93,297,217	86,131,373	82,156,881	79,568,386	89,497,007	78,281,875	(11,215,132)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Adjust Funding for "Passport to Parks"

Personal Services	4,101,924	-	(4,101,924)
Fringe Benefits	2,645,331	-	(2,645,331)
Conservation Districts & Soil and Water Councils	653,000	-	(653,000)
Park Operational Expenses	4,114,877	-	(4,114,877)
Total - Passport to the Parks Fund	11,515,132	-	(11,515,132)

Background

PA 17-2, JSS, the FY 18 and FY 19 biennial budget, established a Passport to Parks non-lapsing account to fund the expenses of state parks, the Council on Environmental Quality (CEQ), soil and water conservation districts, and environmental review teams (ERT's). PA 17-2, JSS, as drafted required a Passport to Parks appropriation, but none was made. In FY 18, park expenses are being funded from various DEEP General Fund accounts.

Governor

Establish an appropriated fund named the "Passport to Parks Fund". Provide funding of \$11,515,132 to reflect appropriations for Passport to Parks. Of this amount, 1) \$10,832,132 is provided for park operations, and 2) \$653,000 is provided for the soil and water conservation districts and ERT's.

Legislative

Passport to Parks will remain a non-lapsing account, as stated by PA 18-7, "AAC The Passport to the Parks". Additionally, Sec. 14 of PA 18-81, the budget bill, directs DEEP to expend \$700,000 of the revenue generated from Passport to Parks to the Conservation Districts and ERT. Of this amount, \$100,000 will be distributed by DEEP by the Passport to Parks account to each of the following entities: (1) The CT River Coastal Conservation District; (2) the Eastern Conservation District; (3) the North Central Conservation District; (4) the Northwest Conservation District; (5) the Southwest Conservation District; (6) the CT Environmental Review Team; and (7) the CT Council on Water and Soil Conservation. Lastly, \$20,000 will be distributed to the North Branch Conservation District.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(594,433)	(594,433)	-
Emergency Spill Response	(134,036)	(134,036)	-
Solid Waste Management	(51,866)	(51,866)	-
Clean Air	(69,282)	(69,282)	-
Environmental Conservation	(92,734)	(92,734)	-
Environmental Quality	(177,683)	(177,683)	-
Total - General Fund	(1,120,034)	(1,120,034)	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce funding for various accounts by \$1,120,034 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Personal Services	(50,983)	(50,983)	-
Other Expenses	(70,413)	(70,413)	-
Emergency Spill Response	(11,496)	(11,496)	-
Solid Waste Management	(4,448)	(4,448)	-
Clean Air	(5,942)	(5,942)	-
Environmental Conservation	(7,954)	(7,954)	-
Environmental Quality	(15,239)	(15,239)	-
Greenways Account	(2)	(2)	-
Fish Hatcheries	(200,000)	-	200,000
Total - General Fund	(366,477)	(166,477)	200,000

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$166,477 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Maintain funding of \$200,000 for fish hatcheries.

Eliminate Funding for West River Watershed

Other Expenses	(100,000)	-	100,000
Total - General Fund	(100,000)	-	100,000

Governor

Reduce funding by \$100,000 to reflect elimination of funding for the West River Watershed.

Legislative

Maintain funding of \$100,000 for the West River Watershed.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	54,004,276	54,004,276	-
Policy Revisions	(1,586,511)	(1,286,511)	300,000
Total Recommended - GF	52,417,765	52,717,765	300,000
Original Appropriation - TF	2,762,462	2,762,462	-
Total Recommended - TF	2,762,462	2,762,462	-
Original Appropriation - PF	22,801,648	22,801,648	-
Total Recommended - PF	22,801,648	22,801,648	-
Original Appropriation - PP	-	-	-
Policy Revisions	11,515,132	-	(11,515,132)
Total Recommended - PP	11,515,132	-	(11,515,132)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	618	618	-
Total Recommended - GF	618	618	-
Original Appropriation - TF	29	29	-
Total Recommended - TF	29	29	-
Original Appropriation - PF	122	122	-
Total Recommended - PF	122	122	-

Council on Environmental Quality

CEQ45000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	2	2	2	-	-	-	-
Passport to the Parks Fund	-	-	-	-	2	-	(2)

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	171,987	170,370	173,190	-	-	-	-
Other Expenses	739	111	582	-	-	-	-
Agency Total - General Fund	172,725	170,481	173,772	-	-	-	-
Personal Services	-	-	-	-	173,190	-	(173,190)
Other Expenses	-	-	-	-	613	-	(613)
Other Current Expenses							
Fringe Benefits	-	-	-	-	148,390	-	(148,390)
Agency Total - Passport to the Parks Fund	-	-	-	-	322,193	-	(322,193)
Total - Appropriated Funds	172,725	170,481	173,772	-	322,193	-	(322,193)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Adjust Funding for "Passport to Parks"

Personal Services	173,190	-	(173,190)
Other Expenses	613	-	(613)
Fringe Benefits	148,390	-	(148,390)
Total - Passport to the Parks Fund	322,193	-	(322,193)
Positions - Passport to the Parks Fund	2	-	(2)

Background

PA 17-2, JSS, the FY 18 and FY 19 biennial budget, established a Passport to Parks non-lapsing account to fund the expenses of state parks, the Council on Environmental Quality (CEQ), soil and water conservation districts, and environmental review teams (ERT's). PA 17-2, JSS, as drafted required a Passport to Parks appropriation, but none was made.

Governor

Provide funding of \$322,193 and two positions for CEQ from the Passport to Parks Fund.

Legislative

Passport to Parks will remain a non-lapsing account, as stated by PA 18-7, "AAC The Passport to the Parks". This act also clarifies that beginning in FY 19, the Passport to the Parks account will pay the expenses of CEQ.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - PP	-	-	-
Policy Revisions	322,193	-	(322,193)
Total Recommended - PP	322,193	-	(322,193)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - PP	-	-	-
Policy Revisions	2	-	(2)
Total Recommended - PP	2	-	(2)

Department of Economic and Community Development

ECD46000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	89	89	89	89	89	89	-
Tourism Fund	-	-	-	-	3	-	(3)

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	7,156,252	6,607,388	6,869,919	7,145,317	6,946,217	6,946,217	-
Other Expenses	800,345	500,153	500,968	527,335	500,968	500,968	-
Other Current Expenses							
Statewide Marketing	6,576,068	6,435,000	6,435,000	-	-	-	-
Small Business Incubator Program	320,918	-	-	-	-	-	-
Hartford Urban Arts Grant	374,578	242,371	193,897	-	-	-	-
New Britain Arts Council	59,429	39,380	31,504	-	-	-	-
Main Street Initiatives	143,816	95,413	80,000	-	-	-	-
Office of Military Affairs	191,804	179,054	187,575	187,575	187,575	187,575	-
Hydrogen/Fuel Cell Economy	145,010	-	-	-	-	-	-
CCAT-CT Manufacturing Supply Chain	777,103	694,155	397,666	-	-	-	-
Capital Region Development Authority	6,899,291	6,349,121	6,261,621	6,299,121	5,899,121	6,249,121	350,000
Neighborhood Music School	119,842	80,540	64,432	-	-	-	-
Municipal Regional Development Authority	-	-	-	610,500	-	-	-
Other Than Payments to Local Governments							
Nutmeg Games	60,763	-	32,000	-	-	-	-
Discovery Museum	299,597	196,895	157,516	-	-	-	-
National Theatre of the Deaf	119,585	78,758	63,006	-	-	-	-
CONNSTEP	466,218	433,857	312,377	-	-	-	-
Connecticut Science Center	514,456	446,626	357,301	-	-	-	-
CT Flagship Producing Theaters Grant	395,544	259,950	207,961	-	-	-	-
Women's Business Center	275,627	347,692	-	-	-	-	-
Performing Arts Centers	1,198,377	787,571	630,057	-	-	-	-
Performing Theaters Grant	467,187	291,595	245,402	-	-	-	-
Arts Commission	1,490,691	1,471,743	1,422,433	-	-	-	-
Art Museum Consortium	425,867	287,312	229,850	-	-	-	-
CT Invention Convention	18,671	-	-	-	-	-	-
Litchfield Jazz Festival	44,452	29,000	23,200	-	-	-	-
Connecticut River Museum	23,707	-	-	-	-	-	-
Arte Inc.	23,707	20,735	16,588	-	-	-	-
CT Virtuosi Orchestra	19,500	15,250	12,200	-	-	-	-
Barnum Museum	23,707	20,735	16,588	-	-	-	-
Various Grants	-	-	104,000	-	-	-	-
Grant Payments to Local Governments							
Greater Hartford Arts Council	84,090	74,079	70,375	-	-	-	-

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Stepping Stones Museum for Children	35,041	30,863	24,690	-	-	-	-
Maritime Center Authority	462,121	303,705	242,964	-	-	-	-
Tourism Districts	1,165,348	-	-	-	-	-	-
Connecticut Humanities Council	-	-	680,000	-	-	-	-
Amistad Committee for the Freedom Trail	37,471	-	29,131	-	-	-	-
Amistad Vessel	299,535	263,856	211,085	-	-	-	-
New Haven Festival of Arts and Ideas	630,725	551,511	331,609	-	-	-	-
New Haven Arts Council	74,900	52,000	41,600	-	-	-	-
Beardsley Zoo	310,224	203,879	203,103	-	-	-	-
Mystic Aquarium	490,564	322,397	257,918	-	-	-	-
Quinebaug Tourism	32,825	-	-	-	-	-	-
Northwestern Tourism	32,825	-	-	-	-	-	-
Eastern Tourism	32,825	-	-	-	-	-	-
Central Tourism	32,825	-	-	-	-	-	-
Twain/Stowe Homes	93,367	81,196	64,957	-	-	-	-
Cultural Alliance of Fairfield	61,607	52,000	41,600	-	-	-	-
Agency Total - General Fund	33,308,404	27,845,780	27,052,093	14,769,848	13,533,881	13,883,881	350,000
Personal Services	-	-	-	-	200,000	-	(200,000)
Fringe Benefits	-	-	-	-	168,000	-	(168,000)
Statewide Marketing	-	-	-	4,130,912	8,000,000	4,130,912	(3,869,088)
Hartford Urban Arts Grant	-	-	-	242,371	242,371	242,371	-
New Britain Arts Council	-	-	-	39,380	39,380	39,380	-
Main Street Initiatives	-	-	-	100,000	100,000	100,000	-
Neighborhood Music School	-	-	-	80,540	80,540	80,540	-
Nutmeg Games	-	-	-	40,000	40,000	40,000	-
Discovery Museum	-	-	-	196,895	196,895	196,895	-
National Theatre of the Deaf	-	-	-	78,758	78,758	78,758	-
Connecticut Science Center	-	-	-	446,626	446,626	446,626	-
CT Flagship Producing Theaters Grant	-	-	-	259,951	259,951	259,951	-
Performing Arts Centers	-	-	-	787,571	787,571	787,571	-
Performing Theaters Grant	-	-	-	306,753	306,753	306,753	-
Arts Commission	-	-	-	1,497,298	1,497,298	1,497,298	-
Art Museum Consortium	-	-	-	287,313	287,313	287,313	-
Litchfield Jazz Festival	-	-	-	29,000	29,000	29,000	-
Arte Inc.	-	-	-	20,735	20,735	20,735	-
CT Virtuosi Orchestra	-	-	-	15,250	15,250	15,250	-
Barnum Museum	-	-	-	20,735	20,735	20,735	-
Various Grants	-	-	-	393,856	393,856	393,856	-
CT Open	-	-	-	-	600,000	250,000	(350,000)
Greater Hartford Arts Council	-	-	-	74,079	74,079	74,079	-
Stepping Stones Museum for Children	-	-	-	30,863	30,863	30,863	-
Maritime Center Authority	-	-	-	303,705	303,705	303,705	-
Connecticut Humanities Council	-	-	-	850,000	850,000	850,000	-
Amistad Committee for the Freedom Trail	-	-	-	36,414	36,414	36,414	-
New Haven Festival of Arts and Ideas	-	-	-	414,511	414,511	414,511	-
New Haven Arts Council	-	-	-	52,000	52,000	52,000	-
Beardsley Zoo	-	-	-	253,879	253,879	253,879	-
Mystic Aquarium	-	-	-	322,397	322,397	322,397	-
Northwestern Tourism	-	-	-	400,000	-	400,000	400,000

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Eastern Tourism	-	-	-	400,000	-	400,000	400,000
Central Tourism	-	-	-	400,000	-	400,000	400,000
Twain/Stowe Homes	-	-	-	81,196	81,196	81,196	-
Cultural Alliance of Fairfield	-	-	-	52,000	52,000	52,000	-
Agency Total - Tourism Fund	-	-	-	12,644,988	16,282,076	12,894,988	(3,387,088)
Total - Appropriated Funds	33,308,404	27,845,780	27,052,093	27,414,836	29,815,957	26,778,869	(3,037,088)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Adjust Funding for Statewide Marketing

Statewide Marketing	3,869,088	-	(3,869,088)
Total - Tourism Fund	3,869,088	-	(3,869,088)

Background

PA 17-2 JSS establishes the Tourism Fund and transfers 1.5 percentage points of the 15% room occupancy tax (or 10% of collections) to support the fund beginning in FY 19. SB 10, An Act Concerning Revenue Items to Implement the Governor's Budget, recommends increasing the room occupancy tax from 15% to 17% and transferring the collections associated with this increase to the Tourism Fund.

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 \$3,869,088 to the Statewide Marketing account.

Legislative

Maintain funding for the Statewide Marketing account at the original FY 19 appropriation of \$4,130,912.

Adjust Funding for the Regional Tourism Districts

Northwestern Tourism	(400,000)	-	400,000
Eastern Tourism	(400,000)	-	400,000
Central Tourism	(400,000)	-	400,000
Total - Tourism Fund	(1,200,000)	-	1,200,000

Background

Pursuant to Section 14 of PA 17-2 JSS which requires the Office of Policy and Management (OPM) to achieve targeted savings of \$111.8 million in FY 18, the appropriations for the three regional tourism districts are eliminated for FY 18. OPM also eliminated funding for the regional tourism districts in FY 17 as part of bottom line savings targets (lapses) required under PA 16-2.

Governor

Eliminate funding of \$1,200,000 for the regional tourism districts to achieve savings.

Legislative

Maintain funding for the three regional tourism districts at the original FY 19 appropriation level.

Adjust Funding for CT Open in the Tourism Fund

Capital Region Development Authority	(200,000)	-	200,000
Total - General Fund	(200,000)	-	200,000
CT Open	600,000	250,000	(350,000)
Total - Tourism Fund	600,000	250,000	(350,000)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Background

The CT Open is a Women's Tennis Association (WTA) tournament featuring five different competitions, including WTA qualifying, WTA singles, WTA doubles, PowerShares Men's Legends, and the US Open National Playoffs Championship. The CT Open is run by a 501(c)(3) non-profit and takes place each August at the Connecticut Tennis Center at Yale in New Haven.

PA 12-1 JSS expanded the duties of the Capital Region Development Authority (CRDA) to promote and attract in-state professional and amateur sports and sporting events anywhere in Connecticut. In October of 2013, the CRDA board voted to purchase the rights to the New Haven Open Tennis Tournament for \$618,000, which was supported by state General Obligation bond funds, in order to retain the tournament in Connecticut. PA 13-184, the FY 14-15 budget, included \$400,000 specifically for CT Open through the CRDA line-item account. A portion of the CRDA appropriation has been allotted to CT Open since then.

Governor

Transfer funding of \$200,000 for the CT Open from the General Fund to the Tourism Fund. In addition, increase funding for the CT Open by \$400,000 for a total appropriation of \$600,000 through the Tourism Fund in FY 19.

Legislative

Provide funding of \$250,000 for the CT Open in the Tourism Fund. Maintain funding of \$200,000 under the Capital Region Development Authority account in the General Fund.

Adjust Funding for Personal Services in the Tourism Fund

Personal Services	200,000	-	(200,000)
Fringe Benefits	168,000	-	(168,000)
Total - Tourism Fund	368,000	-	(368,000)
Positions - Tourism Fund	3	-	(3)

Background

PA 17-2 JSS establishes the new Tourism Fund and transfers arts, culture, and tourism-related accounts from the General Fund to the Tourism Fund in FY 19.

Governor

Provide funding of \$368,000 to support the salary and fringe benefit costs of three new positions. The positions will support the administration of arts and tourism grants.

Legislative

Do not provide funding of \$368,000 to support the salary and fringe benefit costs of three new positions.

Adjust Municipal Regional Development Authority Funding

Capital Region Development Authority	(150,000)	-	150,000
Municipal Regional Development Authority	(610,500)	(610,500)	-
Total - General Fund	(760,500)	(610,500)	150,000

Background

PA 17-2 JSS, the FY 18-19 Biennial Budget, appropriated \$760,500 in FY 19 to support a Municipal Regional Development Authority (MRDA). Neither that budget act, nor PA 18-81, the Revised FY 19 Budget provides implementing provisions for the Municipal Regional Development Authority.

Governor

Eliminate funding of \$760,500 for the Municipal Regional Development Authority to achieve savings.

Legislative

Eliminate funding of \$610,500 for the Municipal Regional Development Authority account. Maintain funding of \$150,000 under the Capital Region Development Authority account.

Annualize FY 18 Budgeted Lapses

Personal Services	(15,727)	(15,727)	-
Other Expenses	(26,367)	(26,367)	-
Capital Region Development Authority	(50,000)	(50,000)	-
Total - General Fund	(92,094)	(92,094)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Governor

Reduce funding by \$92,094 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(183,373)	(183,373)	-
Total - General Fund	(183,373)	(183,373)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$183,373 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	14,769,848	14,769,848	-
Policy Revisions	(1,235,967)	(885,967)	350,000
Total Recommended - GF	13,533,881	13,883,881	350,000
Original Appropriation - ED	12,644,988	12,644,988	-
Policy Revisions	3,637,088	250,000	(3,387,088)
Total Recommended - ED	16,282,076	12,894,988	(3,387,088)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	89	89	-
Total Recommended - GF	89	89	-
Original Appropriation - ED	-	-	-
Policy Revisions	3	-	(3)
Total Recommended - ED	3	-	(3)

Department of Housing

DOH46900

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	23	23	23	23	23	23	-
Insurance Fund	-	-	1	1	1	1	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	2,002,589	1,744,884	1,782,307	1,853,013	1,801,379	1,801,379	-
Other Expenses	171,794	169,249	153,945	162,047	153,945	153,945	-
Other Current Expenses							
Elderly Rental Registry and Counselors	1,107,398	1,035,430	1,014,722	1,035,431	1,014,722	1,014,722	-
Homeless Youth	-	-	2,282,505	2,329,087	2,282,505	2,282,505	-
Other Than Payments to Local Governments							
Subsidized Assisted Living Demonstration	2,251,114	2,159,241	2,084,241	2,084,241	2,534,220	2,084,241	(449,979)
Congregate Facilities Operation Costs	7,681,166	7,285,736	7,189,480	7,336,204	7,189,480	7,189,480	-
Housing Assistance and Counseling Program	384,123	23,072	-	-	-	-	-
Elderly Congregate Rent Subsidy	2,043,242	1,982,065	1,942,424	1,982,065	1,942,424	1,942,424	-
Housing/Homeless Services	65,090,466	66,032,510	72,543,726	78,628,792	77,548,308	77,748,308	200,000
Grant Payments to Local Governments							
Housing/Homeless Services - Municipality	632,458	575,107	575,226	586,965	575,226	575,226	-
Agency Total - General Fund	81,364,350	81,007,294	89,568,576	95,997,845	95,042,209	94,792,230	(249,979)
Fair Housing	670,000	670,000	670,000	670,000	670,000	670,000	-
Agency Total - Banking Fund	670,000	670,000	670,000	670,000	670,000	670,000	-
Crumbling Foundations	-	-	110,844	110,844	110,844	110,844	-
Agency Total - Insurance Fund	-	-	110,844	110,844	110,844	110,844	-
Total - Appropriated Funds	82,034,350	81,677,294	90,349,420	96,778,689	95,823,053	95,573,074	(249,979)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Provide Funding for Evacuees Displaced by Hurricane Maria

Housing/Homeless Services	400,000	600,000	200,000
Total - General Fund	400,000	600,000	200,000

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Background

The Federal Emergency Management Agency (FEMA) has provided relief under Temporary Shelter Assistance (TSA) for Hurricane Maria evacuees in Connecticut. The TSA program provides short-term lodging assistance for evacuees who are not able to return home for an extended or indeterminate period of time following a disaster. There are approximately 100 families receiving TSA in Connecticut as of May; however, FEMA will cease all such assistance on or before July 1, 2018. These funds are appropriated to the Department of Housing to assist eligible evacuees still requiring housing assistance in FY 19.

Governor

Provide Funding of \$400,000 for temporary housing and rental assistance for individuals and families displaced by Hurricane Maria.

Legislative

Provide Funding of \$600,000 to fund security deposits and first month rent for individuals and families displaced by Hurricane Maria.

Dedicate Funding for Noble House**Background**

Noble House, operated by CASA, Inc., is a group residence for men living with HIV/AIDS with a history of substance abuse or diagnosis of mental health who are homeless or at risk of becoming homeless.

Legislative

Dedicate \$90,000 in FY 19 from the Housing/Homeless Services account for funding grants to Noble House, operated by CASA, Inc.

Dedicate Funding for New London Homeless Hospitality Center**Background**

New London Homeless Hospitality Center is an overnight shelter and daytime help center serving homeless adults.

Legislative

Dedicate \$150,000 in FY 19 from the Housing/Homeless Services account for funding grants to the New London Homeless Hospitality Center.

Annualize FY 18 Budgeted Lapses

Personal Services	(4,079)	(4,079)	-
Other Expenses	(8,102)	(8,102)	-
Elderly Rental Registry and Counselors	(20,709)	(20,709)	-
Homeless Youth	(46,582)	(46,582)	-
Congregate Facilities Operation Costs	(146,724)	(146,724)	-
Elderly Congregate Rent Subsidy	(39,641)	(39,641)	-
Housing/Homeless Services	(1,480,484)	(1,480,484)	-
Housing/Homeless Services - Municipality	(11,739)	(11,739)	-
Total - General Fund	(1,758,060)	(1,758,060)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$1,758,060 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(47,555)	(47,555)	-
Total - General Fund	(47,555)	(47,555)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$47,555 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Current Services

Increase Funding for Assisted Living Dem

Subsidized Assisted Living Demonstration	449,979	-	(449,979)
Total - General Fund	449,979	-	(449,979)

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.

Governor

Provide funding of \$449,979 to support the rental subsidies under the Assisted Living Demonstration program.

Legislative

Do not provide funding.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	95,997,845	95,997,845	-
Policy Revisions	(1,405,615)	(1,205,615)	200,000
Current Services	449,979	-	(449,979)
Total Recommended - GF	95,042,209	94,792,230	(249,979)
Original Appropriation - BF	670,000	670,000	-
Total Recommended - BF	670,000	670,000	-
Original Appropriation - IF	110,844	110,844	-
Total Recommended - IF	110,844	110,844	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	23	23	-
Total Recommended - GF	23	23	-
Original Appropriation - IF	1	1	-
Total Recommended - IF	1	1	-

Agricultural Experiment Station

AES48000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	69	69	69	69	69	69	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	5,829,498	5,512,476	5,418,034	5,636,399	5,479,344	5,479,344	-
Other Expenses	943,146	772,060	865,032	910,560	865,032	865,032	-
Equipment	8,787	-	-	-	-	-	-
Other Current Expenses							
Mosquito Control	475,004	442,312	502,312	502,312	502,312	502,312	-
Wildlife Disease Prevention	94,318	88,827	92,701	92,701	92,701	92,701	-
Agency Total - General Fund	7,350,753	6,815,675	6,878,079	7,141,972	6,939,389	6,939,389	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Annualize FY 18 Budgeted Lapses

Personal Services	(12,406)	(12,406)	-
Other Expenses	(45,528)	(45,528)	-
Total - General Fund	(57,934)	(57,934)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$57,934 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Rollout SEBAC Attrition Savings to Agencies

Personal Services	(144,649)	(144,649)	-
Total - General Fund	(144,649)	(144,649)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$144,649 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	7,141,972	7,141,972	-
Policy Revisions	(202,583)	(202,583)	-
Total Recommended - GF	6,939,389	6,939,389	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	69	69	-
Total Recommended - GF	69	69	-

Health

	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative Recommended FY 19	Difference Leg-Gov FY 19
General Fund							
Department of Veterans' Affairs	27,604,463	24,671,277	22,845,377	21,806,767	21,088,621	23,088,621	2,000,000
Department of Public Health	63,381,650	57,475,163	58,413,642	59,730,353	60,058,760	58,089,774	(1,968,986)
Office of Health Strategy	-	-	-	1,975,432	2,031,585	1,975,432	(56,153)
Office of the Chief Medical Examiner	6,492,967	6,096,917	6,396,834	6,407,805	6,450,523	6,270,523	(180,000)
Department of Developmental Services	1,059,215,744	522,175,239	505,493,798	528,638,363	516,777,439	524,499,606	7,722,167
Department of Mental Health and Addiction Services	636,574,137	603,745,975	591,161,571	612,500,758	591,993,810	599,604,044	7,610,234
Psychiatric Security Review Board	279,015	294,074	296,512	297,831	296,512	296,512	-
Total - General Fund	1,793,547,977	1,214,458,645	1,184,607,734	1,231,357,309	1,198,697,250	1,213,824,512	15,127,262
Insurance Fund							
Department of Public Health	41,151,954	42,378,516	52,579,507	59,702,081	55,855,813	59,702,081	3,846,268
Office of Health Strategy	-	-	-	3,378,464	3,721,351	3,721,351	-
Department of Mental Health and Addiction Services	397,299	408,924	408,924	408,924	408,924	408,924	-
Total - Insurance Fund	41,549,253	42,787,440	52,988,431	63,489,469	59,986,088	63,832,356	3,846,268
Total - Appropriated Funds	1,835,097,229	1,257,246,085	1,237,596,165	1,294,846,778	1,258,683,338	1,277,656,868	18,973,530

MAJOR CHANGES

DEPARTMENT OF VETERANS' AFFAIRS

- **Support Dual Licensure:** PA 18-81 restores \$2 million to reflect staffing levels that support licensing the Health Care Center as both a nursing home and chronic disease hospital.

DEPARTMENT OF DEVELOPMENTAL SERVICES

- **Provide Funding for Emergency Placements:** New funding of \$5 million supports placements for the most critical needs that arise during FY 19, including emergency placements for residential and day services, and youth in emergency departments.

Department of Veterans' Affairs

DVA21000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	243	243	243	243	243	243	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	21,874,065	20,898,634	19,116,054	17,914,195	17,359,298	19,359,298	2,000,000
Other Expenses	4,714,663	2,994,433	2,903,427	3,056,239	2,903,427	2,903,427	-
Other Current Expenses							
Support Services for Veterans	178,691	-	-	-	-	-	-
SSMF Administration	550,296	521,833	511,396	521,833	511,396	511,396	-
Other Than Payments to Local Governments							
Burial Expenses	7,128	6,467	6,666	6,666	6,666	6,666	-
Headstones	279,620	249,910	307,834	307,834	307,834	307,834	-
Agency Total - General Fund	27,604,463	24,671,277	22,845,377	21,806,767	21,088,621	23,088,621	2,000,000

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Restore Funding to Personal Services

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

Background

Public Act 17-2 reduced personal services in FY 19 by \$2 million due to converting the Health Care Center's license from a chronic disease hospital to a nursing home level of care.

Legislative

Provide funding of \$2 million to support personal services costs.

Annualize FY 18 Budgeted Lapses

Personal Services	(43,832)	(43,832)	-
Other Expenses	(152,812)	(152,812)	-
SSMF Administration	(10,437)	(10,437)	-
Total - General Fund	(207,081)	(207,081)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$207,081 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Rollout SEBAC Attrition Savings to Agencies

Personal Services	(511,065)	(511,065)	-
Total - General Fund	(511,065)	(511,065)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$511,065 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	21,806,767	21,806,767	-
Policy Revisions	(718,146)	1,281,854	2,000,000
Total Recommended - GF	21,088,621	23,088,621	2,000,000

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	243	243	-
Total Recommended - GF	243	243	-

Department of Public Health

DPH48500

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	479	481	495	480	481	480	(1)
Insurance Fund	5	5	5	5	5	5	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	34,814,486	33,873,646	34,038,823	34,180,177	33,342,324	33,270,303	(72,021)
Other Expenses	6,682,899	6,226,791	7,409,574	7,908,041	7,611,063	7,518,063	(93,000)
Other Current Expenses							
Children's Health Initiatives	2,228,871	-	-	-	2,935,769	-	(2,935,769)
Childhood Lead Poisoning	63,655	-	-	-	-	-	-
Children with Special Health Care Needs	978,884	-	-	-	-	-	-
Other Than Payments to Local Governments							
Community Health Services	1,801,585	1,836,832	1,655,483	1,900,431	1,478,104	1,866,646	388,542
Rape Crisis	610,838	539,966	546,942	558,104	546,942	546,942	-
Genetic Diseases Programs	235,516	-	-	-	-	-	-
Grant Payments to Local Governments							
Local and District Departments of Health	4,367,839	4,083,916	4,144,588	4,144,588	4,171,461	4,144,588	(26,873)
School Based Health Clinics	11,597,078	10,914,012	10,618,232	11,039,012	9,973,097	10,743,232	770,135
Agency Total - General Fund	63,381,650	57,475,163	58,413,642	59,730,353	60,058,760	58,089,774	(1,968,986)
Needle and Syringe Exchange Program	455,105	459,414	459,416	459,416	459,416	459,416	-
Children's Health Initiatives	-	-	2,935,769	2,935,769	-	2,935,769	2,935,769
AIDS Services	4,857,414	4,766,247	4,975,686	4,975,686	4,975,686	4,975,686	-
Breast and Cervical Cancer Detection and Treatment	2,111,168	2,137,197	2,148,358	2,150,565	2,150,565	2,150,565	-
Immunization Services	32,728,049	34,000,473	40,897,959	48,018,326	47,107,827	48,018,326	910,499
X-Ray Screening and Tuberculosis Care	803,047	818,014	965,148	965,148	965,148	965,148	-
Venereal Disease Control	197,171	197,171	197,171	197,171	197,171	197,171	-
Agency Total - Insurance Fund	41,151,954	42,378,516	52,579,507	59,702,081	55,855,813	59,702,081	3,846,268
Total - Appropriated Funds	104,533,604	99,853,679	110,993,149	119,432,434	115,914,573	117,791,855	1,877,282

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Return the CHI Account to the General Fund

Children's Health Initiatives	2,935,769	-	(2,935,769)
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Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Total - General Fund	2,935,769	-	(2,935,769)
Children's Health Initiatives	(2,935,769)	-	2,935,769
Total - Insurance Fund	(2,935,769)	-	2,935,769

Background

Historically, the majority of funding for the Children's Health Initiatives (CHI) account has been provided from the General Fund. In FY 17, it was moved from the General Fund to the non-appropriated Biomedical Research Trust Fund (\$2,339,428). The FY 18 and FY 19 Biennial Budget subsequently transferred the account to the Insurance Fund and provided \$2,935,769 for it in each fiscal year. This amount included a non-specified reduction of \$122,979 in both fiscal years from the Governor's original recommended biennial funding levels, and \$599,177 for grants to newborn regional and sickle cell disease treatment centers.

Governor

Transfer funding of \$2,935,769 to support CHI account from the Insurance Fund back to the General Fund.

Legislative

Do not return the CHI account to the General Fund.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(909,874)	(909,874)	-
Total - General Fund	(909,874)	(909,874)	-

Background

The FY 18 and FY 19 Biennial Budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's FY 19 Revised Budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce funding for Personal Services by \$909,874 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Other Expenses	(389,978)	(389,978)	-
Community Health Services	(33,785)	(33,785)	-
Rape Crisis	(11,162)	(11,162)	-
School Based Health Clinics	(420,780)	(420,780)	-
Total - General Fund	(855,705)	(855,705)	-

Background

The Governor's FY 19 Revised Budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$855,705 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Reduce Funding for SBHCs

School Based Health Clinics	(645,135)	-	645,135
Total - General Fund	(645,135)	-	645,135

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 \$645,135 for SBHCs. This reflects the elimination of \$125,000 added to the FY 18 and FY 19 Biennial Budget for a new SBHC provider in East Hartford, and the reduction of an additional \$520,135 to the School Based Health Clinics account. This is a 5% reduction from FY 18 funding committed to existing providers by the agency totaling \$10,432,406.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Do not reduce funding.

Reduce Funding for Local and District Health Departments

Local and District Departments of Health	(463,496)	-	463,496
Total - General Fund	(463,496)	-	463,496

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 \$463,496 for Local and District Health Departments. Total account funding of \$4,171,461 reflects a 10% decrease to Local and District Health Departments per capita formula funding, as required under statute (\$4,634,956).

Legislative

Do not reduce funding.

Reduce Funding for Community Health Centers

Community Health Services	(388,542)	-	388,542
Total - General Fund	(388,542)	-	388,542

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.

After budget reductions, \$334,880 remained in FY 16 for CHC grants. The Community Health Center Association of Connecticut (CHCACT) received \$278,554 of this amount and Community Health Center, Inc. received \$56,326. A total of \$358,728 was available for CHC grants in FY 17 after budget reductions. CHCACT received \$298,392 and the Community Health Center, Inc. received \$60,336. The FY 18 and FY 19 Biennial Budget reduced the Community Health Services account by more than \$200,000 in both fiscal years and included targeted savings of \$33,785 in FY 18. CHCACT is anticipated to receive \$101,348 and the Community Health Center, Inc. is anticipated to receive \$20,493 from this account in FY 18.

Governor

Reduce funding by \$388,542 to reflect the elimination of grant funding to CHCACT and the Community Health Center, Inc. from the Community Health Services account.

Legislative

Do not reduce funding.

Fund Nationally Recommended Tests in Newborn Screening Panel

Personal Services	48,750	-	(48,750)
Other Expenses	93,000	-	(93,000)
Total - General Fund	141,750	-	(141,750)
Positions - General Fund	1	-	(1)

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

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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from \$98 to \$110 in 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.

Pompe disease refers to an inherited disorder involving the buildup of glycogen in the body's cells. This accumulation in certain organs and tissues, especially muscles, impairs their ability to function normally. Mucopolysaccharidosis type I (MPS I) can negatively affect many different organs and tissues. People with severe MPS I experience a decline in intellectual function.

Governor

Provide funding of \$141,750 to expand the newborn screening panel to include two nationally recommended disorders that Connecticut does not currently screen for: Pompe Disease and MPS I. This cost, which includes support for one full-time Health Program Assistant I position, will be offset by revenues generated from increasing the newborn screening fee from \$110 to \$114.

Legislative

Do not provide funding.

Fund New School Based Health Center

School Based Health Clinics	-	125,000	125,000
Total - General Fund	-	125,000	125,000

Legislative

Provide funding of \$125,000 to support a new School Based Health Center.

General Fund Support for Behavior Analyst Licensure

Personal Services	23,271	-	(23,271)
Total - General Fund	23,271	-	(23,271)

Background

PA 17-2 JSS authorized the establishment of professional licensure for Behavior Analysts and a separate, non-lapsing account to contain licensure fee revenue (\$350 for the initial license and \$175 for annual renewal) to cover costs to DPH to implement licensure.

Governor

Provide funding of \$23,271 for a half-time Processing Technician to support Behavior Analyst licensure. Fee revenue will be redirected to the General Fund in concert with this change.

Legislative

Do not provide funding.

Current Services

TRICARE Reimbursement to Immunization Services

Immunization Services	(910,499)	-	910,499
Total - Insurance Fund	(910,499)	-	910,499

Background

The Department of Defense (DOD) voluntarily agreed to reimburse universal-coverage-vaccine states for children from military families that received vaccines through state, and not federal, resources between the end of December 2010 and June 2017. On 9/29/17, the DOD provided \$480,998.54 to DPH related to Tricare. This is approximately 35% of the total anticipated reimbursement to Connecticut of \$1,391,497.83. The Health and Welfare Fee assessment, which fully supports DPH's Immunization Services account, was reduced by this amount in the current fiscal year (FY 18). The total outstanding reimbursement amount of \$910,499 is anticipated to be received by the end of the current fiscal year. As such, the Immunization Services account may be reduced by this amount (\$910,499) in FY 19.

Governor

Reduce the appropriation for Immunization Services account by \$910,499 to reflect DOD TRICARE reimbursement.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Do not reduce the Immunization Services account appropriation.

Fund Grants to Local and District Health Departments

Local and District Departments of Health	490,369	-	(490,369)
Total - General Fund	490,369	-	(490,369)

Background

See the write-up titled *Reduce Funding to Local and District Health Departments* under "Policy Revisions" for background on this account.

Governor

Provide funding of \$490,369 for per capita subsidies to local and district health departments, as required under existing statutes.

Legislative

Do not provide funding.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	59,730,353	59,730,353	-
Policy Revisions	(161,962)	(1,640,579)	(1,478,617)
Current Services	490,369	-	(490,369)
Total Recommended - GF	60,058,760	58,089,774	(1,968,986)
Original Appropriation - IF	59,702,081	59,702,081	-
Policy Revisions	(2,935,769)	-	2,935,769
Current Services	(910,499)	-	910,499
Total Recommended - IF	55,855,813	59,702,081	3,846,268

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	480	480	-
Policy Revisions	1	-	(1)
Total Recommended - GF	481	480	(1)
Original Appropriation - IF	5	5	-
Total Recommended - IF	5	5	-

Office of Health Strategy

OHS49100

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	-	-	-	23	24	23	(1)
Insurance Fund	-	-	-	6	9	9	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	-	-	-	1,937,390	1,993,543	1,937,390	(56,153)
Other Expenses	-	-	-	38,042	38,042	38,042	-
Agency Total - General Fund	-	-	-	1,975,432	2,031,585	1,975,432	(56,153)
Personal Services	-	-	-	560,785	836,433	836,433	-
Other Expenses	-	-	-	2,386,767	2,136,767	2,136,767	-
Equipment	-	-	-	-	10,000	10,000	-
Other Current Expenses							
Fringe Benefits	-	-	-	430,912	738,151	738,151	-
Agency Total - Insurance Fund	-	-	-	3,378,464	3,721,351	3,721,351	-
Total - Appropriated Funds	-	-	-	5,353,896	5,752,936	5,696,783	(56,153)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Provide General Fund Support for SIM Position

Personal Services	56,153	-	(56,153)
Total - General Fund	56,153	-	(56,153)
Positions - General Fund	1	-	(1)

Background

The State Innovation Model (SIM) initiative is a Center for Medicare & Medicaid Innovation effort to support the development and implementation of a state-led, multi-payer healthcare payment and service delivery model that will promote healthier people, better care, and smarter spending. In 2014 Connecticut received a \$45 million SIM grant to implement a multi-faceted strategy to improve the health outcomes and healthcare spending trajectory of the state, as well as to improve the sizeable health disparities that continue to persist.

Governor

Provide funding of \$56,153 from the General Fund to support an Administrative Assistant position that will report directly to the Executive Director of OHS.

Legislative

Do not provide funding.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Current Services

Complete Transfer of SIM from OHA to OHS

Personal Services	86,405	86,405	-
Equipment	10,000	10,000	-
Fringe Benefits	76,252	76,252	-
Total - Insurance Fund	172,657	172,657	-
Positions - Insurance Fund	3	3	-

Governor

Transfer three positions and associated funding of \$172,657 from OHA to OHS to complete the transfer of SIM-related functions from OHA to OHS.

Legislative

Same as Governor

Fully Fund Fringe Benefit Costs

Fringe Benefits	170,230	170,230	-
Total - Insurance Fund	170,230	170,230	-

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, non-General Fund agencies are charged indirect overhead costs by the State Comptroller for utilizing certain centralized state agency services.

Governor

Provide funding of \$170,230 to fully fund fringe benefit costs for Insurance Fund staff under OHS.

Legislative

Same as Governor

Reallocate Funds to Fully Support OHS Staff Costs

Personal Services	189,243	189,243	-
Other Expenses	(250,000)	(250,000)	-
Fringe Benefits	60,757	60,757	-
Total - Insurance Fund	-	-	-

Governor

Reallocate funding of \$250,000 from the Other Expenses account to the Personal Services account (\$189,243), and the Fringe Benefits account (\$60,757), to fully support OHS staff costs.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	1,975,432	1,975,432	-
Policy Revisions	56,153	-	(56,153)
Total Recommended - GF	2,031,585	1,975,432	(56,153)
Original Appropriation - IF	3,378,464	3,378,464	-
Current Services	342,887	342,887	-
Total Recommended - IF	3,721,351	3,721,351	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	23	23	-
Policy Revisions	1	-	(1)
Total Recommended - GF	24	23	(1)
Original Appropriation - IF	6	6	-
Current Services	3	3	-
Total Recommended - IF	9	9	-

Office of the Chief Medical Examiner

CME49500

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	50	50	50	50	50	50	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	4,924,396	4,718,225	4,912,748	4,926,809	4,969,527	4,789,527	(180,000)
Other Expenses	1,526,104	1,341,906	1,435,536	1,435,536	1,435,536	1,435,536	-
Equipment	18,938	16,320	26,400	23,310	23,310	23,310	-
Other Current Expenses							
Medicolegal Investigations	23,528	20,466	22,150	22,150	22,150	22,150	-
Agency Total - General Fund	6,492,967	6,096,917	6,396,834	6,407,805	6,450,523	6,270,523	(180,000)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Provide Pathologist Funding

Personal Services	180,000	-	(180,000)
Total - General Fund	180,000	-	(180,000)

Background

The number of autopsy investigations performed by the agency has increased by approximately 64% between 2013 and 2016 (934 cases).

Governor

Provide funding of \$180,000 to support the salary of an additional forensic pathologist, bringing the agency from five pathologists to six, in order to help alleviate rising caseloads.

Legislative

Do not provide funding.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(126,438)	(126,438)	-
Total - General Fund	(126,438)	(126,438)	-

Background

The FY 18 and FY 19 Biennial Budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's FY 19 Revised Budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce funding for Personal Services by \$126,438 to reflect this agency's portion of the attrition savings.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Personal Services	(10,844)	(10,844)	-
Total - General Fund	(10,844)	(10,844)	-

Background

The Governor's FY 19 Revised Budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$10,844 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	6,407,805	6,407,805	-
Policy Revisions	42,718	(137,282)	(180,000)
Total Recommended - GF	6,450,523	6,270,523	(180,000)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	50	50	-
Total Recommended - GF	50	50	-

Department of Developmental Services

DDS50000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	3,318	3,098	2,980	2,980	2,980	2,980	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	244,132,052	215,986,057	199,256,988	206,888,083	194,793,871	201,093,871	6,300,000
Other Expenses	19,590,283	18,161,735	15,831,855	16,590,769	15,347,513	15,757,513	410,000
Other Current Expenses							
Housing Supports and Services	-	-	-	350,000	350,000	350,000	-
Family Support Grants	3,700,808	3,511,374	3,700,840	3,700,840	3,700,840	3,700,840	-
Cooperative Placements Program	23,925,741	-	-	-	-	-	-
Clinical Services	3,397,700	2,551,495	2,372,737	2,365,359	2,325,359	2,365,359	40,000
Workers' Compensation Claims	14,646,756	14,433,682	13,823,176	13,823,176	13,823,176	13,823,176	-
Autism Services	3,100,244	-	-	-	-	-	-
Behavioral Services Program	30,980,166	24,444,315	22,028,926	22,478,496	22,028,926	22,028,926	-
Supplemental Payments for Medical Services	4,365,926	3,932,816	3,686,196	3,761,425	3,686,196	3,686,196	-
ID Partnership Initiatives	-	-	1,029,000	1,900,000	1,529,000	1,529,000	-
Emergency Placements	-	-	-	-	5,000,000	5,000,000	-
Other Than Payments to Local Governments							
Rent Subsidy Program	4,854,494	4,879,910	4,782,312	4,879,910	4,782,312	4,782,312	-
Employment Opportunities and Day Services	225,349,898	234,273,855	238,981,768	251,900,305	249,410,246	250,382,413	972,167
Community Residential Services	481,171,677	-	-	-	-	-	-
Agency Total - General Fund	1,059,215,744	522,175,239	505,493,798	528,638,363	516,777,439	524,499,606	7,722,167

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Provide Funding for Emergency Placements

Emergency Placements	5,000,000	5,000,000	-
Total - General Fund	5,000,000	5,000,000	-

Background

DDS consumers, particularly those with acute clinical needs, can be served by the agency through the establishment of community capacity to: (1) divert individuals in crisis from emergency departments, as appropriate, and (2) reduce long-term residential placements overall. It is anticipated that a mobile crisis response system could divert individuals in crisis from emergency rooms. In concert with an expansion of wraparound supports, a hospital diversion system, could mitigate long-term residential placements overall. This system might include step-down units allowing DDS teams to develop comprehensive consumer transition plans with clinical supervision and support.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Governor

Provide funding of \$5 million to support placements for the most critical needs that arise during FY 19, including emergency placements for residential and day services, and youth in emergency departments.

Legislative

Provide funding of \$5 million to support placements for the most critical needs that arise during FY 19, including emergency placements for residential and day services, and youth in emergency departments. The Commissioner shall consider acuity level in the provision of these services and the agency shall report quarterly to the Appropriations Committee on the use of the funding and the individuals served.

Adjust Group Home Funding

Personal Services	(6,300,000)	-	6,300,000
Other Expenses	(410,000)	-	410,000
Clinical Services	(40,000)	-	40,000
Total - General Fund	(6,750,000)	-	6,750,000

Background

As of 2/1/18, there were a total of 811 group homes (supported by a Medicaid waiver), 45 operated by DDS, and 766 operated by private providers. In FY 18, ten DDS operated group homes were converted to private providers. In FY 19, an additional ten group homes are scheduled for conversion. Group homes for DDS clients, operated by private providers, are funded in the DSS Community Residential Services account. The state receives a 50% federal reimbursement for Medicaid waived programs.

Governor

Reduce funding by \$6,300,000 in Personal Services, \$410,000 in Other Expenses, and \$40,000 in Clinical Services for a total reduction of \$6,750,000. Funding of \$5,700,000 million is provided in DSS Community Residential Services to support the private providers operating the ten group homes. The conversion of ten group homes from public to private provider operation is anticipated to result in net savings of \$1,000,000 in FY 19. The staff associated with the ten homes will be offered placements in vacancies within DDS or other state agencies, per the provisions of the 2017 SEBAC agreement.

Legislative

Funding is maintained in the existing accounts.

Provide Funding for Employment and Day Services

Employment Opportunities and Day Services	1,080,000	1,080,000	-
Total - General Fund	1,080,000	1,080,000	-

Background

DDS funds an array of employment and other day service options that funded DDS consumers may chose from. These options include: supported employment, group employment, individual day supports, day service option, and senior supports. The state receives 50% federal reimbursement for these Medicaid waived programs. The Money Follows the Person (MFP) program helps states rebalance their Medicaid long-term care systems by increasing the use of home and community-based services and reduce the use of institutionally-based services such as nursing homes, Southbury Training School, and DDS Regional Centers.

Governor

Provide funding of \$1,080,000 for Employment and Day Services to support MFP caseload growth. This includes the annualization of 30 individuals placed in FY 18, and funding for services for 46 individuals in FY 19 that will transfer into the community under the MFP program.

Legislative

Same as Governor

Annualize FY 18 Budgeted Lapse

Personal Services	(457,695)	(457,695)	-
Other Expenses	(833,256)	(833,256)	-
Behavioral Services Program	(449,570)	(449,570)	-
Supplemental Payments for Medical Services	(75,229)	(75,229)	-
ID Partnership Initiatives	(371,000)	(371,000)	-
Rent Subsidy Program	(97,598)	(97,598)	-
Employment Opportunities and Day Services	(3,570,059)	(3,570,059)	-
Total - General Fund	(5,854,407)	(5,854,407)	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$5,854,407 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(5,336,517)	(5,336,517)	-
Total - General Fund	(5,336,517)	(5,336,517)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$5,336,517 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Current Services**Provide Funding for PCA Agreement**

Employment Opportunities and Day Services	-	972,167	972,167
Total - General Fund	-	972,167	972,167

Legislative

Provide funding of \$972,167 in the Employment and Day Services account to support the memorandum of agreement between the Personal Care Attendant (PCA) Workforce Council and the New England Health Care Employees Union. Funding supports wage increases, training and orientation costs, holiday pay and workers' compensation coverage.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	528,638,363	528,638,363	-
Policy Revisions	(11,860,924)	(5,110,924)	6,750,000
Current Services	-	972,167	972,167
Total Recommended - GF	516,777,439	524,499,606	7,722,167

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	2,980	2,980	-
Total Recommended - GF	2,980	2,980	-

Department of Mental Health and Addiction Services

MHA53000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	3,438	3,438	3,438	3,438	3,438	3,438	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	198,059,084	184,591,976	176,924,235	185,075,887	176,234,876	179,918,858	3,683,982
Other Expenses	29,846,720	24,889,236	23,191,753	24,412,372	22,772,149	23,191,753	419,604
Other Current Expenses							
Housing Supports and Services	22,933,817	23,129,680	22,804,287	23,269,681	22,804,287	22,804,287	-
Managed Service System	61,561,999	57,186,884	55,251,174	56,505,032	60,958,185	55,325,363	(5,632,822)
Legal Services	983,886	848,192	700,144	700,144	700,144	700,144	-
Connecticut Mental Health Center	8,314,230	7,629,845	7,191,357	7,848,323	6,613,486	7,848,323	1,234,837
Professional Services	12,193,072	11,477,420	11,200,697	11,200,697	11,200,697	11,200,697	-
General Assistance Managed Care	40,938,498	40,501,843	40,627,185	42,160,121	41,339,713	41,339,713	-
Workers' Compensation Claims	11,628,890	11,563,126	11,405,512	11,405,512	11,405,512	11,405,512	-
Nursing Home Screening	584,618	531,325	623,625	636,352	-	623,625	623,625
Young Adult Services	75,992,269	76,759,735	74,834,429	76,859,968	73,081,282	75,125,743	2,044,461
TBI Community Services	8,289,788	8,199,601	8,583,069	8,779,723	8,596,174	8,596,174	-
Jail Diversion	4,435,863	4,039,367	-	190,000	95,000	95,000	-
Behavioral Health Medications	6,894,318	5,911,832	6,720,754	6,720,754	6,720,754	6,720,754	-
Prison Overcrowding	6,171,404	5,685,135	-	-	-	-	-
Medicaid Adult Rehabilitation Option	4,687,974	4,269,653	4,184,260	4,269,653	4,184,260	4,184,260	-
Discharge and Diversion Services	22,907,487	23,985,673	24,043,142	24,533,818	24,043,142	24,043,142	-
Home and Community Based Services	15,016,225	17,830,240	21,735,175	24,173,942	23,246,667	23,746,667	500,000
Persistent Violent Felony Offenders Act	666,805	606,391	-	-	-	-	-
Nursing Home Contract	457,297	414,978	409,594	417,953	409,594	409,594	-
Pre-Trial Account	680,891	620,352	-	620,352	-	-	-
Katie Blair House	-	-	-	15,000	-	15,000	15,000
Forensic Services	-	-	10,017,892	10,140,895	9,922,892	9,922,892	-
Other Than Payments to Local Governments							
Grants for Substance Abuse Services	22,180,312	17,839,538	17,432,464	17,788,229	16,370,852	17,788,229	1,417,377
Grants for Mental Health Services	71,433,803	66,070,640	64,557,044	65,874,535	62,570,365	65,874,535	3,304,170
Employment Opportunities	9,714,888	9,163,313	8,723,779	8,901,815	8,723,779	8,723,779	-
Agency Total - General Fund	636,574,137	603,745,975	591,161,571	612,500,758	591,993,810	599,604,044	7,610,234
Managed Service System	397,299	408,924	408,924	408,924	408,924	408,924	-
Agency Total - Insurance Fund	397,299	408,924	408,924	408,924	408,924	408,924	-
Total - Appropriated Funds	636,971,436	604,154,899	591,570,495	612,909,682	592,402,734	600,012,968	7,610,234

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Reduce Grants for Mental Health and Substance Abuse Services

Grants for Substance Abuse Services	(1,061,612)	-	1,061,612
Grants for Mental Health Services	(1,986,679)	-	1,986,679
Total - General Fund	(3,048,291)	-	3,048,291

Governor

Reduce funding by \$3,048,291 for grants for mental health and substance abuse services based on a decreased need for state subsidies and services for uninsured individuals as a result of the Affordable Care Act.

Legislative

Maintain funding for grants for mental health and substance abuse services.

Privatize Certain DMHAS Operated Services

Personal Services	(4,683,982)	-	4,683,982
Other Expenses	(419,604)	-	419,604
Managed Service System	5,009,197	-	(5,009,197)
Young Adult Services	(2,044,461)	-	2,044,461
Total - General Fund	(2,138,850)	-	2,138,850

Governor

Reduce funding by \$2,138,850 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, 16 Capitol Region inpatient beds, and local mental health authority services in Danbury and Torrington. This assumes DMHAS staff currently associated with these services will be reallocated to fill agency vacancies.

Legislative

Maintain current funding for and structure of DMHAS operated services.

Reduce Funding for Connecticut Mental Health Center

Connecticut Mental Health Center	(577,871)	-	577,871
Total - General Fund	(577,871)	-	577,871

Background

Funds support a contract with Yale University for management and operation of the Connecticut Mental health Center (CMHC). Funding supports Abraham Ribicoff Research Facilities, which has focused on the causes of and treatment for major psychiatric mental disorders and drug and alcohol addiction through a collaboration between the Clinical Neuroscience Research Unit (CNRU) (clinical research with patients and healthy subjects) and the Division of Molecular Psychiatry (basic science research). Ribicoff researchers also teach various mental health professionals and help to educate the community through an annual symposium.

Governor

Reduce funding by \$577,871 to reflect a reduction to CMHC for the Ribicoff research program.

Legislative

Maintain funding for the Ribicoff research program via CMHC.

Reduce Funding for Home and Community Based Services

Home and Community Based Services	(500,000)	-	500,000
Total - General Fund	(500,000)	-	500,000

Governor

Reduce funding by \$500,000 for Home and Community Based Services (HCBS), which is not anticipated to result in a programmatic impact.

Legislative

Maintain funding for Home and Community Based Services.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Annualize FY 18 Budgeted Lapses

Personal Services	(407,363)	(407,363)	-
Other Expenses	(1,220,619)	(1,220,619)	-
Housing Supports and Services	(465,394)	(465,394)	-
Managed Service System	(1,017,915)	(1,017,915)	-
Connecticut Mental Health Center	(656,966)	-	656,966
General Assistance Managed Care	(820,408)	(820,408)	-
Nursing Home Screening	(12,727)	(12,727)	-
Young Adult Services	(1,091,287)	(1,091,287)	-
TBI Community Services	(157,593)	(157,593)	-
Jail Diversion	(95,000)	(95,000)	-
Medicaid Adult Rehabilitation Option	(85,393)	(85,393)	-
Discharge and Diversion Services	(490,676)	(490,676)	-
Home and Community Based Services	(427,275)	(427,275)	-
Nursing Home Contract	(8,359)	(8,359)	-
Pre-Trial Account	(620,352)	(620,352)	-
Katie Blair House	(15,000)	-	15,000
Forensic Services	(174,649)	(174,649)	-
Grants for Substance Abuse Services	(355,765)	-	355,765
Grants for Mental Health Services	(1,317,491)	-	1,317,491
Employment Opportunities	(178,036)	(178,036)	-
Total - General Fund	(9,618,268)	(7,273,046)	2,345,222

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$9,618,268 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Reduce funding by \$7,273,046 to reflect this agency's portion of the non-SEBAC lapses. Maintain funding for the Connecticut Mental Health Center (CMHC), Katie Blair House, and Grants for Substance Abuse and Mental Health Services.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(4,749,666)	(4,749,666)	-
Managed Service System	(161,754)	(161,754)	-
Young Adult Services	(642,938)	(642,938)	-
TBI Community Services	(25,956)	(25,956)	-
Forensic Services	(43,354)	(43,354)	-
Total - General Fund	(5,623,668)	(5,623,668)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce funding by \$5,623,668 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Reallocate Funding for Nursing Home Screening

Managed Service System	623,625	-	(623,625)
Nursing Home Screening	(623,625)	-	623,625
Total - General Fund	-	-	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Governor

Reallocate funding of \$623,625 from the Nursing Home Screening line item to the Managed Service System line item.

Legislative

Maintain funding in the Nursing Home Screening line item.

Current Services

Support Management at CVH and Whiting

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

Background

Effective April 1, 2017, DMHAS voluntarily decertified Whiting Maximum Security beds due to certain programs (those under the Psychiatric Security Review Board) not meeting the current discharge planning requirements of federal law and the rules and regulation of the Centers for Medicare and Medicaid Services (CMS). Per Executive Order No. 63 (effective 12/31/2017), the Whiting Forensic Division of Connecticut Valley Hospital (CVH) is designated as a separate entity from CVH. The new Forensic Whiting Forensic Hospital includes the Whiting Maximum Security Building and the Dutcher Enhanced Security Building. These facilities consist of 106 maximum security beds and 141 enhanced security beds. Services are provided to individuals who are admitted under the following categories: Psychiatric Security Review Board (PSRB) commitment, criminal court order for restoration of competency to stand trial, civil commitment (voluntary or involuntary), or transfer from the Department of Correction (during a period of incarceration or at end of a sentence). Discharge options are dependent on legal status and the purpose of admission.

Governor

Provide funding of \$1 million to enhance the management capacity at Connecticut Valley Hospital (CVH) and the new Whiting Forensic Hospital. This funding will address systemic deficiencies and improve quality and oversight in both hospitals in order to (1) maintain federal certification and related federal reimbursement at Connecticut Valley Hospital, (2) obtain Joint Commission accreditation, and (3) work towards Department of Public Health (DPH) licensure of the new Whiting Forensic Hospital.

Legislative

Do not provide funding to support additional staff at CVH and Whiting.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	612,500,758	612,500,758	-
Policy Revisions	(21,506,948)	(12,896,714)	8,610,234
Current Services	1,000,000	-	(1,000,000)
Total Recommended - GF	591,993,810	599,604,044	7,610,234
Original Appropriation - IF	408,924	408,924	-
Total Recommended - IF	408,924	408,924	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	3,438	3,438	-
Total Recommended - GF	3,438	3,438	-

Psychiatric Security Review Board

PSR56000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	3	3	3	3	3	3	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	250,627	267,687	271,444	271,444	271,444	271,444	-
Other Expenses	28,389	26,387	25,068	26,387	25,068	25,068	-
Agency Total - General Fund	279,015	294,074	296,512	297,831	296,512	296,512	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Current Services

Annualize FY 18 Budgeted Lapses

Other Expenses	(1,319)	(1,319)	-
Total - General Fund	(1,319)	(1,319)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$1,319 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	297,831	297,831	-
Current Services	(1,319)	(1,319)	-
Total Recommended - GF	296,512	296,512	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	3	3	-
Total Recommended - GF	3	3	-

Transportation

	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative Recommended FY 19	Difference Leg-Gov FY 19
Special Transportation Fund							
Department of Motor Vehicles	65,399,651	63,811,936	65,695,367	65,377,070	65,853,443	65,377,070	(476,373)
Department of Transportation	630,227,426	604,732,690	642,187,853	656,604,067	689,537,076	697,117,471	7,580,395
Total - Special Transportation Fund	695,627,077	668,544,626	707,883,220	721,981,137	755,390,519	762,494,541	7,104,022
Total - Appropriated Funds	695,627,077	668,544,626	707,883,220	721,981,137	755,390,519	762,494,541	7,104,022

MAJOR CHANGES

DEPARTMENT OF TRANSPORTATION

- **Increase Funding for Rail and Bus Operations:** The Rail and Bus Operations accounts increase by \$13,447,293 and \$23,266,111 respectively from the original FY 19 appropriation, to support ongoing transit subsidies.

Department of Motor Vehicles

DMV35000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Special Transportation Fund	603	603	603	603	604	603	(1)

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	49,235,837	46,933,512	49,114,557	49,296,260	49,372,633	49,296,260	(76,373)
Other Expenses	16,221,347	15,098,578	15,897,378	15,397,378	15,797,378	15,397,378	(400,000)
Equipment	121,329	468,756	468,756	468,756	468,756	468,756	-
Other Current Expenses							
Real Time Online Registration System	(41,660)	1,311,090	-	-	-	-	-
Commercial Vehicle Information Systems and Networks Project	(137,202)	-	214,676	214,676	214,676	214,676	-
Agency Total - Special Transportation Fund	65,399,651	63,811,936	65,695,367	65,377,070	65,853,443	65,377,070	(476,373)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Current Services

Adjust Funding for Motor Vehicle Trade-in Fee

Personal Services	76,373	-	(76,373)
Total - Special Transportation Fund	76,373	-	(76,373)
Positions - Special Transportation Fund	1	-	(1)

Background

Section 667 of P.A. 17-2 requires the Department of Motor Vehicles 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 is projected to generate \$5.3 million in FY 19 and will be deposited into the General Fund.

Governor

Provide funding of \$76,373 and one accountant position to review information submitted by dealers and to process payments for the motor vehicle trade-in fee.

Legislative

Do not provide funding of \$76,373 and one accountant position for the motor vehicle trade-in fee.

Adjust Funding for Additional Security Guard Coverage

Other Expenses	400,000	-	(400,000)
Total - Special Transportation Fund	400,000	-	(400,000)

Background

The DMV utilizes Murphy Security guards at most of the branches every Saturday; the headquarters in Wethersfield has a security guard Monday through Saturday.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Governor

Provide funding of \$400,000 for additional security guard coverage at most Department of Motor Vehicle branches.

Legislative

Do not provide funding of \$400,000 for additional security guard coverage.

Require DMV to Utilize Online Services**Legislative**

Require the Department of Motor Vehicles to review and report to the Appropriations Committee on the implementation of online services.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - TF	65,377,070	65,377,070	-
Current Services	476,373	-	(476,373)
Total Recommended - TF	65,853,443	65,377,070	(476,373)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - TF	603	603	-
Current Services	1	-	(1)
Total Recommended - TF	604	603	(1)

Department of Transportation

DOT57000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Special Transportation Fund	3,279	3,352	3,357	3,362	3,402	3,362	(40)

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	165,034,410	168,465,512	173,270,126	175,874,964	170,932,658	175,874,964	4,942,306
Other Expenses	56,038,739	51,509,386	53,727,023	53,214,223	53,214,223	53,214,223	-
Equipment	1,614,999	1,326,546	1,341,329	1,341,329	1,341,329	1,341,329	-
Minor Capital Projects	415,766	339,222	449,639	449,639	449,639	449,639	-
Other Current Expenses							
Highway Planning And Research	3,058,974	2,582,173	3,060,131	3,060,131	3,060,131	3,060,131	-
Rail Operations	183,563,844	173,154,738	197,970,701	198,225,900	209,673,193	211,673,193	2,000,000
Bus Operations	157,601,445	152,590,655	156,352,699	168,421,676	190,987,787	191,687,787	700,000
Tweed-New Haven Airport Grant	1,500,000	-	-	-	-	-	-
ADA Para-transit Program	36,228,025	37,711,446	38,039,446	38,039,446	40,796,221	41,839,446	1,043,225
Non-ADA Dial-A-Ride Program	576,361	553,306	1,576,361	1,576,361	1,576,361	1,576,361	-
Pay-As-You-Go Transportation Projects	21,203,036	12,349,706	13,629,769	13,629,769	14,734,905	13,629,769	(1,105,136)
CAA Related Funds	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	-
Agency Total - Special Transportation Fund	630,227,426	604,732,690	642,187,853	656,604,067	689,537,076	697,117,471	7,580,395

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Adjust Funding for Personal Services

Personal Services	(4,942,306)	-	4,942,306
Total - Special Transportation Fund	(4,942,306)	-	4,942,306

Governor

Reduce funding by \$4,942,306 in FY 19 to achieve savings.

Legislative

Do not reduce funding by \$4,942,306 in FY 19 to achieve savings.

Adjust Funding for Pay As You Go Transportation Projects

Pay-As-You-Go Transportation Projects	(2,000,000)	-	2,000,000
Total - Special Transportation Fund	(2,000,000)	-	2,000,000

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Background

The Pay As You Go Transportation Projects account is primarily used for non-bondable bridge and highway maintenance and bridge inspections.

Governor

Reduce funding by \$2 million in FY 19 to achieve savings.

Legislative

Do not reduce funding of \$2 million in FY 19 for Pay-As-You-Go Transportation Projects.

Adjust Non-Service Funding for Metro North

Rail Operations	(2,000,000)	-	2,000,000
Total - Special Transportation Fund	(2,000,000)	-	2,000,000

Governor

Reduce Funding by \$2 million in FY 19 to achieve savings.

Legislative

Do not reduce funding of \$2 million.

Adjust Subsidy for Uconn CT Fastrak

Bus Operations	(700,000)	-	700,000
Total - Special Transportation Fund	(700,000)	-	700,000

Background

Beginning in August 2017, CT Fastrak expanded service between UConn Storrs and UConn Hartford.

The extended bus route will run hourly and include the following stops:

- Nash-Zimmer Transportation Center, Storrs Center (with connections to UConn's on-campus buses and to Willimantic)
- UConn campus: Whitney Hall
- Route 195 at Route 44 (Four Corners)
- Tolland park and ride lot
- Buckland Hills Mall
- Manchester: Buckland park and ride (Bus Stops A & B)
- Downtown Hartford at Central Row (a short walk to UConn Hartford and connections to other local and express bus services)
- Union Station, Hartford
- CTfastrak Sigourney Street station (transfer available via CTfastrak Route 121 to UConn Health in Farmington)

Governor

Reduce funding by \$700,000 in FY 19 to reflect incoming funds related to the University Pass revenues that will be used to offset CT Fastrak service costs.

Legislative

Do not reduce subsidy for CT Fastrak.

Current Services**Adjust Funding and Positions for Stormwater**

Pay-As-You-Go Transportation Projects	3,105,136	-	(3,105,136)
Total - Special Transportation Fund	3,105,136	-	(3,105,136)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Positions - Special Transportation Fund	40	-	(40)

Background

The Department of Energy and Environmental Protection's (DEEP) Municipal Stormwater 4 (MS4) permit is the agency's "General Permit for the Discharge of Stormwater from Small Municipal Separate Storm Sewer Systems". The purpose of the MS4 permit is to protect state waters from stormwater runoff through municipal sewer systems. The permit requires each covered municipality (121 in total) to take certain steps to keep the stormwater that enters its storm sewer systems clean before it enters water bodies. These steps include such things as public education and outreach, elimination of illicit discharges, construction site runoff control, and monitoring. DEEP issued the permit on January 20, 2016 and it took effect July 1, 2017. It expires on June 30, 2022. DEEP developed its stormwater general permit program pursuant to authority under the U.S. Environmental Protection Agency's Stormwater Rule.

Governor

Provide funding of \$3,105,136 and 40 positions for federal storm water discharge compliance.

Legislative

Do not provide funding of \$3,105,136 and 40 positions for federal storm water discharge compliance.

Adjust Funding for ADA Para Transit Services

ADA Para-transit Program	2,756,775	3,800,000	1,043,225
Total - Special Transportation Fund	2,756,775	3,800,000	1,043,225

Background

The Americans with Disability Act (ADA) Para Transit Program is designed to meet the ADA act 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 \$2,756,775 to reflect an increase in expenditures.

Legislative

Provide funding of \$3.8 million to reflect an increase in expenditures.

Increase Funding for Rail Operations

Rail Operations	13,447,293	13,447,293	-
Total - Special Transportation Fund	13,447,293	13,447,293	-

Background

The Rail Operations account is used to fund state subsidies related to the Metro North, Shoreline East and the Hartford rail lines.

Governor

Increase funding by \$13,447,293 in FY 19 for increased costs to the Rail Operations account.

Legislative

Same as Governor

Increase Funding for Bus Operations

Bus Operations	23,266,111	23,266,111	-
Total - Special Transportation Fund	23,266,111	23,266,111	-

Background

The Bus Operations account represents the state subsidy for CT Transit and CT Fastrak transit services.

Governor

Provide funding of \$23,266,111 in FY 19 to reflect increases to the Bus Operations account.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - TF	656,604,067	656,604,067	-
Policy Revisions	(9,642,306)	-	9,642,306
Current Services	42,575,315	40,513,404	(2,061,911)
Total Recommended - TF	689,537,076	697,117,471	7,580,395

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - TF	3,362	3,362	-
Current Services	40	-	(40)
Total Recommended - TF	3,402	3,362	(40)

Human Services

	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative Recommended FY 19	Difference Leg-Gov FY 19
General Fund							
Department of Social Services	3,072,999,049	3,598,223,632	4,301,393,642	4,335,128,463	4,299,426,952	4,303,808,650	4,381,698
State Department on Aging	8,408,641	7,968,738	-	-	-	-	-
Department of Rehabilitation Services	20,615,132	18,764,797	18,752,197	19,430,848	26,489,490	28,770,457	2,280,967
Department of Children and Families	796,161,004	789,611,156	786,230,450	777,000,075	781,290,015	768,455,917	(12,834,098)
Total - General Fund	3,898,183,825	4,414,568,323	5,106,376,289	5,131,559,386	5,107,206,457	5,101,035,024	(6,171,433)
Special Transportation Fund							
Department of Social Services	2,177,383	2,370,629	-	-	-	-	-
Insurance Fund							
Department of Social Services	-	-	376,023	376,023	-	-	-
State Department on Aging	475,000	376,023	-	-	-	-	-
Department of Rehabilitation Services	-	-	-	-	376,023	376,023	-
Total - Insurance Fund	475,000	376,023	376,023	376,023	376,023	376,023	-
Workers' Compensation Fund							
Department of Rehabilitation Services	2,074,017	2,107,877	2,103,679	2,110,333	2,110,333	2,110,333	-
Total - Appropriated Funds	3,902,910,225	4,419,422,852	5,108,855,991	5,134,045,742	5,109,692,813	5,103,521,380	(6,171,433)

MAJOR CHANGES

DEPARTMENT OF SOCIAL SERVICES

- **Maintain MSP Coverage:** PA 18-81 restores \$61.5 million (with a corresponding revenue loss of \$68.5 million) to reflect maintaining Medicare Savings Program (MSP) income eligibility at 211% to 246% FPL instead of reducing eligibility to the federal minimum.
- **Restore HUSKY A Eligibility:** Funding of \$11.3 million restores income eligibility for HUSKY A adults to FY 17 levels (from 138% to 155% FPL inclusive of the 5% disregard).
- **Carry Forward FY 18 Medicaid Funds:** Funding is reduced by \$21 million to reflect the carry forward and use of FY 18 Medicaid funds (that otherwise would have lapsed) in FY 19.

DEPARTMENT OF REHABILITATION SERVICES

- **Transfer Aging and Long Term Care Ombudsman to DORS:** The State Unit on Aging and the Long Term Care Ombudsman are transferred to DORS, along with 23 positions and funding of \$9,924,979 in the General Fund and \$376,023 in the Insurance Fund. Funding for the Elderly Nutrition program is removed from the Programs for Senior Citizens account and placed in a newly established Elderly Nutrition account. PA 18-81 appropriates \$4,626,390 for the Elderly Nutrition program.

Department of Social Services

DSS60000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	1,975	1,986	2,009	2,009	1,986	1,986	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	130,009,841	116,604,913	117,637,370	122,536,340	117,445,907	117,199,907	(246,000)
Other Expenses	149,965,328	133,475,186	135,877,763	146,570,860	139,611,834	139,311,834	(300,000)
Other Current Expenses							
HUSKY Performance Monitoring	134,979	-	-	-	-	-	-
Genetic Tests in Paternity Actions	76,388	67,710	81,906	81,906	81,906	81,906	-
State-Funded Supplemental Nutrition Assistance Program	512,338	292,432	31,205	-	-	-	-
HUSKY B Program	5,928,386	4,750,000	5,060,000	5,320,000	5,320,000	5,320,000	-
Other Than Payments to Local Governments							
Medicaid	2,391,092,663	2,407,142,715	2,533,840,000	2,616,365,000	2,602,295,000	2,608,368,000	6,073,000
Old Age Assistance	37,815,756	39,228,323	38,506,679	38,026,302	39,826,302	39,826,302	-
Aid To The Blind	618,526	531,532	577,715	584,005	584,005	584,005	-
Aid To The Disabled	60,543,460	60,226,853	60,874,851	59,707,546	61,607,546	61,107,546	(500,000)
Temporary Family Assistance - TANF	90,077,812	78,941,777	70,131,712	70,131,712	75,131,712	75,131,712	-
Emergency Assistance	-	-	1	1	1	1	-
Food Stamp Training Expenses	5,583	6,804	9,832	9,832	9,832	9,832	-
Healthy Start	1,186,026	-	-	-	-	-	-
DMHAS-Disproportionate Share	108,935,000	108,935,000	108,935,000	108,935,000	108,935,000	108,935,000	-
Connecticut Home Care Program	43,537,058	42,920,322	39,910,000	46,530,000	44,350,000	44,350,000	-
Human Resource Development-Hispanic Programs	839,539	701,404	33,551	697,307	-	1,197,307	1,197,307
Community Residential Services	-	522,416,052	542,850,433	571,064,720	566,136,140	562,902,640	(3,233,500)
Protective Services to the Elderly	448,521	478,300	-	785,204	-	785,204	785,204
Safety Net Services	2,405,354	2,008,185	1,326,321	1,840,882	1,666,476	1,326,321	(340,155)
Refunds Of Collections	87,301	85,849	94,699	94,699	94,699	94,699	-
Services for Persons With Disabilities	486,105	469,852	273,897	370,253	369,318	273,897	(95,421)
Nutrition Assistance	356,101	377,217	631,056	837,039	743,095	743,095	-
State Administered General Assistance	22,449,707	20,008,333	19,431,557	19,334,722	19,334,722	19,334,722	-
Connecticut Children's Medical Center	13,963,390	12,657,171	11,163,625	10,125,737	9,897,908	10,125,737	227,829
Community Services	952,322	802,922	390,356	688,676	-	688,676	688,676
Human Service Infrastructure	-	-	-	-	-	-	-
Community Action Program	3,190,614	2,580,426	2,934,598	3,209,509	3,054,198	3,149,619	95,421
Teen Pregnancy Prevention	1,511,245	1,412,540	1,245,860	1,271,286	1,245,860	1,245,860	-
Programs for Senior Citizens	-	-	5,777,475	7,895,383	-	-	-
Family Programs - TANF	513,086	352,038	29,337	316,835	-	29,337	29,337
Domestic Violence Shelters	5,158,570	4,997,814	5,198,424	5,353,162	5,247,072	5,247,072	-
Hospital Supplemental Payments	-	35,635,954	598,440,138	496,340,138	496,340,138	496,340,138	-

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Grant Payments to Local Governments							
Human Resource Development-Hispanic Programs - Municipality	4,964	4,578	-	4,120	-	-	-
Teen Pregnancy Prevention - Municipality	118,778	111,430	98,281	100,287	98,281	98,281	-
Community Services - Municipality	74,309	-	-	-	-	-	-
Agency Total - General Fund	3,072,999,049	3,598,223,632	4,301,393,642	4,335,128,463	4,299,426,952	4,303,808,650	4,381,698
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	3,075,176,432	3,600,594,261	4,301,769,665	4,335,504,486	4,299,426,952	4,303,808,650	4,381,698

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Adjust Medicare Savings Program (MSP) Eligibility

Medicaid	-	61,500,000	61,500,000
Total - General Fund	-	61,500,000	61,500,000

Background

The FY 18 - FY 19 Biennial Budget reduced income eligibility for the Medicare Savings Program (MSP) from between 211% and 246% of the Federal Poverty Level (FPL) to the federal minimum of between 100% and 135% FPL. PA 17-1 JSS restored eligibility in FY 18. The FY 19 budget assumed Medicaid savings of \$61.5 million with a corresponding revenue gain of \$68.5 million (for a net state impact of \$130 million), associated with eliminating coverage for up to 68,100 individuals and reducing benefits for an additional 37,100.

Legislative

Provide funding of \$61.5 million (with a corresponding revenue loss of \$68.5 million) to reflect maintaining Medicare Savings Program (MSP) income eligibility at 211% to 246% FPL instead of reducing eligibility to the federal minimum. Increasing income eligibility restores coverage and maintains benefits for approximately 100,000 individuals. Section 13 of PA 18-81, the budget act, is related to this change.

Increase Income Eligibility for Husky A

Medicaid	-	11,300,000	11,300,000
Total - General Fund	-	11,300,000	11,300,000

Background

PA 17-2, JSS, reduced 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.

Legislative

Provide funding of \$11.3 million to reflect restoring income eligibility for HUSKY A adults to FY 17 levels (from 138% to 155% FPL inclusive of the 5% disregard). Section 48 of PA 18-81, the budget act, is related to this change.

Adjust Funding for Evacuees Displaced by Hurricane Maria

Human Resource Development-Hispanic Programs	-	500,000	500,000
Total - General Fund	-	500,000	500,000

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Background

Section 19 of PA 18-81, the budget act, appropriates total funding of \$1.5 million to provide assistance to persons residing in the state who were displaced by Hurricane Maria. Funding is appropriated as follows: (1) \$400,000 million to the State Department of Education for Bilingual Education, (2) \$600,000 to the Department of Housing for Housing/Homeless Services to fund security deposits and first month rent to those evacuees impacted by Hurricane Maria, and (3) \$500,000 to the Department of Social Services for Human Resource Development (HRD)-Hispanic Programs.

Legislative

Provide funding of \$500,000 to HRD- Hispanic Programs to assist persons residing in Connecticut who were displaced by Hurricane Maria. Section 19 of PA 18-81, the budget bill, specifies these funds will provide grants of \$90,000 each to the Hispanic Coalition Inc. in Waterbury, Junta For Progressive Action in New Haven, Family Resource Center in Hartford, Caribe Youth Leaders in Waterbury, and \$40,000 each to Casa Boricua in Meriden, Human Resource Agency of New Britain Inc. in New Britain, YMCA of Greater Hartford, Larson Center, and \$20,000 to Thames Valley Council for Community Action in New London.

Carryforward Medicaid Lapse

Medicaid	-	(21,000,000)	(21,000,000)
Total - General Fund	-	(21,000,000)	(21,000,000)

Legislative

Reduce funding by \$21 million to reflect the carry forward and use of FY 18 Medicaid funds (that otherwise would have lapsed) in FY 19. Section 9 of PA 18-81, the budget act, is related to this change.

Carryforward FY18 Hospital Supplementals for Payment in FY19**Legislative**

Section 8 of PA 18-81, the budget act, authorizes the carry forward of \$299.2 million in funding for Hospital Supplemental Payments from FY 18 to FY 19. This shift in funding reflects the anticipated delay in federal approval for supplemental payments and rate increases.

Eliminate Medicaid Payments to Hospitals for GME

Medicaid	(10,570,000)	-	10,570,000
Total - General Fund	(10,570,000)	-	10,570,000

Background

Medicare is the primary payer of graduate medical education (GME) and many states voluntarily supplement GME through their Medicaid program, in accordance with federal rules. The state's Medicaid program is slated to provide \$21.1 million in total GME funding to Connecticut's hospitals in FY 18 and FY 19, with annual payments ranging from \$6,816 (Rockville Hospital) to approximately \$8 million (Yale New Haven Hospital); 19 hospitals currently receive payments.

Governor

Eliminate funding of \$10,570,000 in the Medicaid account in FY 19 to reflect the elimination of Medicaid GME payments to hospitals, for a total reduction of \$21.1 million after accounting for the federal share.

Legislative

Maintain Medicaid GME payments to hospitals.

Reduce Enhanced Reimbursement for Primary Care Providers

Medicaid	(3,500,000)	-	3,500,000
Total - General Fund	(3,500,000)	-	3,500,000

Background

The Affordable Care Act (ACA) required states to increase Medicaid reimbursement for primary care providers to Medicare levels in 2013 and 2014, which was 100% federally funded during those years. Connecticut continued to fund PCP rates at that level until passage of PA 17-2 JSS, the biennial budget act, which reduced 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 to 95% of the 2014 Medicare fee schedule.

Governor

Reduce funding by \$3.5 million to reflect a reduction in the reimbursement rate for primary care providers to approximately 90% of Medicare levels. The gross impact to providers when factoring both the state and federal share reduces Medicaid expenditures by \$8.5 million in FY 19 and \$9.3 million in FY 20 when fully annualized.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Maintain the current reimbursement rate for primary care providers.

Annualize FY 18 Budgeted Lapses

Personal Services	(269,710)	(269,710)	-
Other Expenses	(7,151,461)	(7,151,461)	-
Connecticut Home Care Program	(2,180,000)	(2,180,000)	-
Human Resource Development-Hispanic Programs	(663,756)	-	663,756
Community Residential Services	(11,078,580)	(11,078,580)	-
Safety Net Services	(514,561)	(514,561)	-
Services for Persons With Disabilities	(96,356)	(96,356)	-
Nutrition Assistance	(93,944)	(93,944)	-
Connecticut Children's Medical Center	(227,829)	-	227,829
Community Services	(298,320)	-	298,320
Human Service Infrastructure Community Action Program	(59,890)	(59,890)	-
Teen Pregnancy Prevention	(25,426)	(25,426)	-
Programs for Senior Citizens	(2,117,908)	-	2,117,908
Family Programs - TANF	(287,498)	(287,498)	-
Domestic Violence Shelters	(106,090)	(106,090)	-
Human Resource Development-Hispanic Programs - Municipality	(4,120)	(4,120)	-
Teen Pregnancy Prevention - Municipality	(2,006)	(2,006)	-
Total - General Fund	(25,177,455)	(21,869,642)	3,307,813

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$25,177,455 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Reduce funding by \$21,869,642 to reflect this agency's portion of the non-SEBAC lapses. Maintain total funding of \$3,307,813 for the Human Resource Development- Hispanic Programs, Connecticut Children's Medical Center, Community Services, and the Programs for Senior Citizens line items.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(3,144,692)	(3,144,692)	-
Total - General Fund	(3,144,692)	(3,144,692)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of the 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$3,144,692 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Eliminate Funding for Expired Contracts

Human Resource Development-Hispanic Programs	(33,551)	-	33,551
Community Services	(50,201)	-	50,201
Family Programs - TANF	(29,337)	-	29,337
Total - General Fund	(113,089)	-	113,089

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Background

Under Executive Order 58, funding for Human Resource Development - Hispanic Programs and Family Programs-TANF (the Fatherhood Initiative) were eliminated and the Department of Social Services (DSS) terminated the contracts for these programs as of 7/1/17. DSS did not enter into new contracts when the biennial budget was adopted in order to accommodate the holdbacks applied to the agency's accounts pursuant to PA 17-2 JSS as amended by PA 17-4 JSS. The funding remaining in the accounts reflects 1 month of funding provided to DSS to pay for contract expenditures for services while the contracts were being closed out.

In addition, under Executive Order 58 funding for earmarks under Community Services was eliminated, leaving funding for Connecticut Council for Family Service Agencies (CCSFA). Currently, CCFSA is funded under both the Community Services and Safety Net Services accounts. The Governor's revised FY 19 budget recommends consolidating funding for CCFSA within the Safety Net Services account. The recommended reduction in this account is the residual left after funding for CCFSA is shifted to the Safety Net Services account.

Governor

Eliminate funding of \$113,089 across various accounts to reflect the elimination of the remaining funding for contracts which were terminated in FY 18. The funding remaining in the account for CCFSA is consolidated within the Safety Net Services account, which is reflected in a separate policy write-up.

Legislative

Maintain remaining funding for contracts terminated in FY 18.

Convert DDS Group Homes from Public to Private

Aid To The Disabled	500,000	-	(500,000)
Community Residential Services	5,200,000	-	(5,200,000)
Total - General Fund	5,700,000	-	(5,700,000)

Background

As of 2/1/18, there were a total of 811 group homes (supported by a Medicaid waiver), 45 operated by DDS, and 766 operated by private providers. In FY 18, ten DDS operated group homes were converted to private providers. In FY 19, an additional ten group homes are scheduled for conversion. Group homes for DDS clients, operated by private providers, are funded in the DSS Community Residential Services account. The state receives a 50% federal reimbursement for Medicaid waived programs.

Governor

Provide funding of \$5.2 million to Community Residential Services and \$500,000 to Aid ToThe Disabled to support private providers operating ten group homes. The DDS budget is reduced by \$6,300,000 in Personal Services, \$410,000 in Other Expenses, and \$40,000 in Clinical Services for a total reduction of \$6,750,000. The conversion of ten group homes from public to private provider operation is anticipated to result in net savings of \$1,000,000 in FY 19. The DDS staff associated with the ten homes will be offered placements in vacancies within DDS, per the provisions of the 2017 SEBAC agreement.

Legislative

Do not provide additional funding for DDS group home conversions.

Provide Funding for Community Residential Services for MFP

Community Residential Services	950,000	-	(950,000)
Total - General Fund	950,000	-	(950,000)

Background

The Money Follows the Person (MFP) program helps states rebalance their Medicaid long-term care systems by increasing the use of home and community-based services and reducing the use of institutionally-based services such as nursing homes, Southbury Training School, and DDS Regional Centers.

Governor

Provide funding of \$950,000 to Community Residential Services to support MFP placements.

Legislative

Do not provide additional funding for MFP placements.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Reallocate Positions to General Fund for MFP

Personal Services	246,000	-	(246,000)
Total - General Fund	246,000	-	(246,000)

Background

The federal Money Follows the Person (MFP) Rebalancing Demonstration Grant helps states rebalance their Medicaid long-term care systems by increasing the use of home and community-based services (HCBS) and reducing the use of institutionally-based services. The Affordable Care Act (ACA) enhanced the program for participating states through increased funding and extended federal reimbursement. Connecticut received a total award of \$234.6 million to fund MFP transitions from January 1, 2007 through December 31, 2018.

Governor

Provide funding of \$246,000 to reflect shifting support for eight MFP transition support staff (community nurse coordinators and eligibility services workers) to the General Fund. While federal funds will no longer be available to fully support these positions as of January 1, 2019, the state will continue to receive reimbursement for a portion of the position costs.

Legislative

Do not provide General Fund support for MFP transition support staff.

Provide Funding to Modernize Nursing Home Rate Setting

Other Expenses	300,000	-	(300,000)
Total - General Fund	300,000	-	(300,000)

Governor

Provide funding of \$300,000 to support the development of an acuity-based rate setting system for nursing homes.

Legislative

Do not provide funding to support the development of an acuity-based rate setting system for nursing homes.

Transfer Aging and Long Term Care Ombudsman to DORS

Personal Services	(1,922,031)	(1,922,031)	-
Other Expenses	(107,565)	(107,565)	-
Programs for Senior Citizens	(5,777,475)	(7,895,383)	(2,117,908)
Total - General Fund	(7,807,071)	(9,924,979)	(2,117,908)
Positions - General Fund	(23)	(23)	-
Fall Prevention	(376,023)	(376,023)	-
Total - Insurance Fund	(376,023)	(376,023)	-

Background

Pursuant to PA 17-2, JSS (the FY 18 - FY 19 biennial budget) the State Department on Aging was eliminated and its responsibility was transferred to: (1) DSS for the State Unit on Aging and (2) OPM for the Long Term Care Ombudsman program. DSS and OPM signed a Memorandum of Understanding (MOU) with the Department of Rehabilitation Services (DORS), transferring the responsibility of administering both the State Unit on Aging and the Long Term Care Ombudsman program to the Department of Rehabilitation Services (DORS), and allowing DSS to provide funding to DORS through a transfer invoice. The MOU was effective upon the passage of PA 17-2, JSS.

Governor

Transfer total funding of \$8,183,094 and 23 positions to DORS, consistent with the MOU in place for FY 18.

Legislative

Transfer total funding of \$10,301,002 and 23 positions to DORS. This reflects the addition of \$2,117,908 to support elderly nutrition programs under the Programs for Senior Citizens line item, which is restored under the Annualize FY 18 Budgeted Lapses write-up.

Shift Funding to SSBG for Protective Services-Elderly

Protective Services to the Elderly	(785,204)	-	785,204
Total - General Fund	(785,204)	-	785,204

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Background

PA 17-2 JSS, the biennial budget act, reduced funding by \$772,320 in FY 18 to reflect supporting Protective Services for the Elderly (PSE) programs with Social Services Block Grant (SSBG) funding.

Governor

Reduce funding by \$785,204 to reflect continuing to support the Protective Services for the Elderly program with Social Services Block Grant (SSBG) funding.

Legislative

Maintain General Fund support for PSE.

Transfer Funding for Brain Injury Alliance of Connecticut

Services for Persons With Disabilities	95,421	-	(95,421)
Human Service Infrastructure Community Action Program	(95,421)	-	95,421
Total - General Fund	-	-	-

Background

The Brain Injury Alliance of Connecticut provides community education, outreach, information, and referral services for persons with acquired brain injury and their families.

Governor

Transfer funding of \$95,421 in FY 19 from the Human Service Infrastructure Community Action Program account to the Services for Persons with Disabilities.

Legislative

Maintain current funding structure.

Consolidate Funding for Safety Net Services Providers

Safety Net Services	340,155	-	(340,155)
Community Services	(340,155)	-	340,155
Total - General Fund	-	-	-

Background

The Connecticut Council of Family Service Agencies (CCFSA) is a statewide family service network of fifteen independent, non-profit, family service agencies that deliver services to over 150,000 families annually from more than 100 sites located throughout Connecticut. Member Agencies are community-based, licensed by the State of Connecticut and nationally accredited, and governed by volunteer boards of directors from their respective communities. Currently funding for CCFSA is provided in both the Community Services account and the Safety Net Services account.

Governor

Consolidate funding of \$340,155 for the Connecticut Council of Family Service Agencies (CCFSA) from the Community Services account to the Safety Net Services account.

Legislative

Maintain current funding structure.

Current Services**Fund PCA Agreement**

Medicaid	-	5,203,000	5,203,000
Community Residential Services	-	2,916,500	2,916,500
Total - General Fund	-	8,119,500	8,119,500

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Provide funding of \$8,119,500 to support the Memorandum of Agreement between the Personal Care Attendant (PCA) Workforce Council and the New England Health Care Employees Union, as approved by Senate Resolution No. 7 and House Resolution No. 8. Funding supports wage increases, training and orientation costs, holiday pay, and workers' compensation coverage. Additional funds of \$972,167 are provided in the Department of Developmental Services to support the portion of the contract funded under the Employment Opportunities and Day Services account. Total contract funding results in a federal grants revenue gain of \$1,944,335 associated with Medicaid reimbursement.

Reflect FY 18 Expenditure Trends

Medicaid	-	(65,000,000)	(65,000,000)
Total - General Fund	-	(65,000,000)	(65,000,000)

Legislative

Reduce funding by \$65 million to reflect FY 18 expenditure trends in Medicaid.

Update Current Services-TFA and Supplemental Assistance

Old Age Assistance	1,800,000	1,800,000	-
Aid To The Disabled	1,400,000	1,400,000	-
Temporary Family Assistance - TANF	5,000,000	5,000,000	-
Total - General Fund	8,200,000	8,200,000	-

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.

State Supplemental programs consist of Old Age Assistance, Aid to the Blind, and 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

Provide funding to \$8.2 million in FY 19 to reflect anticipated expenditures in the Temporary Family Assistance Program, Aid to the Disabled and Old Age Assistance.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	4,335,128,463	4,335,128,463	-
Policy Revisions	(43,901,511)	17,360,687	61,262,198
Current Services	8,200,000	(48,680,500)	(56,880,500)
Total Recommended - GF	4,299,426,952	4,303,808,650	4,381,698
Original Appropriation - IF	376,023	376,023	-
Policy Revisions	(376,023)	(376,023)	-
Total Recommended - IF	-	-	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	2,009	2,009	-
Policy Revisions	(23)	(23)	-
Total Recommended - GF	1,986	1,986	-

Department of Rehabilitation Services

SDR63500

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	118	118	113	113	136	136	-
Workers' Compensation Fund	6	6	6	6	6	6	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	4,986,889	4,999,579	4,659,589	4,843,781	6,630,843	6,630,843	-
Other Expenses	1,480,015	1,398,014	1,328,120	1,398,021	1,435,685	1,435,685	-
Other Current Expenses							
Part-Time Interpreters	246,867	229,194	-	-	-	-	-
Educational Aid for Blind and Visually Handicapped Children	4,181,870	3,879,834	3,908,521	4,040,237	3,952,579	3,952,579	-
Employment Opportunities - Blind & Disabled	1,246,878	970,562	1,011,871	1,032,521	1,011,871	1,011,871	-
Other Than Payments to Local Governments							
Vocational Rehabilitation - Disabled	6,784,749	6,912,795	7,207,005	7,354,087	7,207,005	7,207,005	-
Supplementary Relief and Services	79,676	45,756	44,847	45,762	44,847	44,847	-
Vocational Rehabilitation - Blind	817,894	-	-	-	-	-	-
Special Training for the Deaf Blind	257,889	99,584	262,643	268,003	99,584	262,643	163,059
Connecticut Radio Information Service	66,505	27,474	20,194	27,474	20,194	20,194	-
Independent Living Centers	465,900	202,005	309,407	420,962	309,407	309,407	-
Programs for Senior Citizens	-	-	-	-	5,777,475	3,268,993	(2,508,482)
Elderly Nutrition	-	-	-	-	-	4,626,390	4,626,390
Agency Total - General Fund	20,615,132	18,764,797	18,752,197	19,430,848	26,489,490	28,770,457	2,280,967
Fall Prevention	-	-	-	-	376,023	376,023	-
Agency Total - Insurance Fund	-	-	-	-	376,023	376,023	-
Personal Services	520,830	549,293	507,459	514,113	514,113	514,113	-
Other Expenses	53,497	44,749	53,822	53,822	53,822	53,822	-
Rehabilitative Services	1,085,527	1,080,482	1,111,913	1,111,913	1,111,913	1,111,913	-
Fringe Benefits	414,163	433,353	430,485	430,485	430,485	430,485	-
Agency Total - Workers' Compensation Fund	2,074,017	2,107,877	2,103,679	2,110,333	2,110,333	2,110,333	-
Total - Appropriated Funds	22,689,149	20,872,674	20,855,876	21,541,181	28,975,846	31,256,813	2,280,967

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Transfer Aging and Long Term Care Ombudsman to DORS

Personal Services	1,922,031	1,922,031	-
Other Expenses	107,565	107,565	-
Programs for Senior Citizens	5,777,475	3,268,993	(2,508,482)
Elderly Nutrition	-	4,626,390	4,626,390
Total - General Fund	7,807,071	9,924,979	2,117,908
Positions - General Fund	23	23	-
Fall Prevention	376,023	376,023	-
Total - Insurance Fund	376,023	376,023	-

Background

The FY 18 and FY 19 Biennial Budget eliminated the State Department on Aging and transferred its responsibility to: (1) DSS for the State Unit on Aging, and (2) OPM for the Long Term Care Ombudsman program. DSS and OPM signed a Memorandum of Understanding (MOU) with DORS, transferring the responsibility of administering both the State Unit on Aging and the Long Term Care Ombudsman program to DORS and allowing DSS to provide funding to DORS through a transfer invoice. The MOU was effective upon the passage of the Biennial Budget.

Governor

Transfer 23 positions and funding of \$7,807,071 in the General Fund and \$376,023 in the Insurance Fund to reflect the transfer of the State Unit on Aging and the Long Term Care Ombudsman program to DORS.

Legislative

Transfer 23 positions and funding of \$9,924,979 in the General Fund and \$376,023 in the Insurance Fund to reflect the transfer of the State Unit on Aging and the Long Term Care Ombudsman program to DORS. The funding for Elderly Nutrition is removed from the Programs for Senior Citizens account and placed in a newly established Elderly Nutrition account which provides additional funding of \$2,117,908 to restore the FY 18 holdback. Sections 7 - 40 of PA 18-169 implement this transfer.

Annualize FY 18 Budgeted Lapses

Personal Services	(10,661)	(10,661)	-
Other Expenses	(69,901)	(69,901)	-
Educational Aid for Blind and Visually Handicapped Children	(6,924)	(6,924)	-
Employment Opportunities - Blind & Disabled	(20,650)	(20,650)	-
Vocational Rehabilitation - Disabled	(147,082)	(147,082)	-
Supplementary Relief and Services	(915)	(915)	-
Special Training for the Deaf Blind	(5,360)	(5,360)	-
Connecticut Radio Information Service	(7,280)	(7,280)	-
Independent Living Centers	(111,555)	(111,555)	-
Total - General Fund	(380,328)	(380,328)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$380,328 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(124,308)	(124,308)	-
Educational Aid for Blind and Visually Handicapped Children	(80,734)	(80,734)	-
Total - General Fund	(205,042)	(205,042)	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Background

The FY 18 and FY 19 Biennial Budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's Revised FY 19 Budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$124,308 and Educational Aid for Blind and Visually Handicapped Children by \$80,734 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Current Services

Reduce Program to Reflect Current Requirement

Special Training for the Deaf Blind	(163,059)	-	163,059
Total - General Fund	(163,059)	-	163,059

Governor

Reduce funding by \$163,059 to reflect the current requirements of the Special Training for the Deaf Blind program.

Legislative

Maintain funding for the Special Training for the Deaf Blind program.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	19,430,848	19,430,848	-
Policy Revisions	7,221,701	9,339,609	2,117,908
Current Services	(163,059)	-	163,059
Total Recommended - GF	26,489,490	28,770,457	2,280,967
Original Appropriation - IF	-	-	-
Policy Revisions	376,023	376,023	-
Total Recommended - IF	376,023	376,023	-
Original Appropriation - WF	2,110,333	2,110,333	-
Total Recommended - WF	2,110,333	2,110,333	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	113	113	-
Policy Revisions	23	23	-
Total Recommended - GF	136	136	-
Original Appropriation - WF	6	6	-
Total Recommended - WF	6	6	-

Department of Children and Families

DCF91000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	3,240	3,240	3,240	3,240	3,062	3,240	178

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	278,017,624	271,981,611	268,300,893	273,254,796	259,214,339	266,242,164	7,027,825
Other Expenses	34,672,070	30,331,774	29,047,225	30,416,026	28,342,225	28,887,225	545,000
Other Current Expenses							
Workers' Compensation Claims	12,966,989	12,678,615	12,578,720	12,578,720	12,578,720	12,578,720	-
Family Support Services	916,268	913,974	867,677	867,677	937,080	867,677	(69,403)
Homeless Youth	2,278,767	2,329,087	-	-	-	-	-
Differential Response System	8,065,069	7,748,997	7,809,192	7,764,046	8,286,191	7,764,046	(522,145)
Regional Behavioral Health Consultation	1,615,294	1,592,156	1,699,624	1,619,023	1,699,624	1,619,023	(80,601)
Other Than Payments to Local Governments							
Health Assessment and Consultation	976,549	949,199	1,349,199	1,082,532	1,402,046	1,082,532	(319,514)
Grants for Psychiatric Clinics for Children	15,360,515	14,895,870	15,046,541	14,979,041	15,795,706	14,979,041	(816,665)
Day Treatment Centers for Children	6,855,876	6,740,655	6,815,978	6,759,728	6,939,204	6,759,728	(179,476)
Juvenile Justice Outreach Services	10,229,197	10,997,332	5,334,894	-	6,709,124	-	(6,709,124)
Child Abuse and Neglect Intervention	8,614,550	9,199,620	11,949,620	10,116,287	12,354,420	10,116,287	(2,238,133)
Community Based Prevention Programs	7,562,153	7,616,345	7,945,305	7,637,305	7,952,711	7,637,305	(315,406)
Family Violence Outreach and Counseling	2,019,660	2,313,685	3,061,579	2,547,289	3,724,000	2,547,289	(1,176,711)
Supportive Housing	16,446,504	19,734,537	18,479,526	18,479,526	19,840,312	18,479,526	(1,360,786)
No Nexus Special Education	1,804,042	2,284,570	2,151,861	2,151,861	2,151,861	2,151,861	-
Family Preservation Services	5,496,503	5,730,132	6,133,574	6,070,574	6,554,500	6,070,574	(483,926)
Substance Abuse Treatment	9,823,248	12,215,104	13,613,559	9,840,612	9,343,691	9,840,612	496,921
Child Welfare Support Services	2,406,841	2,332,472	1,757,237	1,757,237	1,862,257	1,757,237	(105,020)
Board and Care for Children - Adoption	94,274,631	95,124,370	97,105,408	98,735,921	100,475,366	98,735,921	(1,739,445)
Board and Care for Children - Foster	125,650,355	131,292,137	134,738,432	135,345,435	135,115,598	135,345,435	229,837
Board and Care for Children - Short-term and Residential	104,790,087	93,837,990	94,519,051	90,339,295	92,253,809	90,339,295	(1,914,514)
Individualized Family Supports	7,560,171	8,189,446	6,523,616	6,552,680	6,563,108	6,552,680	(10,428)
Community Kidcare	37,379,824	38,445,205	39,268,191	37,968,191	41,037,034	37,968,191	(3,068,843)
Covenant to Care	145,432	136,273	133,548	136,273	157,089	133,548	(23,541)
Neighborhood Center	232,784	-	-	-	-	-	-
Agency Total - General Fund	796,161,004	789,611,156	786,230,450	777,000,075	781,290,015	768,455,917	(12,834,098)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Provide Program Funding for Juan F. Compliance

Family Support Services	69,403	-	(69,403)
Differential Response System	522,145	-	(522,145)
Regional Behavioral Health Consultation	80,601	-	(80,601)
Health Assessment and Consultation	319,514	-	(319,514)
Grants for Psychiatric Clinics for Children	816,665	-	(816,665)
Day Treatment Centers for Children	179,476	-	(179,476)
Child Abuse and Neglect Intervention	2,238,133	-	(2,238,133)
Community Based Prevention Programs	315,406	-	(315,406)
Family Violence Outreach and Counseling	1,176,711	-	(1,176,711)
Supportive Housing	1,360,786	-	(1,360,786)
Family Preservation Services	483,926	-	(483,926)
Substance Abuse Treatment	(496,921)	-	496,921
Child Welfare Support Services	105,020	-	(105,020)
Board and Care for Children - Foster	600,000	-	(600,000)
Individualized Family Supports	500,000	-	(500,000)
Community Kidcare	3,068,843	-	(3,068,843)
Covenant to Care	23,541	-	(23,541)
Total - General Fund	11,363,249	-	(11,363,249)

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 Monitor's findings regarding the 2006 Revised Exit Plan outcome measures indicate that the Department maintained compliance with 12 of the 22 measures during the first quarter of 2017, and 15 of 22 measures for the third quarter of 2017.

A new revised exit plan was ordered by the Court in 2017. The Court Monitor summarizes the major changes in the new agreement as including a reduction in the number of outcome measures, the development of a joint strategic plan by the Commissioner and the Court Monitor, notification to the Court Monitor of any actual or substantive reductions of a material nature in DCF programs, staffing, and services pertaining to the *Juan F.* class, and a change to the caseload standard outcome measure.

Governor

Provide net funding of \$11,363,249 to help address children and family service needs in order to achieve performance outcomes under the 2017 *Juan F.* Revised Exit Plan.

Legislative

Do not provide funding.

Closure of the Connecticut Juvenile Training School (CJTS)

Personal Services	(10,858,113)	-	10,858,113
Other Expenses	(500,000)	-	500,000
Total - General Fund	(11,358,113)	-	11,358,113
Positions - General Fund	(160)	-	160

Background

CJTS stopped taking new admissions on 1/1/18, and the last youth left the facility on 4/11/18.

Governor

Reduce funding by \$11,358,113 (\$10.9 million from the Personal Services account, and \$0.5 million from the Other Expenses account) to reflect savings from the closure of CJTS by 6/30/18 and eliminate 160 authorized DCF positions. Staff will be offered placements within DCF or other state agencies, per the provisions of the 2017 SEBAC agreement.

Legislative

Do not reduce funding.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Transfer Funding for Certain Juvenile Justice Programs

Juvenile Justice Outreach Services	7,079,114	-	(7,079,114)
Total - General Fund	7,079,114	-	(7,079,114)

Background

The DCF Juvenile Justice Outreach Services account supported 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.

Governor

Transfer funding of \$7,079,114 from the Judicial Branch's Juvenile Justice Outreach Services account to DCF.

Legislative

Do not transfer funding.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(7,012,632)	(7,012,632)	-
Total - General Fund	(7,012,632)	(7,012,632)	-

Background

The FY 18 and FY 19 Biennial Budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's FY 19 Revised Budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce funding for Personal Services by \$7,012,632 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Provide Child Protective Services Workers Funding

Personal Services	4,985,441	-	(4,985,441)
Total - General Fund	4,985,441	-	(4,985,441)

Background

See the write-up titled, "Provide Program Funding for Juan F. Compliance," for background information.

Governor

Provide net Personal Services account funding of \$4,985,441 to annualize the cost of 132 child protective services workers needed to comply with *Juan F.* caseload standards: 120 Social Workers (SWs) and 12 SW Supervisors.

Legislative

Do not provide funding.

Annualize FY 18 Budgeted Lapses

Other Expenses	(1,528,801)	(1,528,801)	-
Juvenile Justice Outreach Services	(369,990)	-	369,990
Covenant to Care	(2,725)	(2,725)	-
Total - General Fund	(1,901,516)	(1,531,526)	369,990

Background

The Governor's FY 19 Revised Budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$1,901,516 reflect this agency's portion of the non-SEBAC lapses.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Reduce funding by \$1,531,526 reflect this agency's portion of the non-SEBAC lapses. The \$369,990 lapse to the Juvenile Justice Outreach account is provided for in the budget for the Judicial Branch, as funding for this account is transferred from DCF to the Judicial Branch per PA 17-2 JSS.

Eliminate Staff to Reflect Declining Delinquency Caseloads

Personal Services	(1,155,153)	-	1,155,153
Other Expenses	(45,000)	-	45,000
Total - General Fund	(1,200,153)	-	1,200,153
Positions - General Fund	(18)	-	18

Background

PA 17-2 JSS ends delinquency commitments to DCF on 6/30/18.

Governor

Reduce funding by \$1,200,153 to reflect the elimination of 18 positions to align staffing with declining delinquency caseloads.

Legislative

Do not reduce funding.

Voluntary Services Program Reporting**Legislative**

DCF shall issue a quarterly report on its Voluntary Services Program (VSP). Such report shall include an analysis, by Regional Office, of the number cases:

1. Received,
2. Accepted,
3. Received involving a child, or children, with intellectual and/or developmental disabilities (ID/DD),
4. Accepted ID/DD cases, and
5. ID/DD VSP children and families whose needs were not met due to lack of service availability in their region.

The agency shall submit such report to the joint standing committee of the General Assembly having cognizance of matters relating to Children and Human Services.

Current Services**Adjust Funding to Reflect Current Requirements and Caseloads**

Board and Care for Children - Adoption	1,739,445	-	(1,739,445)
Board and Care for Children - Foster	(829,837)	-	829,837
Board and Care for Children - Short-term and Residential	1,914,514	-	(1,914,514)
Individualized Family Supports	(489,572)	-	489,572
Total - General Fund	2,334,550	-	(2,334,550)

Governor

Provide net funding of \$2,334,550 to reflect anticipated expenditure and caseload requirements for the Board and Care for Children accounts and the Individualized Family Supports account.

Legislative

Do not provide funding.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	777,000,075	777,000,075	-
Policy Revisions	1,955,390	(8,544,158)	(10,499,548)
Current Services	2,334,550	-	(2,334,550)
Total Recommended - GF	781,290,015	768,455,917	(12,834,098)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	3,240	3,240	-
Policy Revisions	(178)	-	178
Total Recommended - GF	3,062	3,240	178

Elementary & Secondary Education

	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative Recommended FY 19	Difference Leg-Gov FY 19
General Fund							
Department of Education	3,033,464,355	2,950,172,692	2,836,485,134	2,968,933,107	2,906,687,611	2,961,685,292	54,997,681
Office of Early Childhood	298,124,759	297,571,252	282,398,561	289,106,136	288,284,934	288,284,934	-
State Library	11,519,046	8,796,688	8,443,705	9,077,527	7,808,118	8,511,756	703,638
Teachers' Retirement Board	997,603,465	1,034,142,643	1,292,219,053	1,353,662,422	1,313,540,254	1,313,540,254	-
Total - General Fund	4,340,711,625	4,290,683,275	4,419,546,453	4,620,779,192	4,516,320,917	4,572,022,236	55,701,319
Total - Appropriated Funds	4,340,711,625	4,290,683,275	4,419,546,453	4,620,779,192	4,516,320,917	4,572,022,236	55,701,319

MAJOR CHANGES

DEPARTMENT OF EDUCATION

- **Begin Phase-In of Education Cost Sharing (ECS) Formula:** The new ECS formula adopted in the FY 18 – FY 19 biennial budget begins to be phased in during FY 19, as originally required by the biennial budget. In FY 19, the ECS formula requires approximately \$3.3 million less than anticipated in the biennial budget, due to updated student and town wealth data. However, because of the additional Hurricane Maria funds described below, the net change to the ECS account is a reduction of approximately \$400,000 from the original FY 19 appropriation.
- **Provide Funding for Districts That Received Students Displaced by Hurricane Maria:** Additional funding of \$400,000 in the Bilingual Education account and \$2.9 million in the ECS account are provided to districts that in FY 18 received students displaced by Hurricane Maria. Due to the hurricane's timing, many of the students likely were not included in the student data used in the FY 19 ECS formula calculations. No Department of Education funds in FY 18 were given to districts specifically for hosting displaced students during the 2017-18 school year.
- **Provide Additional Funding for the Vocational Agriculture Grant:** The Vocational Agriculture schools receive \$3,531,000 in additional funding for increasing the per pupil student grant.
- **Provide Additional Funding for TEAM:** \$1.5 million is provided for the Teacher Education and Mentoring (TEAM) program.

TEACHERS' RETIREMENT BOARD

- **Provide Additional Funding for TRB Health Plan:** PA 18-81 transfers \$16.1 million from the Budget Reserve Fund to the retired teachers' health insurance premium account. This transfer, when combined with the FY 19 appropriation in the retirees health service cost account of \$14.6 million, provides a state contribution totaling \$30.7 million for the TRB retiree health plan. This total state contribution reflects approximately 33% of the TRB health plan estimated expenditure for FY 19.

Department of Education

SDE64000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	1,806	1,815	1,819	1,819	1,842	1,819	(23)

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	18,019,383	17,143,083	15,625,953	16,264,240	15,676,962	15,811,046	134,084
Other Expenses	3,823,476	3,179,245	3,045,050	3,261,940	3,082,927	3,098,843	15,916
Other Current Expenses							
Admin - Magnet Schools	246,063	150,029	-	-	-	-	-
Admin - Adult Education	1,029,833	1,009,687	-	-	-	-	-
Development of Mastery Exams Grades 4, 6, and 8	11,503,431	8,212,598	10,392,717	10,443,016	10,410,723	10,410,723	-
Admin-Interdistrict Cooperation	71,649	63,534	-	-	-	-	-
Primary Mental Health	371,794	381,733	345,288	383,653	345,288	345,288	-
Admin - Youth Service Bureaus	56,796	34,289	-	-	-	-	-
Leadership, Education, Athletics in Partnership (LEAP)	647,263	462,534	312,211	462,534	312,211	312,211	-
Adult Education Action	142,200	170,680	194,534	216,149	194,534	194,534	-
Connecticut Pre-Engineering Program	221,486	-	-	-	-	-	-
Connecticut Writing Project	65,248	26,832	20,250	30,000	-	20,250	20,250
Resource Equity Assessments	85,699	131,000	120,941	-	-	-	-
Neighborhood Youth Centers	1,036,264	776,012	438,866	650,172	438,866	438,866	-
Longitudinal Data Systems	1,128,883	1,129,347	1,090,176	1,212,945	1,091,650	1,091,650	-
School Accountability	1,332,114	-	-	-	-	-	-
Sheff Settlement	9,440,038	12,273,165	11,027,361	11,027,361	11,027,361	11,027,361	-
Admin - After School Programs	190,349	114,254	-	-	-	-	-
CommPACT Schools	329,175	339,500	-	-	-	-	-
Parent Trust Fund Program	421,069	420,172	267,193	395,841	267,193	267,193	-
Regional Vocational-Technical School System	162,624,943	153,787,366	128,354,056	133,918,454	130,188,101	130,188,101	-
Commissioner's Network	10,646,338	10,056,366	10,009,398	10,009,398	10,009,398	10,009,398	-
Local Charter Schools	306,000	378,000	432,000	540,000	492,000	540,000	48,000
Bridges to Success	189,643	139,490	27,000	40,000	-	27,000	27,000
K-3 Reading Assessment Pilot	2,592,793	2,453,667	2,215,422	2,461,940	2,215,782	2,215,782	-
Talent Development	7,542,731	4,879,410	650,000	650,000	650,000	2,150,000	1,500,000
Common Core	4,291,609	3,914,136	-	-	-	-	-
Alternative High School and Adult Reading Incentive Program	174,688	182,844	-	-	-	-	-
Special Master	1,356,083	876,500	-	-	-	-	-
School-Based Diversion Initiative	288,740	829,317	900,000	1,000,000	900,000	900,000	-
Technical High Schools Other Expenses	-	-	22,668,577	23,861,660	22,668,577	22,668,577	-
Division of Post-Secondary Education	-	-	-	-	3,470,511	-	(3,470,511)
Other Than Payments to Local Governments							

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
American School For The Deaf	9,889,412	9,257,514	7,432,514	8,257,514	7,432,514	7,857,514	425,000
Regional Education Services	1,005,062	287,988	262,500	350,000	262,500	262,500	-
Family Resource Centers	7,990,104	7,657,998	5,802,710	5,802,710	5,802,710	5,802,710	-
Charter Schools	-	103,499,000	109,821,500	116,964,132	116,964,132	116,964,132	-
Youth Service Bureau Enhancement	577,606	629,450	583,973	648,859	583,973	583,973	-
Child Nutrition State Match	2,348,741	2,354,576	2,354,000	2,354,000	2,354,000	2,354,000	-
Health Foods Initiative	4,364,951	4,402,236	4,101,463	4,151,463	4,151,463	4,151,463	-
Roberta B. Willis Scholarship Fund	-	-	-	-	33,388,637	-	(33,388,637)
Grant Payments to Local Governments							
Vocational Agriculture	11,017,600	10,228,588	9,972,874	10,228,589	9,972,874	13,759,589	3,786,715
Transportation of School Children	22,336,353	-	-	-	-	-	-
Adult Education	19,999,328	19,315,276	19,874,361	20,383,960	19,832,631	20,383,960	551,329
Health and Welfare Services Pupils Private Schools	3,618,668	3,420,782	3,438,415	3,526,579	3,438,415	3,438,415	-
Education Equalization Grants	2,150,764,753	2,012,374,864	1,928,243,995	2,017,131,405	1,950,511,348	2,016,728,682	66,217,334
Bilingual Education	2,930,273	2,995,732	2,777,112	2,848,320	2,777,112	3,177,112	400,000
Priority School Districts	42,031,867	44,302,512	37,150,868	38,103,454	37,150,868	37,150,868	-
Young Parents Program	216,462	205,949	71,657	106,159	71,657	71,657	-
Interdistrict Cooperation	6,810,849	6,099,256	1,537,500	3,050,000	1,537,500	1,537,500	-
School Breakfast Program	2,378,038	2,158,900	2,158,900	2,158,900	2,158,900	2,158,900	-
Excess Cost - Student Based	139,843,559	140,559,998	138,979,288	142,119,782	140,619,782	140,619,782	-
Non-Public School Transportation	3,416,985	-	-	-	-	-	-
Youth Service Bureaus	2,769,009	2,545,456	2,533,524	2,598,486	2,533,524	2,598,486	64,962
Open Choice Program	35,160,537	36,366,275	37,138,373	40,090,639	39,138,373	39,138,373	-
Magnet Schools	318,723,292	313,480,827	309,509,936	326,508,158	307,959,936	326,508,158	18,548,222
After School Program	5,095,123	4,514,725	4,602,678	4,720,695	4,602,678	4,720,695	118,017
Agency Total - General Fund	3,033,464,355	2,950,172,692	2,836,485,134	2,968,933,107	2,906,687,611	2,961,685,292	54,997,681

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Annualize FY 18 Budgeted Lapses for ECS

Education Equalization Grants	(58,040,363)	(3,302,723)	54,737,640
Total - General Fund	(58,040,363)	(3,302,723)	54,737,640

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$58,040,363 to reflect the ECS portion of the non-SEBAC lapses.

The base amount for the phase-in and phase-out calculations is changed to the FY 18 grant amount (post-holdbacks), from the FY 17 grant, which lowers the base for every town.

The phase-in increment (for towns with fully-funded amounts higher than FY 18 grants) is raised to 8% of the difference between the base and full funding amounts, rather than 4.1%.

Legislative

Do not revise the ECS formula. Distribute ECS grants according to the FY 18 - FY 19 biennial budget, which requires \$2,013,828,682, a reduction of \$3,302,723 from the FY 19 appropriation due to updated student and town data.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Provide Relief Funding for Hurricane Maria Evacuees

Education Equalization Grants	-	2,900,000	2,900,000
Bilingual Education	-	400,000	400,000
Total - General Fund	-	3,300,000	3,300,000

Legislative

Provide funding of \$3.3 million for districts with students who are Hurricane Maria evacuees.

Annualize FY 18 Budgeted Lapses for Various Choice Programs

Regional Vocational-Technical School System	(294,667)	(294,667)	-
Vocational Agriculture	(255,715)	-	255,715
Interdistrict Cooperation	(1,512,500)	(1,512,500)	-
Open Choice Program	(952,266)	(952,266)	-
Magnet Schools	(18,548,222)	-	18,548,222
Total - General Fund	(21,563,370)	(2,759,433)	18,803,937

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$21,563,370 to reflect this agency's portion of the non-SEBAC lapses that are related to various school choice programs.

Legislative

Do not annualize the \$18,548,222 lapse for magnet schools or the \$255,715 lapse for vocational agriculture.

Increase Vocational Education Grant

Vocational Agriculture	-	3,531,000	3,531,000
Total - General Fund	-	3,531,000	3,531,000

Legislative

Provide funding of \$3,531,000 to increase the vocational agriculture per pupil grant.

Annualize FY 18 Budgeted Lapses for Various Accounts

Personal Services	(35,799)	(35,799)	-
Other Expenses	(163,097)	(163,097)	-
Development of Mastery Exams Grades 4, 6, and 8	(2,551)	(2,551)	-
Primary Mental Health	(38,365)	(38,365)	-
Leadership, Education, Athletics in Partnership (LEAP)	(150,323)	(150,323)	-
Adult Education Action	(21,615)	(21,615)	-
Connecticut Writing Project	(9,750)	(9,750)	-
Neighborhood Youth Centers	(211,306)	(211,306)	-
Longitudinal Data Systems	(121,295)	(121,295)	-
Parent Trust Fund Program	(128,648)	(128,648)	-
Local Charter Schools	(48,000)	-	48,000
Bridges to Success	(13,000)	(13,000)	-
K-3 Reading Assessment Pilot	(246,158)	(246,158)	-
School-Based Diversion Initiative	(100,000)	(100,000)	-
Technical High Schools Other Expenses	(1,193,083)	(1,193,083)	-
American School For The Deaf	(825,000)	(400,000)	425,000
Regional Education Services	(87,500)	(87,500)	-
Youth Service Bureau Enhancement	(64,886)	(64,886)	-
Adult Education	(509,599)	-	509,599
Health and Welfare Services Pupils Private Schools	(88,164)	(88,164)	-
Bilingual Education	(71,208)	(71,208)	-
Priority School Districts	(952,586)	(952,586)	-
Young Parents Program	(34,502)	(34,502)	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Excess Cost - Student Based	(1,500,000)	(1,500,000)	-
Youth Service Bureaus	(64,962)	-	64,962
After School Program	(118,017)	-	118,017
Total - General Fund	(6,799,414)	(5,633,836)	1,165,578

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$6,799,414 to reflect various non-SEBAC lapses.

Legislative

Do not annualize the following lapses:

- \$509,599 for Adult Education,
- \$118,017 the After School Program,
- \$64,962 for Youth Service Bureaus,
- \$425,000 for the American School for the Deaf, and
- \$48,000 for local charter schools.

Eliminate Grants to Municipalities Based on Need

Adult Education	(41,730)	-	41,730
Education Equalization Grants	(8,579,694)	-	8,579,694
Total - General Fund	(8,621,424)	-	8,621,424

Governor

Eliminate funding by \$8,621,424 to reflect the elimination of both ECS and Adult Education grants for towns whose Equalized Net Grand List per capita exceeds \$200,000. Alliance Districts are held harmless from this elimination.

Legislative

Do not eliminate funding for towns whose Equalized Net Grand List per capita exceeds \$200,000.

Transfer the Office of Higher Education

Division of Post-Secondary Education	3,507,163	-	(3,507,163)
Roberta B. Willis Scholarship Fund	33,388,637	-	(33,388,637)
Total - General Fund	36,895,800	-	(36,895,800)
Positions - General Fund	25	-	(25)

Background

The Office of Higher Education seeks to advance 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 25 positions and corresponding agency funding of \$36,895,800 from the Office of Higher Education to the State Department of Education

Legislative

Do not transfer the Office of Higher Education.

Achieve Savings Through the Transfer of Higher Education

Personal Services	(134,084)	-	134,084
Other Expenses	(15,916)	-	15,916
Total - General Fund	(150,000)	-	150,000
Positions - General Fund	(2)	-	2

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Governor

Reduce funding by \$150,000 and eliminate two positions to reflect the savings associated with transferring the Office of Higher Education into SDE.

Legislative

Do not achieve savings.

Provide Funding for TEAM

Talent Development	-	1,500,000	1,500,000
Total - General Fund	-	1,500,000	1,500,000

Legislative

Provide \$1.5 million for the Teacher Education And Mentoring (TEAM) program.

Eliminate CT Writing Project and Bridges to Success Funding

Connecticut Writing Project	(20,250)	-	20,250
Bridges to Success	(27,000)	-	27,000
Total - General Fund	(47,250)	-	47,250

Background

The Connecticut Writing Project (CWP) provides opportunities for growth and professional development for teachers and students in the areas of reading and writing.

Bridges to Success provides funding to support at risk high school students to successfully transition to college.

Governor

Eliminate funding of \$47,250 associated with the CWP and Bridges to Success.

Legislative

Restore funding for the CWP and Bridges to Success.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(417,395)	(417,395)	-
Development of Mastery Exams Grades 4, 6, and 8	(29,742)	(29,742)	-
Regional Vocational-Technical School System	(3,435,686)	(3,435,686)	-
Division of Post-Secondary Education	(36,652)	-	36,652
Total - General Fund	(3,919,475)	(3,882,823)	36,652

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$3,919,475 to reflect this agency's portion of the attrition savings.

Legislative

Reduce Personal Services funding by \$3,882,823 to reflect this agency's portion of attrition savings.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	2,968,933,107	2,968,933,107	-
Policy Revisions	(62,245,496)	(7,247,815)	54,997,681
Total Recommended - GF	2,906,687,611	2,961,685,292	54,997,681

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	1,819	1,819	-
Policy Revisions	23	-	(23)
Total Recommended - GF	1,842	1,819	(23)

Office of Early Childhood OEC64800

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	116	116	118	118	118	118	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	7,792,358	7,276,350	7,485,923	7,791,962	8,241,634	7,574,843	(666,791)
Other Expenses	970,423	489,667	391,141	411,727	391,141	391,141	-
Other Current Expenses							
Children's Trust Fund	11,092,651	11,207,514	-	-	-	-	-
Early Childhood Program	10,396,082	-	-	-	-	-	-
Birth to Three	30,930,270	32,447,839	21,446,804	21,446,804	21,446,804	21,446,804	-
Community Plans for Early Childhood	659,540	519,296	-	-	-	-	-
Improving Early Literacy	133,302	-	-	-	-	-	-
Child Care Services	16,999,688	-	-	-	-	-	-
Evenstart	438,938	415,151	295,456	437,713	295,456	295,456	-
2Gen - TANF	-	-	412,500	750,000	412,500	412,500	-
Nurturing Families Network	-	-	10,230,303	10,230,303	10,230,303	10,230,303	-
Other Than Payments to Local Governments							
Head Start Services	5,609,002	5,571,838	5,083,238	5,186,978	5,083,238	5,083,238	-
Care4Kids TANF/CCDF	123,830,082	124,376,409	124,981,059	130,032,034	103,353,224	130,032,034	26,678,810
Child Care Quality Enhancements	2,624,268	2,378,698	6,855,033	6,855,033	6,855,033	6,855,033	-
Head Start - Early Childhood Link	648,824	-	-	-	-	-	-
Early Head Start-Child Care Partnership	732,937	1,130,750	1,130,750	1,130,750	1,130,750	1,130,750	-
Early Care and Education	-	107,985,987	104,086,354	101,507,832	127,519,851	101,507,832	(26,012,019)
Smart Start	-	-	-	3,325,000	3,325,000	3,325,000	-
Grant Payments to Local Governments							
School Readiness Quality Enhancement	3,654,271	3,771,753	-	-	-	-	-
School Readiness	81,612,123	-	-	-	-	-	-
Agency Total - General Fund	298,124,759	297,571,252	282,398,561	289,106,136	288,284,934	288,284,934	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Annualize FY 18 Budgeted Lapses

Personal Services	(17,151)	(17,151)	-
Other Expenses	(20,586)	(20,586)	-
Evenstart	(142,257)	(142,257)	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
2Gen - TANF	(337,500)	(337,500)	-
Head Start Services	(103,740)	(103,740)	-
Total - General Fund	(621,234)	(621,234)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$621,234 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(199,968)	(199,968)	-
Total - General Fund	(199,968)	(199,968)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$199,968 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Adjust Realignment of TANF/SSBG/CCDF to Support Care4Kids

Personal Services	666,791	-	(666,791)
Care4Kids TANF/CCDF	(26,678,810)	-	26,678,810
Early Care and Education	26,012,019	-	(26,012,019)
Total - General Fund	-	-	-

Background

PA 17-2 JSS, the biennial budget act, realigned General Fund and federal block grant resources across several agencies to simplify administrative activities related to the provision of block grant-funded services. This included transferring a portion (10%) of the state's Temporary Assistance for Needy Families (TANF) block grant to the federal Child Care Development Fund (CCDF) instead of the Social Service Block Grant (SSBG). In OEC, the General Fund appropriation for the Early Care and Education line item was reduced by \$7.7 million in FY 18 and \$10.3 million in FY 19, while CCDF support for the program was increased by the same amount. Total CCDF support for child day care centers and licensure was budgeted at \$26,678,810 in FY 19.

Governor

Reallocate \$26,678,810 in General Fund support from Care4Kids to the Early Care and Education and Personal Services line items, while reallocating the same amount in federal CCDF support from child day care centers to the Care4Kids program. This shift will have no net impact on the General Fund or federal revenue, and will not result in any reduction in services.

Legislative

Maintain current funding structure.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	289,106,136	289,106,136	-
Policy Revisions	(821,202)	(821,202)	-
Total Recommended - GF	288,284,934	288,284,934	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	118	118	-
Total Recommended - GF	118	118	-

State Library

CSL66000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	55	55	55	55	55	55	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	5,154,892	4,957,792	4,815,759	5,019,931	4,880,054	4,880,054	-
Other Expenses	598,845	416,757	405,339	426,673	405,339	405,339	-
Other Current Expenses							
State-Wide Digital Library	1,697,270	1,661,800	1,575,174	1,750,193	1,575,174	1,575,174	-
Interlibrary Loan Delivery Service	279,431	243,105	244,853	276,232	248,609	248,609	-
Legal/Legislative Library Materials	671,062	597,189	574,540	638,378	574,540	574,540	-
Computer Access	152,637	-	-	-	-	-	-
Other Than Payments to Local Governments							
Support Cooperating Library Service Units	185,844	138,225	124,402	184,300	124,402	124,402	-
Grant Payments to Local Governments							
Grants To Public Libraries	179,396	-	-	-	-	-	-
Connecticard Payments	837,540	781,820	703,638	781,820	-	703,638	703,638
Connecticut Humanities Council	1,762,129	-	-	-	-	-	-
Agency Total - General Fund	11,519,046	8,796,688	8,443,705	9,077,527	7,808,118	8,511,756	703,638

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Annualize FY 18 Budgeted Lapses

Personal Services	(11,049)	(11,049)	-
Other Expenses	(21,334)	(21,334)	-
State-Wide Digital Library	(175,019)	(175,019)	-
Interlibrary Loan Delivery Service	(27,623)	(27,623)	-
Legal/Legislative Library Materials	(63,838)	(63,838)	-
Support Cooperating Library Service Units	(59,898)	(59,898)	-
Connecticard Payments	(78,182)	(78,182)	-
Total - General Fund	(436,943)	(436,943)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$436,943 to reflect this agency's portion of the non-SEBAC lapses.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Same as Governor

Maintain Funding for the Connecticard Program

Connecticard Payments	(703,638)	-	703,638
Total - General Fund	(703,638)	-	703,638

Background

The Connecticard program, now known as "borrowIT CT," allows Connecticut residents to borrow materials from any of the 192 participating public libraries. The Connecticard account funds annual grant payments to participating libraries. 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.

Governor

Eliminate Connecticard funding of \$703,638.

Legislative

Maintain Connecticard funding of \$703,638.

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(128,828)	(128,828)	-
Total - General Fund	(128,828)	(128,828)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$128,828 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	9,077,527	9,077,527	-
Policy Revisions	(1,269,409)	(565,771)	703,638
Total Recommended - GF	7,808,118	8,511,756	703,638

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	55	55	-
Total Recommended - GF	55	55	-

Teachers' Retirement Board

TRB77500

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	27	27	27	27	27	27	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	1,686,764	1,653,278	1,542,153	1,606,365	1,601,604	1,561,604	(40,000)
Other Expenses	378,944	405,352	444,727	468,134	404,727	444,727	40,000
Other Than Payments to Local Governments							
Retirement Contributions	975,578,000	1,012,162,000	1,271,033,000	1,332,368,000	1,292,314,000	1,292,314,000	-
Retirees Health Service Cost	14,566,860	14,566,860	14,554,500	14,575,250	14,575,250	14,575,250	-
Municipal Retiree Health Insurance Costs	5,392,897	5,355,153	4,644,673	4,644,673	4,644,673	4,644,673	-
Agency Total - General Fund	997,603,465	1,034,142,643	1,292,219,053	1,353,662,422	1,313,540,254	1,313,540,254	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Annualize FY 18 Budgeted Lapse

Personal Services	(3,536)	(3,536)	-
Other Expenses	(23,407)	(23,407)	-
Total - General Fund	(26,943)	(26,943)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$26,943 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(41,225)	(41,225)	-
Total - General Fund	(41,225)	(41,225)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$41,225 to reflect this agency's portion of the attrition savings.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Same as Governor

Reallocate Funding for Personal Services

Personal Services	40,000	-	(40,000)
Other Expenses	(40,000)	-	40,000
Total - General Fund	-	-	-

Background

The TRB is currently hiring a new Administrator due to a retirement. OPM and DAS recently worked to reclassify the Administrator position from an MP70 to an MP71.

Governor

Reallocate funding of \$40,000 from Other Expenses to Personal Services to reflect the recently revised reclassification and salary range of the Administrator position.

Legislative

Funding is not reallocated.

Provide Additional Funding for TRB Health Plan**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. The FY 18 and FY 19 Biennial Budget reduced the state share of the TRB health plan cost to the flat -funded FY 17 level of appropriation. This resulted in a state share of approximately 16% in FY 17 and anticipated share of 12% in FY 18. Beginning July 1, 2018, the TRB basic plan is changing from the Medicare Supplement Plan to a Medicare Advantage Plan administered by Anthem.

Legislative

Section 22 of PA 18 -81 (the Revised FY 19 Budget), transfers \$16.1 million from the Budget Reserve Fund to the retired teachers' health insurance premium account. This transfer, when combined with the FY 19 appropriation in the retirees health service cost account of \$14.6 million, provides a state contribution totaling \$30.7 million for the TRB retiree health plan. This reflects approximately 33% of the TRB retiree health basic plan estimated expenditure for FY 19.

Current Services

Update Teachers Retirement System Pension Contribution

Retirement Contributions	(40,054,000)	(40,054,000)	-
Total - General Fund	(40,054,000)	(40,054,000)	-

Background

The FY 18 and FY 19 Biennial Budget increased teachers' regular mandatory contributions to the TRS by one percentage point, from 6% to 7% of their annual salary, beginning 1/1/18. The teachers' mandatory contributions are deposited to the Teachers' Retirement Fund. The Biennial Budget also required the Teachers' Retirement Board (TRB), by 12/1/17, to: (1) request a revised actuarial valuation for FY 18 and FY 19 based on the increased contribution percentage for those fiscal years, and (2) based on the revised valuation, certify to the legislature the amount needed to maintain TRS on an actuarial reserve basis in those fiscal years. The revised TRS valuation resulted in a decrease of \$19.4 million in FY 18 and \$40.1 million in FY 19 in the state's retirement contribution.

Governor

Reduce funding by \$40,054,000 to reflect the updated contribution presented in the revised actuarial valuation of the Teachers' Retirement System.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	1,353,662,422	1,353,662,422	-
Policy Revisions	(68,168)	(68,168)	-
Current Services	(40,054,000)	(40,054,000)	-
Total Recommended - GF	1,313,540,254	1,313,540,254	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	27	27	-
Total Recommended - GF	27	27	-

Higher Education

	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative Recommended FY 19	Difference Leg-Gov FY 19
General Fund							
Office of Higher Education	47,113,031	39,080,161	38,942,261	37,293,071	-	37,045,800	37,045,800
University of Connecticut	239,665,397	219,640,712	191,330,933	196,119,593	190,631,592	190,631,592	-
University of Connecticut Health Center	143,872,686	129,864,772	117,683,074	123,013,368	119,732,844	119,732,844	-
Connecticut State Colleges and Universities	350,665,978	324,653,325	293,950,394	297,793,439	294,568,394	289,518,394	(5,050,000)
Total - General Fund	781,317,093	713,238,970	641,906,662	654,219,471	604,932,830	636,928,630	31,995,800
Total - Appropriated Funds	781,317,093	713,238,970	641,906,662	654,219,471	604,932,830	636,928,630	31,995,800

MAJOR CHANGES

CONNECTICUT STATE COLLEGES AND UNIVERSITIES

- **Increase Charter Oak State College Funding:** Charter Oak's block grant increases by approximately \$690,000 (30%) from the original FY 19 appropriation, to support ongoing operations.
- **Provide Additional Fringe Benefits Funding for the Community Colleges:** The community colleges receive \$16.2 million in funding for fringe benefits costs associated with employees who are not paid through the block grant. The state typically has paid constituent unit fringe benefit costs only for those employees paid out of the block grant, with the exception of the UConn Health Center. Funding is provided in the Office of State Comptroller – Fringe Benefits accounts (see General Government Subcommittee B).

Office of Higher Education

DHE66500

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	27	27	27	27	-	27	27

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	2,053,774	1,723,498	1,365,616	1,428,180	-	1,425,036	1,425,036
Other Expenses	75,770	61,267	66,466	69,964	-	66,466	66,466
Other Current Expenses							
Minority Advancement Program	2,690,972	1,740,499	1,610,121	1,789,690	-	1,610,721	1,610,721
Alternate Route to Certification	53,489	46,447	-	-	-	-	-
National Service Act	272,522	197,407	234,120	260,896	-	234,806	234,806
Minority Teacher Incentive Program	362,544	327,991	320,134	355,704	-	320,134	320,134
Other Than Payments to Local Governments							
Roberta B. Willis Scholarship Fund	41,603,960	34,983,052	35,345,804	33,388,637	-	33,388,637	33,388,637
Agency Total - General Fund	47,113,031	39,080,161	38,942,261	37,293,071	-	37,045,800	37,045,800

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Transfer the Office of Higher Education

Personal Services	(1,307,420)	-	1,307,420
Other Expenses	(34,082)	-	34,082
Minority Advancement Program	(1,610,721)	-	1,610,721
National Service Act	(234,806)	-	234,806
Minority Teacher Incentive Program	(320,134)	-	320,134
Roberta B. Willis Scholarship Fund	(33,388,637)	-	33,388,637
Total - General Fund	(36,895,800)	-	36,895,800
Positions - General Fund	(25)	-	25

Background

The Office of Higher Education seeks to advance 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.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Governor

Transfer 25 positions and corresponding agency funding of \$36,895,800 from the Office of Higher Education into the State Department of Education.

Legislative

Do not transfer the Office of Higher Education.

Achieve Savings through the Transfer of Higher Education

Personal Services	(117,616)	-	117,616
Other Expenses	(32,384)	-	32,384
Total - General Fund	(150,000)	-	150,000
Positions - General Fund	(2)	-	2

Governor

Achieve savings, including two positions and corresponding Personal Services funding of \$117,616 and Other Expenses funding of \$32,384, associated with the transfer of the Office of Higher Education into the State Department of Education.

Legislative

Do not achieve savings.

Annualize FY 18 Budgeted Lapses

Personal Services	(3,144)	(3,144)	-
Other Expenses	(3,498)	(3,498)	-
Minority Advancement Program	(178,969)	(178,969)	-
National Service Act	(26,090)	(26,090)	-
Minority Teacher Incentive Program	(35,570)	(35,570)	-
Total - General Fund	(247,271)	(247,271)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$247,271 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	37,293,071	37,293,071	-
Policy Revisions	(37,293,071)	(247,271)	37,045,800
Total Recommended - GF	-	37,045,800	37,045,800

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	27	27	-
Policy Revisions	(27)	-	27
Total Recommended - GF	-	27	27

University of Connecticut

UOC67000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	2,413	2,413	2,413	2,413	2,413	2,413	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Other Current Expenses							
Operating Expenses	218,081,088	199,391,699	171,988,981	176,494,509	171,494,997	171,494,997	-
Workers' Compensation Claims	2,080,095	1,842,018	2,299,505	2,271,228	2,271,228	2,271,228	-
Next Generation Connecticut	19,104,214	18,309,995	17,042,447	17,353,856	16,865,367	16,865,367	-
Other Than Payments to Local Governments							
Kirklyn M. Kerr Grant Program	400,000	97,000	-	-	-	-	-
Agency Total - General Fund	239,665,397	219,640,712	191,330,933	196,119,593	190,631,592	190,631,592	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Rollout SEBAC Attrition Savings to Agencies

Operating Expenses	(4,604,592)	(4,604,592)	-
Next Generation Connecticut	(449,902)	(449,902)	-
Total - General Fund	(5,054,494)	(5,054,494)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce funding by \$5,054,494 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Annualize FY 18 Budgeted Lapses

Operating Expenses	(394,920)	(394,920)	-
Next Generation Connecticut	(38,587)	(38,587)	-
Total - General Fund	(433,507)	(433,507)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$433,507 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	196,119,593	196,119,593	-
Policy Revisions	(5,488,001)	(5,488,001)	-
Total Recommended - GF	190,631,592	190,631,592	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	2,413	2,413	-
Total Recommended - GF	2,413	2,413	-

University of Connecticut Health Center

UHC72000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	1,698	1,698	1,698	1,698	1,698	1,698	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Other Current Expenses							
Operating Expenses	123,032,783	111,275,315	102,308,896	106,746,848	103,772,410	103,772,410	-
AHEC	399,546	374,186	374,566	374,566	374,566	374,566	-
Workers' Compensation Claims	7,982,024	7,357,671	4,320,855	4,324,771	4,324,771	4,324,771	-
Bioscience	12,458,333	10,857,600	10,678,757	11,567,183	11,261,097	11,261,097	-
Agency Total - General Fund	143,872,686	129,864,772	117,683,074	123,013,368	119,732,844	119,732,844	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Rollout SEBAC Attrition Savings to Agencies

Operating Expenses	(2,739,482)	(2,739,482)	-
Bioscience	(281,908)	(281,908)	-
Total - General Fund	(3,021,390)	(3,021,390)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce funding by \$3,021,390 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Operating Expenses	(234,956)	(234,956)	-
Bioscience	(24,178)	(24,178)	-
Total - General Fund	(259,134)	(259,134)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$259,134 to reflect this agency's portion of the non-SEBAC lapses.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Same as Governor

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	123,013,368	123,013,368	-
Policy Revisions	(3,280,524)	(3,280,524)	-
Total Recommended - GF	119,732,844	119,732,844	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	1,698	1,698	-
Total Recommended - GF	1,698	1,698	-

Connecticut State Colleges and Universities

BOR77700

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	4,625	4,633	4,633	4,633	4,633	4,633	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Other Current Expenses							
Workers' Compensation Claims	3,737,996	3,345,663	3,289,276	3,289,276	3,289,276	3,289,276	-
Charter Oak State College	2,689,233	2,375,844	2,185,756	2,263,617	2,200,543	2,950,543	750,000
Community Tech College System	161,936,816	157,410,402	143,839,173	138,243,937	140,293,547	134,043,547	(6,250,000)
Connecticut State University	162,485,587	148,263,331	134,159,220	142,230,435	138,303,424	138,303,424	-
Board of Regents	524,777	428,494	362,240	366,875	366,875	366,875	-
Transform CSCU	19,291,569	2,142,140	-	-	-	-	-
Developmental Services	-	9,091,043	8,912,702	9,168,168	8,912,702	8,912,702	-
Outcomes-Based Funding Incentive	-	1,596,408	1,202,027	1,236,481	1,202,027	1,202,027	-
Institute for Municipal and Regional Policy	-	-	-	994,650	-	450,000	450,000
Agency Total - General Fund	350,665,978	324,653,325	293,950,394	297,793,439	294,568,394	289,518,394	(5,050,000)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Rollout SEBAC Attrition Savings to Agencies

Charter Oak State College	(58,092)	(58,092)	-
Community Tech College System	(3,868,594)	(3,868,594)	-
Connecticut State University	(3,616,810)	(3,616,810)	-
Developmental Services	(235,286)	(235,286)	-
Outcomes-Based Funding Incentive	(31,732)	(31,732)	-
Total - General Fund	(7,810,514)	(7,810,514)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce funding by \$7,810,514 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Annualize FY 18 Budgeted Lapses

Charter Oak State College	(4,982)	(4,982)	-
Community Tech College System	(331,796)	(331,796)	-
Connecticut State University	(310,201)	(310,201)	-
Developmental Services	(20,180)	(20,180)	-
Outcomes-Based Funding Incentive	(2,722)	(2,722)	-
Institute for Municipal and Regional Policy	(994,650)	(544,650)	450,000
Total - General Fund	(1,664,531)	(1,214,531)	450,000

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$1,664,531 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Reduce funding by \$1,214,531 to reflect this agency's portion of the non-SEBAC lapses. Reduce funding to the Institute of Municipal and Regional Policy at Central Connecticut State University by \$544,650; the other reductions in this adjustment are the same as those recommended by the Governor.

Adjust Community College Funding

Community Tech College System	6,250,000	-	(6,250,000)
Total - General Fund	6,250,000	-	(6,250,000)

Background

The Governor's revised FY 19 budget includes SEBAC attrition savings and partial annualization of FY 18 budgeted lapses to the Community Technical College System account, totaling \$4,200,390 in savings.

Governor

Increase funding by \$6,250,000 for the Community Technical College System account to support continued operations.

Legislative

Do not increase funding to the community colleges.

Adjust Charter Oak State College Funding

Charter Oak State College	-	750,000	750,000
Total - General Fund	-	750,000	750,000

Background

Charter Oak State College provides online-only postsecondary education at the undergraduate and graduate levels. In FY 18, Charter Oak served approximately 1,500 students and had estimated expenditures of \$16.7 million.

Legislative

Increase funding by \$750,000 for Charter Oak State College to support ongoing operations.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	297,793,439	297,793,439	-
Policy Revisions	(3,225,045)	(8,275,045)	(5,050,000)
Total Recommended - GF	294,568,394	289,518,394	(5,050,000)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	4,633	4,633	-
Total Recommended - GF	4,633	4,633	-

Judicial and Corrections

	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative Recommended FY 19	Difference Leg-Gov FY 19
General Fund							
Division of Criminal Justice	53,190,691	50,288,985	46,903,868	48,925,842	47,833,353	47,583,353	(250,000)
Department of Correction	666,903,974	607,502,240	594,222,954	590,044,078	586,990,308	575,690,308	(11,300,000)
Judicial Department	526,172,358	485,481,641	471,828,438	504,414,237	477,892,443	500,249,983	22,357,540
Public Defender Services Commission	71,415,281	66,887,713	64,387,949	67,012,085	65,151,789	64,871,789	(280,000)
Total - General Fund	1,317,682,303	1,210,160,579	1,177,343,209	1,210,396,242	1,177,867,893	1,188,395,433	10,527,540
Banking Fund							
Judicial Department	5,938,239	3,652,413	3,583,281	3,610,565	3,610,565	3,610,565	-
Workers' Compensation Fund							
Division of Criminal Justice	544,637	685,251	677,964	686,670	686,670	686,670	-
Criminal Injuries Compensation Fund							
Judicial Department	2,764,350	3,171,054	2,934,088	2,934,088	2,934,088	2,934,088	-
Total - Appropriated Funds	1,326,929,529	1,217,669,297	1,184,538,542	1,217,627,565	1,185,099,216	1,195,626,756	10,527,540

MAJOR CHANGES

JUDICIAL DEPARTMENT

- **Increase Personal Services Funding:** Additional Personal Services funding of \$5.4 million is provided to fill vacant positions, including the appointment of new judges and associated staff.

Division of Criminal Justice

DCJ30000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	486	486	486	486	486	486	-
Workers' Compensation Fund	4	4	4	4	4	4	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	47,927,316	45,447,036	42,109,779	44,021,057	42,792,388	42,792,388	-
Other Expenses	2,557,340	2,356,342	2,162,584	2,273,280	2,409,460	2,159,460	(250,000)
Other Current Expenses							
Witness Protection	246,094	152,770	164,148	164,148	164,148	164,148	-
Training And Education	37,156	24,378	27,398	27,398	27,398	27,398	-
Expert Witnesses	127,605	111,497	135,413	135,413	135,413	135,413	-
Medicaid Fraud Control	1,054,950	1,026,148	1,041,425	1,041,425	1,041,425	1,041,425	-
Criminal Justice Commission	406	299	409	409	409	409	-
Cold Case Unit	176,198	200,471	228,213	228,213	228,213	228,213	-
Shooting Taskforce	1,063,626	970,044	1,034,499	1,034,499	1,034,499	1,034,499	-
Agency Total - General Fund	53,190,691	50,288,985	46,903,868	48,925,842	47,833,353	47,583,353	(250,000)
Personal Services	290,570	358,445	361,263	369,969	369,969	369,969	-
Other Expenses	6,912	7,841	10,428	10,428	10,428	10,428	-
Fringe Benefits	247,155	318,965	306,273	306,273	306,273	306,273	-
Agency Total - Workers' Compensation Fund	544,637	685,251	677,964	686,670	686,670	686,670	-
Total - Appropriated Funds	53,735,328	50,974,236	47,581,832	49,612,512	48,520,023	48,270,023	(250,000)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(1,131,614)	(1,131,614)	-
Total - General Fund	(1,131,614)	(1,131,614)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$1,131,614 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Personal Services	(97,055)	(97,055)	-
Other Expenses	(113,820)	(113,820)	-
Total - General Fund	(210,875)	(210,875)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$210,875 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Current Services**Adjust Funding to Reflect the FY 18 Deficiency**

Other Expenses	250,000	-	(250,000)
Total - General Fund	250,000	-	(250,000)

Background

PA18-81, the revise FY 19 budget bill, results in no net increase to the General Fund. Increases of \$25.5 million are offset by funding reductions in various accounts. The bill includes \$335,000 in deficiency funding in FY 18 for this agency. This funding is required due to annual software maintenance fees that were previously paid through IT grant accounts.

Governor

Provide funding of \$250,000 in FY 19 to reflect the annualization of the agency's FY 18 deficiency.

Legislative

Funding of \$250,000 is not provided in the Other Expenses account.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	48,925,842	48,925,842	-
Policy Revisions	(1,342,489)	(1,342,489)	-
Current Services	250,000	-	(250,000)
Total Recommended - GF	47,833,353	47,583,353	(250,000)
Original Appropriation - WF	686,670	686,670	-
Total Recommended - WF	686,670	686,670	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	486	486	-
Total Recommended - GF	486	486	-
Original Appropriation - WF	4	4	-
Total Recommended - WF	4	4	-

Department of Correction

DOC88000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	6,216	6,117	6,117	6,117	6,117	6,117	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	433,255,563	396,663,910	380,190,484	382,622,893	379,925,062	371,925,062	(8,000,000)
Other Expenses	74,327,692	65,990,351	65,624,372	66,727,581	66,678,930	63,378,930	(3,300,000)
Other Current Expenses							
Stress Management	24,280	44,470	-	-	-	-	-
Workers' Compensation Claims	26,454,667	25,696,623	26,871,594	26,871,594	26,871,594	26,871,594	-
Inmate Medical Services	86,746,265	80,477,630	80,426,658	72,383,992	72,383,992	72,383,992	-
Board of Pardons and Paroles	5,613,997	5,850,757	6,239,505	6,415,288	6,260,389	6,260,389	-
STRIDE	-	-	73,342	108,656	73,342	73,342	-
Program Evaluation	91,546	28,658	-	75,000	-	-	-
Other Than Payments to Local Governments							
Aid to Paroled and Discharged Inmates	3,102	2,687	3,000	3,000	3,000	3,000	-
Legal Services To Prisoners	815,986	750,242	797,000	797,000	797,000	797,000	-
Volunteer Services	127,500	55,000	87,385	129,460	87,385	87,385	-
Community Support Services	39,443,375	31,941,912	33,909,614	33,909,614	33,909,614	33,909,614	-
Agency Total - General Fund	666,903,974	607,502,240	594,222,954	590,044,078	586,990,308	575,690,308	(11,300,000)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Provide Funding to Enhance Inmate Nutrition

Other Expenses	1,500,000	-	(1,500,000)
Total - General Fund	1,500,000	-	(1,500,000)

Background

In FY 17 the agency spent approximately \$16 million on meals for inmates.

Governor

Provide funding of \$1.5 million to the Other Expenses account to enhance inmate nutrition, which represents a 9.4% increase for food and beverage services.

Legislative

Funding is not provided.

Annualize FY 18 Budgeted Lapses

Personal Services	(845,040)	(845,040)	-
Other Expenses	(3,348,651)	(3,348,651)	-

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Board of Pardons and Paroles	(12,236)	(12,236)	-
STRIDE	(35,314)	(35,314)	-
Program Evaluation	(75,000)	(75,000)	-
Volunteer Services	(42,075)	(42,075)	-
Total - General Fund	(4,358,316)	(4,358,316)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$4,358,316 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(9,852,791)	(9,852,791)	-
Board of Pardons and Paroles	(142,663)	(142,663)	-
Total - General Fund	(9,995,454)	(9,995,454)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$9,995,454 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Current Services**Adjust Funding to Reflect the FY 18 Deficiency**

Personal Services	8,000,000	-	(8,000,000)
Other Expenses	1,800,000	-	(1,800,000)
Total - General Fund	9,800,000	-	(9,800,000)

Background

HB 5034, the Governor's deficiency bill, results in no net increase to the General Fund. Increases of \$36.9 million are offset by funding reductions in various accounts. The bill includes \$10 million in deficiency funding in FY 18 for this agency. This funding is required due to the agency not meeting a combination of policy reductions and the holdback allocated by the Governor to meet savings targets contained in the FY 18 budget.

Governor

Provide funding of \$9.8 million in FY 19 to reflect the annualization of the agency's FY 18 deficiency.

Legislative

Funding is not provided.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	590,044,078	590,044,078	-
Policy Revisions	(12,853,770)	(14,353,770)	(1,500,000)
Current Services	9,800,000	-	(9,800,000)
Total Recommended - GF	586,990,308	575,690,308	(11,300,000)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	6,117	6,117	-
Total Recommended - GF	6,117	6,117	-

Judicial Department

JUD95000

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	4,329	4,329	4,329	4,329	4,329	4,329	-
Banking Fund	51	51	20	20	20	20	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	344,116,163	322,260,168	309,437,672	325,432,553	311,752,536	325,017,550	13,265,014
Other Expenses	64,532,101	62,021,518	60,267,995	60,639,025	59,839,025	59,839,025	-
Other Current Expenses							
Forensic Sex Evidence Exams	1,388,690	1,347,925	1,348,010	1,348,010	1,348,010	1,348,010	-
Alternative Incarceration Program	56,343,513	49,538,432	49,452,837	49,538,792	49,452,837	49,452,837	-
Justice Education Center, Inc.	491,714	466,217	310,811	466,217	-	466,217	466,217
Juvenile Alternative Incarceration	27,807,807	20,580,668	19,919,286	20,683,458	29,572,563	19,919,286	(9,653,277)
Juvenile Justice Centers	2,940,338	-	-	-	-	-	-
Probate Court	-	5,450,000	1,900,000	4,450,000	4,350,000	4,350,000	-
Workers' Compensation Claims	6,411,833	6,461,518	6,042,106	6,042,106	6,042,106	6,042,106	-
Insurance Recovery	4,040	-	-	-	-	-	-
Youthful Offender Services	14,227,298	10,416,773	9,653,277	10,445,555	-	9,653,277	9,653,277
Victim Security Account	2,142	1,316	8,792	8,792	8,792	8,792	-
Children of Incarcerated Parents	582,250	544,503	490,053	544,503	490,053	490,053	-
Legal Aid	1,660,000	1,552,382	1,397,144	1,552,382	1,397,144	1,397,144	-
Youth Violence Initiative	2,030,663	1,914,622	1,203,323	1,925,318	1,203,323	1,925,318	721,995
Youth Services Prevention	3,273,968	2,589,091	1,991,984	3,187,174	1,491,984	3,187,174	1,695,190
Children's Law Center	109,838	102,716	92,445	102,717	92,445	92,445	-
Juvenile Planning	250,000	233,792	208,620	333,792	208,620	208,620	-
Interest of Justice Assignments	-	-	-	-	500,000	-	(500,000)
Other Than Payments to Local Governments							
Juvenile Justice Outreach Services	-	-	5,100,908	11,149,525	3,857,671	10,566,795	6,709,124
Board and Care for Children - Short-term and Residential	-	-	3,003,175	6,564,318	6,285,334	6,285,334	-
Agency Total - General Fund	526,172,358	485,481,641	471,828,438	504,414,237	477,892,443	500,249,983	22,357,540
Foreclosure Mediation Program	5,938,239	3,652,413	3,583,281	3,610,565	3,610,565	3,610,565	-
Agency Total - Banking Fund	5,938,239	3,652,413	3,583,281	3,610,565	3,610,565	3,610,565	-
Criminal Injuries Compensation	2,764,350	3,171,054	2,934,088	2,934,088	2,934,088	2,934,088	-
Agency Total - Criminal Injuries Compensation Fund	2,764,350	3,171,054	2,934,088	2,934,088	2,934,088	2,934,088	-
Total - Appropriated Funds	534,874,946	492,305,108	478,345,807	510,958,890	484,437,096	506,794,636	22,357,540

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(7,865,034)	(7,865,034)	-
Total - General Fund	(7,865,034)	(7,865,034)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$7,865,034 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Personal Services	(5,814,983)	(5,814,983)	-
Other Expenses	(800,000)	(800,000)	-
Alternative Incarceration Program	(85,955)	(85,955)	-
Justice Education Center, Inc.	(155,406)	-	155,406
Juvenile Alternative Incarceration	(764,172)	(764,172)	-
Probate Court	(100,000)	(100,000)	-
Youthful Offender Services	(792,278)	(792,278)	-
Children of Incarcerated Parents	(54,450)	(54,450)	-
Legal Aid	(155,238)	(155,238)	-
Youth Violence Initiative	(721,995)	-	721,995
Youth Services Prevention	(1,195,190)	-	1,195,190
Children's Law Center	(10,272)	(10,272)	-
Juvenile Planning	(125,172)	(125,172)	-
Juvenile Justice Outreach Services	(212,740)	(582,730)	(369,990)
Board and Care for Children - Short-term and Residential	(278,984)	(278,984)	-
Total - General Fund	(11,266,835)	(9,564,234)	1,702,601

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$11,266,835 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Reduce funding by \$9,564,234 to reflect this agency's portion of the non-SEBAC lapses.

Eliminate Funding for Justice Education

Justice Education Center, Inc.	(310,811)	-	310,811
Total - General Fund	(310,811)	-	310,811

Background

The goal of the Justice Education Center is to prevent and reduce crime and strengthen communities and improve public safety through the development of innovative policy and programming reforms.

Examples of key roles include assisting in the development of juvenile and adult community-based sanctions; raising the age of juveniles to 18; staffing the Task Force that created nationally-recognized reforms in eyewitness identification; and, creating a public/private partnership to enable access to technology careers for youth-at-risk.

Governor

Eliminate funding of \$310,811 to the Justice Education Center, Inc.

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Legislative

Restore funding of \$310,811 to the Justice Education Center, Inc. account.

Consolidate Juvenile Accounts

Juvenile Alternative Incarceration	9,653,277	-	(9,653,277)
Youthful Offender Services	(9,653,277)	-	9,653,277
Total - General Fund	-	-	-

Governor

Consolidate Youth Offender Services account with the Juvenile Alternative Incarceration account. The two accounts provide services to juveniles regardless of age.

Legislative

Youthful Offender Services and Juvenile Alternative Incarceration account are not consolidated.

Create Interest of Justice Account

Youth Services Prevention	(500,000)	-	500,000
Interest of Justice Assignments	500,000	-	(500,000)
Total - General Fund	-	-	-

Background

Interest of Justice (IOJ) cases are child protection cases where the court orders counsel to ensure a child's interests are represented.

Governor

Transfer \$500,000 from the Youth Services Prevention account to the newly created Interest of Justice account.

Legislative

Interest of Justice Assignments account is not created.

Transfer Funding for Certain Juvenile Justice Programs

Juvenile Justice Outreach Services	(7,079,114)	-	7,079,114
Total - General Fund	(7,079,114)	-	7,079,114

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.

Governor

Transfer funding of \$7,079,114 from the Juvenile Justice Outreach Services account to the Department of Children and Families (DCF).

Legislative

Funding of \$7,079,114 from the Juvenile Justice Outreach Services account is not transferred to DCF.

Transfer RSA funds to Judicial

Personal Services	-	7,865,014	7,865,014
Total - General Fund	-	7,865,014	7,865,014

Legislative

Transfer funding of \$7,865,014 from the Reserve for Salary Adjustment account of OPM to the Judicial Department to reflect mandatory payments for unionized staff (lump sum payments and longevity payments).

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Provide Funding to Fill Vacancies

Personal Services	-	5,400,000	5,400,000
Total - General Fund	-	5,400,000	5,400,000

Legislative

Provide funding of \$5.4 million to fill vacant positions - assistant clerk/monitors, Judicial Marshals, and juvenile detention staff.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	504,414,237	504,414,237	-
Policy Revisions	(26,521,794)	(4,164,254)	22,357,540
Total Recommended - GF	477,892,443	500,249,983	22,357,540
Original Appropriation - BF	3,610,565	3,610,565	-
Total Recommended - BF	3,610,565	3,610,565	-
Original Appropriation - CIF	2,934,088	2,934,088	-
Total Recommended - CIF	2,934,088	2,934,088	-

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	4,329	4,329	-
Total Recommended - GF	4,329	4,329	-
Original Appropriation - BF	20	20	-
Total Recommended - BF	20	20	-

Public Defender Services Commission

PDS98500

Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
General Fund	447	447	447	447	447	447	-

Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	43,031,058	40,082,896	37,773,826	40,042,553	38,540,790	38,260,790	(280,000)
Other Expenses	1,237,753	1,185,844	1,176,487	1,173,363	1,173,363	1,173,363	-
Other Current Expenses							
Assigned Counsel	23,891,496	22,350,056	22,442,284	22,442,284	22,442,284	22,442,284	-
Expert Witnesses	3,122,079	3,149,561	2,875,604	3,234,137	2,875,604	2,875,604	-
Training And Education	92,896	119,356	119,748	119,748	119,748	119,748	-
Contracted Attorneys Related Expenses	39,999	-	-	-	-	-	-
Agency Total - General Fund	71,415,281	66,887,713	64,387,949	67,012,085	65,151,789	64,871,789	(280,000)

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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Policy Revisions

Rollout SEBAC Attrition Savings to Agencies

Personal Services	(1,029,871)	(1,029,871)	-
Total - General Fund	(1,029,871)	(1,029,871)	-

Background

The FY 18 - FY 19 biennial budget assumed various savings as a result of 2017 SEBAC agreement. One of the components of the SEBAC Labor Management lapse in the biennial budget was attrition. Attrition savings are achieved by agencies actively managing the normal employee turnover in an agency. The Governor's revised FY 19 budget allocates \$75.1 million to various agencies to achieve savings related to attrition.

Governor

Reduce Personal Services by \$1,029,871 to reflect this agency's portion of the attrition savings.

Legislative

Same as Governor

Annualize FY 18 Budgeted Lapses

Personal Services	(751,892)	(751,892)	-
Expert Witnesses	(358,533)	(358,533)	-
Total - General Fund	(1,110,425)	(1,110,425)	-

Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

Governor

Reduce funding by \$1,110,425 to reflect this agency's portion of the non-SEBAC lapses.

Legislative

Same as Governor

Current Services

Adjust Funding to Reflect the FY 18 Deficiency

Personal Services	280,000	-	(280,000)
Total - General Fund	280,000	-	(280,000)

Governor

Provide funding of \$280,000 in FY 19 to reflect the annualization of the agency's FY 18 deficiency.

Legislative

Funding of \$280,000 is not provided as this agency did not require a deficiency appropriation in FY 18.

Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	67,012,085	67,012,085	-
Policy Revisions	(2,140,296)	(2,140,296)	-
Current Services	280,000	-	(280,000)
Total Recommended - GF	65,151,789	64,871,789	(280,000)

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - GF	447	447	-
Total Recommended - GF	447	447	-

PART III. REVENUE

Revenue Impact of Policy Changes

(In Millions of Dollars)

Enacting Authority	Policy Change	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$	FY 23 \$
General Fund						
Personal Income Tax						
Secs. 1-9 of PA 18-49	Adjust Method of Taxing Income from Pass-Through Entities	**	(567.6)	(580.1)	(592.8)	(605.9)
Subtotal		**	(567.6)	(580.1)	(592.8)	(605.9)
Sales & Use Tax						
Secs. 62-63 of PA 18-81	Accelerate Car Sales Tax Diversion to STF	(29.0)	(120.1)	(137.9)	(130.1)	(147.7)
Secs. 62-63 of PA 18-81	Delay Restoration of MRSA	-	339.2	347.3	-	-
Secs. 62-63 of PA 18-81	Reduce Sales and Use Tax Rate on Vessel-Related sales	**	(2.3)	(2.3)	(2.1)	(2.1)
Subtotal		(29.0)	216.8	207.1	(132.2)	(149.8)
Corporation Tax						
Secs. 1-9 of PA 18-49	Adjust Method of Taxing Income from Pass-Through Entities	**	567.6	580.1	592.8	605.9
Subtotal		**	567.6	580.1	592.8	605.9
Public Service Companies Tax						
Sec. 35 of PA 18-81	Restore \$1 Million to Support CT-N	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Subtotal		(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Inheritance & Estate Tax						
Secs. 66-68 of PA 18-81 *	Extend Phase-In of New Federal Exemption Level	-	-	28.3	15.1	7.5
Subtotal		-	-	28.3	15.1	7.5
Health Provider Tax						
Sec. 1 of PA 18-170	Exempt Medicaid and Medicare Payments from the Ambulatory Surgical Center Tax	-	(0.5)	(0.5)	(0.5)	(0.5)
Subtotal		-	(0.5)	(0.5)	(0.5)	(0.5)
Federal Grants						
Sec. 13 of PA 18-81	Restore Medicare Savings Program Eligibility	(68.5)	(68.5)	(68.5)	(68.5)	(68.5)
SA 18-5	Reflect Federal Match for I/DD Private Provider Increase	10.8	21.5	21.5	21.5	21.5

Enacting Authority	Policy Change	FY 19 \$	FY 20 \$	FY 21 \$	FY 22 \$	FY 23 \$
Sec. 1 of PA 18-81	Reflect the Net Federal Revenue Impact from State Policy Changes	3.0	3.0	3.0	3.0	3.0
Sec. 55 of PA 18-81	Reflect Fed. Reimbursement of Additional FY 20 Appropriations for Supplemental Hospital Pool	-	(222.2)	(222.2)	(222.2)	(222.2)
Subtotal		(54.7)	(266.2)	(266.2)	(266.2)	(266.2)
Transfer from Tobacco Fund						
Secs. 60-61 of PA 18-81	Eliminate Transfer to Tobacco & Health Trust Fund	-	6.0	6.0	6.0	6.0
Secs. 60-61 of PA 18-81	Eliminate Transfer to the Early Childhood Ed. Program	-	10.0	10.0	10.0	10.0
Subtotal		-	16.0	16.0	16.0	16.0
Transfers From / (To) Other Funds						
Secs. 12, 60 of PA 18-81	Reduce Transfer from the Conservation & Load Management Fund	(10.0)	-	-	-	-
Subtotal		(10.0)	-	-	-	-
Volatility Cap Adjustment						
Sec. 20 of PA 18-81	Index the Volatility Cap	46.8	128.8	212.4	299.4	401.4
Subtotal		46.8	128.8	212.4	299.4	401.4
Grand Total GF (FY 19 as adopted by FRB)		(47.9)	93.9	196.1	(69.4)	7.4
Special Transportation Fund						
Secs. 62-63 of PA 18-81	Accelerate Car Sales Tax Diversion to STF	29.0	120.1	137.9	130.1	147.7
Secs. 62-63 of PA 18-81	Exempt Vessel-Related Sales from Sales and Use Tax	**	(0.2)	(0.2)	(0.2)	(0.2)
Grand Total STF (FY 19 as adopted by FRB)		29.0	119.9	137.7	129.9	147.5
Municipal Revenue Sharing Fund						
Secs. 62-63 of PA 18-81	Delay Restoration of MRSA	-	(339.2)	(347.3)	-	-
Secs. 62-63 of PA 18-81	Reduce Sales and Use Tax on Vessel-Related Sales	-	-	-	(0.2)	(0.2)
Grand Total MRSA		-	(339.2)	(347.3)	(0.2)	(0.2)
GRAND TOTAL (ALL FUNDS)		(18.9)	(125.4)	(13.5)	60.3	154.7
* Revenue impact of PA 18-81 reflected above. PA 18-49 conflicts with the provisions of PA 18-81 and has a different (if similar) impact.						
**The revenue schedule as adopted by Finance, Revenue, and Bonding Committee does not include this policy in its underlying assumptions.						

Revised FY 19 General Fund Revenue Schedule

In Millions of Dollars

	Original FY 19 Budget	January 2018 Consensus	Governor Policies	Governor Revised FY 19 Revenue	Consensus Update (April 2018)	Legislative Policies	Legislative Revised FY 19 Revenue
Taxes							
Personal Income Tax	9,256.9	9,222.1	(583.9)	8,638.2	9,707.6	-	9,707.6
Sales and Use Tax	4,288.1	4,182.6	33.6	4,216.2	4,182.6	(29.0)	4,153.6
Corporation Tax	988.7	988.9	647.0	1,635.9	920.2	-	920.2
Public Service Companies Tax	263.7	244.8	-	244.8	244.8	(1.0)	243.8
Inheritance and Estate Tax	170.5	176.2	-	176.2	176.2	-	176.2
Insurance Companies Tax	234.2	234.3	-	234.3	234.3	-	234.3
Cigarette Tax	391.3	390.1	34.2	424.3	381.0	-	381.0
Real Estate Conveyance	222.3	209.4	22.9	232.3	209.4	-	209.4
Alcoholic Beverages	63.0	63.0	1.5	64.5	63.0	-	63.0
Admissions and Dues	41.8	41.8	-	41.8	41.8	-	41.8
Health Provider	1,044.1	1,049.2	(0.9)	1,048.3	1,049.2	-	1,049.2
Miscellaneous	33.0	33.1	-	33.1	22.0	-	22.0
Total Taxes	16,997.6	16,835.5	154.4	16,989.9	17,232.1	(30.0)	17,202.1
Refunds of Taxes	(1,145.7)	(1,146.0)	49.7	(1,096.3)	(1,215.1)	-	(1,215.1)
Earned Income Tax Credit	(120.6)	(118.3)	-	(118.3)	(118.3)	-	(118.3)
R&D Credit Exchange	(7.6)	(6.9)	-	(6.9)	(6.4)	-	(6.4)
Taxes Less Refunds	15,723.7	15,564.3	204.1	15,768.4	15,892.3	(30.0)	15,862.3
Other Revenue							
Transfers-Special Revenue	346.4	346.4	-	346.4	352.7	-	352.7
Indian Gaming Payments	199.0	202.7	-	202.7	203.6	-	203.6
Licenses, Permits, Fees	343.7	341.3	0.1	341.4	322.6	-	322.6
Sales of Commodities	44.9	38.7	-	38.7	37.7	-	37.7
Rents, Fines, Escheats	143.7	143.7	20.0	163.7	147.2	-	147.2
Investment Income	7.0	9.5	-	9.5	14.5	-	14.5
Miscellaneous	189.1	189.1	35.5	224.6	189.1	-	189.1
Refund of Payments	(63.9)	(58.8)	-	(58.8)	(58.8)	-	(58.8)
Total Other Revenue	1,209.9	1,212.6	55.6	1,268.2	1,208.6	-	1,208.6
Other Sources							
Federal Grants	1,764.0	1,645.3	3.8	1,649.1	2,167.1	(54.7)	2,112.4
Transfer from Tobacco Fund	110.2	110.2	-	110.2	110.2	-	110.2
Transfers From / (To) Other Funds	100.4	106.1	(29.0)	77.2	88.3	(10.0)	78.3
Total Other Sources	1,974.6	1,861.6	(25.2)	1,836.5	2,365.6	(64.7)	2,300.9
Volatility Adjustment	-	(13.1)	-	(13.1)	(409.9)	46.8	(363.1)
TOTAL General Fund	18,908.2	18,625.4	234.6	18,860.0	19,056.6	(47.9)	19,008.7

Revised Policies Details - General Fund

Personal Income

Policy Revisions

Adjust Exemption for Social Security Income

Governor FY 19	Legislative FY 19	Difference FY 19
7,900,000	-	(7,900,000)

Background: Prior to 2017, state law allowed for a 100% exemption of Social Security income 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.

Section 641 of PA 17-2 JSS (the 2018-2019 Biennial Budget), as amended by Section 18 of PA 17-4 JSS, increases the income thresholds to qualify for 100% exemptions to \$75,000 and \$100,000, respectively. These increases are implemented in equal increments over six years beginning on January 1, 2019.

Governor: Repeal the expanded 100% exemption. Section 20 of SB 10 enacts the repeal.

Legislative: Maintain the expanded 100% exemption.

Adjust Method of Taxing Income from Pass-Through Entities

Governor FY 19	Legislative FY 19	Difference FY 19
-	-	-

Background: Federal tax reform legislation passed by Congress in December 2017 limits to \$10,000 the amount of state and local taxes that may be deducted for federal income tax purposes. The tax reform law does not limit the deduction of business taxes.

Governor: Establish a new state business tax (the "Pass-through Entity Tax") in lieu of state personal income taxes, which are subject to the federal limit on deductions. The new business tax is imposed on most pass-through businesses and is levied at the top personal income tax rate of 6.99%, and offset by a credit at the personal or corporate income tax level. Sections 1-9 of SB 11 enact these changes. This policy would shift approximately \$600 million annually from the Personal Income Tax to the Corporation Tax.

Legislative: Same as Governor. Sections 1-9 of PA 18-49 enact this policy, effective January 1, 2018. The revenue schedule for the Revised FY 19 Budget, as adopted by the Finance, Revenue and Bonding Committee, does not reflect this policy.

Adjust New Exemptions for Certain Pension and Annuity Income

Governor FY 19	Legislative FY 19	Difference FY 19
8,200,000	-	(8,200,000)

Background: Section 641 of PA 17-2 JSS exempts certain pension and annuity income from the Personal Income Tax. Specifically, it eliminates the income tax on pension and annuities for taxpayers with federal adjusted gross incomes (AGIs): (1) below \$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, 2019-2025, after which the exemption sunsets.

Governor: Repeal the new exemptions. Section 20 of SB 10 enacts the repeal.

Legislative: Maintain the new exemptions. Section 27 of PA 18-26 eliminates the sunset provision, thus extending the exemption to 2026 and beyond.

Allow Growth in the Volatility Cap - Index to Income Growth

Governor FY 19	Legislative FY 19	Difference FY 19
-	46,800,000	46,800,000

Background: Sections 704, 707, 708 & 729 of PA 17-2 JSS establish a "Volatility Cap" which permanently limits to \$3.15 billion the total amount of revenues from the Estimated and Final (E&F) payments portion of the Personal Income Tax available to formulate a General Fund budget. In accordance with PA 17-2 JSS, beginning in FY 18 any projected amounts greater than \$3.15 billion must be set aside in the consensus revenue process (CGS Sec. 2-36c) as transfers to the Budget Reserve Fund.

PA 17-2 JSS repeals provisions in prior law, scheduled to take effect July 1, 2019, establishing a mechanism for diverting to the Budget Reserve Fund projected surpluses in historically volatile revenue sources (Corporation Business Tax and E&F payments under the Personal Income Tax). The mechanism required mid-year diversions of this revenue, based on a threshold level calculated using the average revenue from these two sources over 10 years.

Legislative: Allow the "Volatility Cap" to grow each fiscal year at the compound annual rate of growth in personal income over the previous five calendar years. Beginning in FY 19, the revised cap would increase the amounts of E&F revenues available to formulate General Fund budgets while reducing the amounts set aside in consensus revenue projections for year-end transfers to the Budget Reserve Fund.

Section 20 of PA 18-81 makes this policy change, which allows the cap to grow by 1.49% in FY 19 thus providing \$46.8 million in additional revenue available to formulate the revised FY 19 General Fund budget (1.49% * \$3.15 billion = \$46.8 million).

Sales and Use

Policy Revisions

Adjust Hotel Tax Rate and Set-aside for Tourism

Governor FY 19	Legislative FY 19	Difference FY 19
12,700,000	-	(12,700,000)

Background: Sections 637 and 639 of PA 17-2 JSS 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%.)

Governor: Repeal the set-aside of existing room occupancy tax revenues. Instead, increase the tax rate by two percentage points (from 15% to 17%) and set aside revenues from the tax increase to support tourism-related functions. This proposal increases revenue to the Tourism Fund by \$4 million above current law (\$16.7 million over \$12.7 million) and restores the \$12.7 million revenue loss to the General Fund triggered by the 10% set aside in PA 17-12 JSS. Sections 15-16 of SB 10 enact these changes.

Legislative: Maintain the set-aside of existing room occupancy tax revenues and the current overall tax rate of 15%.

Adjust the Sales Tax Exemption for Non-Prescription Drugs

Governor FY 19	Legislative FY 19	Difference FY 19
30,000,000	-	(30,000,000)

Background: A variety of non-prescription drugs and medicines are exempt under CGS Section 12-412(120).

Governor: Repeal exemptions for non-prescription drugs and medicines. Section 17 of SB 10 enacts the repeal.

Legislative: Maintain the exemption for non-prescription drugs and medicines.

Accelerate Shift of Certain Sales Tax Revenues to the STF

Governor FY 19	Legislative FY 19	Difference FY 19
(9,100,000)	(29,000,000)	(19,900,000)

Background: Sections 637-638 of PA 17-2 JSS shift revenues from the sale of new and used motor vehicles by a dealer from the General Fund to the Special Transportation Fund. The shift is scheduled to take place over a five year period in equal increments of 20%. In FY 21, the shift is 20% increasing to 40% in FY 22 up to 100% in FY 25 and thereafter.

Governor: Accelerate the shift as follows: FY 19 (2.5%); FY 20 (20%); FY 21 (40%); FY 21 (60%); FY 22 (80%); and FY 23 (100%) . Sections 15-16 of SB 10 enact this change.

Legislative: Accelerate the shift as follows: FY 19 (8%); FY 20 (33%); FY 21 (56%); FY 22 (75%); and FY 23 (100%). Sections 62-63 of PA 18-81 enact this change.

Reduce Sales & Use Tax Rate on Vessel-Related sales

Governor FY 19	Legislative FY 19	Difference FY 19
-	-	-

Legislative: Reduce, from 6.35% to 2.99%, the sales and use tax on vessels (i.e., boats), vessel motors, and trailers used for transporting vessels. By law, unchanged by the bill, vessels docked in Connecticut for 60 days or less are exempt from sales and use tax. Sections 62-63 of PA 18-81 enact this change, effective July 1, 2018. The annualized revenue loss for this change beginning in FY 19 is estimated to be \$2.3 million. The revenue schedule for the Revised FY 19 Budget, as adopted by the Finance, Revenue and Bonding Committee, does not reflect this policy.

Corporations

Policy Revisions

Adjust Method of Taxing Income from Pass-Through Entities

Governor FY 19	Legislative FY 19	Difference FY 19
-	-	-

Background: Federal tax reform legislation passed by Congress in December 2017 limits to \$10,000 the amount of state and local taxes that may be deducted for federal income tax purposes. The tax reform law does not limit the deduction of business taxes.

Governor: Establish a new state business tax (the "Pass-through Entity Tax") in lieu of state personal income taxes, which are subject to the federal limit on deductions. The new business tax is imposed on most pass-through businesses and is levied at the top personal income tax rate of 6.99%, and offset by a credit at the personal or corporate income tax level. Sections 1-9 of SB 11 enact these changes. This policy would shift approximately \$600 million annually from the Personal Income Tax to the Corporation Tax.

Legislative: Same as Governor. Sections 1-9 of PA 18-49 enact this policy, effective January 1, 2018. The revenue schedule for the Revised FY 19 Budget, as adopted by the Finance, Revenue and Bonding Committee, does not reflect this policy.

Adjust the Corporate Income Tax Surcharge

Governor FY 19	Legislative FY 19	Difference FY 19
18,000,000	-	(18,000,000)

Background: PA 11-6, the FY 12 and FY 13 Budget, established a temporary 20% Corporation Business Tax surcharge for income years 2012 and 2013. The temporary 20% surcharge was continued through income year 2017 but scheduled to phase out by income year 2019, with a reduction to 10% in income year 2018 and then to 0% in income year 2019.

Governor: Establish a permanent corporate tax surcharge of 8% effective 1/1/2019. Section 18 of SB 10 enacts this change.

Legislative: Maintain the scheduled sunset of the Corporation Business Tax surcharge.

Adjust Mandatory Combined Reporting

Governor FY 19	Legislative FY 19	Difference FY 19
25,000,000	-	(25,000,000)

Background: Sections 138-163 of PA 15-244, as amended by Sections 139-153 JSS, established mandatory combined reporting for certain Corporation Business Tax filers. Additionally, section 39 of PA 15-1 DSS imposed a \$2.5 million cap on the amount by which a combined group's corporation income tax liability can exceed the tax it would have paid on a separate basis.

Governor: Limit the \$2.5 million cap established by PA 15-1 DSS to manufacturers. Section 19 of SB 10 makes this change.

Legislative: Maintain the \$2.5 million cap for any affected corporation.

Adjust the 7/7 Brownfield Tax Credit Program

Governor FY 19	Legislative FY 19	Difference FY 19
4,000,000	-	(4,000,000)

Background: Sections 168-169 of PA 17-2 JSS established a Brownfield and Underutilized Property Redevelopment Program that authorizes a package of state and local tax incentives to property owners after they remediate, redevelop, and use property that was contaminated, abandoned, or underutilized. Property owners must apply to DECD for the incentives and provide certain information, including a commitment to hire students to work at the redeveloped property.

During the first seven years after an owner redevelops an approved property, the owner qualifies for (1) corporation, business, or personal income tax credits against the income attributed to business operations at the redeveloped property and (2) a sales and use tax exemption applicable to items purchased for use at the property. Also during this period, the owner may have the redeveloped property's tax assessment frozen for five years at its predevelopment assessed value.

Governor: Repeal the new program. Sections 33 and 40 of SB 10 repeal the program.

Legislative: Maintain the new program.

Public Service Corporations

Policy Revisions

Partially Restore Support to CT-N

Governor FY 19	Legislative FY 19	Difference FY 19
-	(1,000,000)	(1,000,000)

Background: CGS Sec. 2-71x provided 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. Section 662 of PA 17-2 JSS permanently reduced the annual set-aside by one-half, to \$1.6 million.

Legislative: Permanently restore \$1 million of the \$1.6 million reduction included in the 2018-2019 Biennial Budget. Section 35 of PA 18-81 makes this change, which increases the annual set-aside to \$2.6 million.

Cigarettes

Policy Revisions

Adjust Taxes on Tobacco Products

Governor FY 19	Legislative FY 19	Difference FY 19
25,700,000	-	(25,700,000)

Background: The Cigarette Tax has been increased from \$3.40 per pack (FY 15) to \$3.65 per pack (FY 16) to \$3.90 per pack (FY 17) and then \$4.35 per pack (FY 18).

Governor: Increase the tax rate on cigarettes by \$0.25 per pack: from \$4.35 to \$4.60. In addition, impose the tax increase on the existing inventory of cigarettes as of the effective date (i.e., a "floor tax"). Lastly, increase the wholesale excise tax cap on each cigar from \$0.50 to \$1.50. Estimated revenues are as follows: 1) \$22.8 million from increasing the Cigarette Tax (\$2.8 million from the "floor tax"); and 2) \$2.9 million resulting from the increase in the cigar tax.

Sections 21-24 of SB 10 enact these changes.

Legislative: Maintain current tax rates on tobacco products.

Consider Proposal to Tax E-Cigarettes

Governor FY 19	Legislative FY 19	Difference FY 19
8,500,000	-	(8,500,000)

Governor: Establish a 75% tax on the wholesale price of an e-cigarette product, including liquids and paraphernalia. Section 25 of SB 10 enacts this policy.

Legislative: Do not tax e-cigarettes.

Real Estate Conveyance

Policy Revisions

Adjust Real Estate Conveyance Tax Rates

Governor FY 19	Legislative FY 19	Difference FY 19
22,900,000	-	(22,900,000)

Background: Current Real Estate Conveyance Tax rates are as follows: 1) 0.75% on Unimproved Land; 2) 1.25% on Nonresidential Property other than Unimproved Land; 3) 0.75% on the portion of a Residential Dwelling at \$800,000 or less purchase price; 4) 1.25% on the portion of a Residential Dwelling at \$800,001 or more purchase price; 5) 0.75% on a Residential Property other than a Residential Dwelling; and 6) 0.75% on a Delinquent Mortgage.

Governor: Increase the 0.75% rates to 0.85% and the 1.25% rates to 1.40%. All property classifications are impacted. Section 26 of SB 10 enacts these increases.

Legislative: Maintain current real estate conveyance tax rates.

Alcoholic Beverages

Policy Revisions

Adjust Minimum Bottle Pricing

Governor FY 19	Legislative FY 19	Difference FY 19
1,500,000	-	(1,500,000)

Background: CGS Section 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. HB 5036 enacts this policy. It is anticipated that a reduction in prices will increase the sales volume resulting in a net annualized state revenue gain.

Legislative: Maintain current law.

Health Provider

Policy Revisions

Modify the Ambulatory Surgical Centers Tax

Governor FY 19	Legislative FY 19	Difference FY 19
(1,000,000)	-	1,000,000

Background: The Ambulatory Surgical Centers 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. The tax rate is 6% except for the first \$1 million in gross receipts, which is exempt from taxation.

Governor: In order to ensure the state complies with all Centers for Medicare and Medicaid Services (CMS) guidelines for the taxation of health providers: (1) eliminate the current \$1 million exemption; (2) limit the tax to receipts from facility fees; and (3) disallow the usage of tax credits against the tax. Sections 6-11 of SB 10 enacts this policy.

Legislative: Maintain the tax rate, gross receipts basis and \$1 million exemption.

It should be noted that Section 1 of PA 18-170, "AAC the Tax Imposed on Ambulatory Surgical Centers and Annual Adjustments to Assessment Rates Adopted for Certain Units of Common Interest Communities and Condominiums under Common Ownership," establishes a tax exemption for Medicaid and Medicare payments and is anticipated to result in an annual revenue loss of approximately \$500,000 beginning in FY 20.

Adjust the Tax on Intermediate Care Facilities

Governor FY 19	Legislative FY 19	Difference FY 19
70,000	-	(70,000)

Background: The Health Provider Tax revisions passed as part of the budget lowered the tax rate on intermediate care facilities from \$27.76 per day to \$27.26.

Governor: Restore the \$27.76 rate. Section 13 of SB 10 enacts this change.

Legislative: Maintain current law.

Refunds of Taxes

Policy Revisions

Adjust the \$200 Property Tax Credit

Governor FY 19	Legislative FY 19	Difference FY 19
49,700,000	-	(49,700,000)

Background: PA 17-2 JSS temporarily (2017 & 2018 income years) limited 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.

Governor: Permanently repeal the \$200 property tax credit. Sections 34 and 37 of SB 10 enact this change.

Legislative: Maintain current law.

Licenses, Permits and Fees

Policy Revisions

Consider Newborn Screening Panel Recommendation

Governor FY 19	Legislative FY 19	Difference FY 19
100,000	-	(100,000)

Background: Pursuant to Subsection (a) of CGS Section 19a-5, the administrative officer or other person in charge of each institution caring for newborn infants shall cause to have administered to every such infant in its care an HIV-related test, as defined in section 19a-581, a test for phenylketonuria and other metabolic diseases, hypothyroidism, galactosemia, sickle cell disease, maple syrup urine disease, homocystinuria, biotinidase deficiency, congenital adrenal hyperplasia, severe combined immunodeficiency disease, adrenoleukodystrophy and such other tests for inborn errors of metabolism as shall be prescribed by the Department of Public Health.

The Commissioner of Public Health shall publish a list of all the abnormal conditions for which the department screens newborns under the newborn screening program, which shall include screening for amino acid disorders, organic acid disorders and fatty acid oxidation disorders, including, but not limited to, long-chain 3-hydroxyacyl CoA dehydrogenase (L-CHAD), and medium-chain acyl-CoA dehydrogenase (MCAD).

Governor: Expand the list of abnormal conditions for which the department screens newborns to include, upon approval by the Secretary of the Office of Policy and Management, any other disorder included on the recommended uniform screening panel pursuant to 42 USC 300b-10, as amended from time to time. Revenues would be generated from increasing the newborn screening fee from \$110 to \$114 per infant. Section 2 of SB 16 enacts this change.

Legislative: Maintain current law.

Rentals, Fines and Escheats

Policy Revisions

Adjust the Scope of the "Bottle Bill" - Wine and Liquor

Governor FY 19	Legislative FY 19	Difference FY 19
13,000,000	-	(13,000,000)

Background: The five cent per bottle deposit fee for certain beverage containers (beer and other malt beverages, soda water, and carbonated soft drinks) has been the same since the law (PA 78-16) was adopted and became effective (January 1, 1980).

Governor: Establish a deposit fee of 25 cents per bottle of wine and liquor. Sections 27-28 of SB 10 enact this policy.

Legislative: Maintain current law.

Adjust the Scope of the "Bottle Bill" - Various

Governor FY 19	Legislative FY 19	Difference FY 19
7,000,000	-	(7,000,000)

Background: The five cent per bottle deposit fee for certain beverage containers (beer and other malt beverages, soda water, and carbonated soft drinks) has been the same since the law (PA 78-16) was adopted and became effective (January 1, 1980).

Governor: Expand the 5 cent bottle deposit to include juices, teas, coffees and energy drinks. Section 27 of SB 10 enacts this change.

Legislative: Maintain current law.

Miscellaneous

Policy Revisions

Gross Fund Higher Education Alternate Retirement Program

Governor FY 19	Legislative FY 19	Difference FY 19
35,500,000	-	(35,500,000)

Background: CGS 5-155a authorizes eligible unclassified employees of the constituent units of higher education to participate in an alternate retirement program (ARP), a defined contribution plan. Pursuant to the SEBAC 2017 Agreement the state's contribution is 7.25% of salary and employees contribute 5.75%. In FY 20, these contribution rates are modified by 0.25% to 7% and 6% respectively. For employees hired on or after July 31, 2017, the state contribution is 6.5% and the employee default contribution is 6.5%. The state's contribution is paid by various funding sources and is based on where the employee's salary is charged. Currently, recoveries from other funding sources, predominately tuition funds of higher education institutions are deposited into the ARP appropriation within the General Fund (GF) for non-GF supported employees as an expenditure offset. In recent years, the recoveries have exceeded GF expenditures. The Governor recommends gross appropriating the ARP account whereby all recoveries will be deposited into the GF as revenue and the GF appropriation will reflect the state's contribution for those employees whose salaries are supported by the GF (including those employees funded out of the higher education block grants).

Governor: Increase revenue by \$35.5 million to reflect Higher Education Alternate Retirement Program (ARP) recoveries being deposited into the General Fund. Funding of \$27,299,000 in FY 19 is reflected in the ARP account related to this change.

Legislative: Maintain current law.

Federal Grants

Policy Revisions

Reflect the Federal Revenue Impact of State Appropriations

Governor FY 19	Legislative FY 19	Difference FY 19
3,800,000	3,000,000	(800,000)

Governor: Reflect the net impact of various minor adjustments.

Legislative: Reflect the net impact of appropriating a total of approximately \$6 million to support Medicaid reimbursable expenditures in the Department of Developmental Services (DDS). Appropriations support emergency placements and Money Follows the Person (MFP) caseload.

Restore Medicare Savings Program Eligibility

Governor FY 19	Legislative FY 19	Difference FY 19
-	(68,500,000)	(68,500,000)

Background: The FY 18 - FY 19 Biennial Budget reduced income eligibility for the Medicare Savings Program (MSP) from between 211% and 246% of the Federal Poverty Level (FPL) to the federal minimum of between 100% and 135% FPL. PA 17-1 JSS restored eligibility in FY 18. The FY 19 budget assumed Medicaid savings of \$61.5 million with a corresponding revenue gain of \$68.5 million (for a net state impact of \$130 million), associated with eliminating coverage for up to 68,100 individuals and reducing benefits for an additional 37,100.

Legislative: Provide funding of \$61.5 million (with a corresponding revenue loss of \$68.5 million) to reflect maintaining Medicare Savings Program (MSP) income eligibility at 211% to 246% FPL instead of reducing eligibility to the federal minimum. Increasing income eligibility restores coverage and maintains benefits for approximately 100,000 individuals. Section 13 of PA 18-81, is related to this change.

Reflect Fed. Match for I/DD Private Provider Increase

Governor FY 19	Legislative FY 19	Difference FY 19
-	10,800,000	10,800,000

Background: SA 18-5, An Act Concerning Minimum Employee Wages for Private Providers of State-Administered Services For Persons with Intellectual Disabilities, allows the Office of Policy and Management (OPM) to allocate funds to increase wages of certain employees who provide services to authorized consumers of the Department of Developmental Services (DDS) in FY 19. The private providers of employment, day, and behavioral services (funded in DDS) and group home services (funded in the Department of Social Services) must provide documentation to OPM that such funds will only be used for: (1) increasing the minimum wage paid to employees to not less than \$14.75 per hour (effective January 1, 2019); and (2) providing a wage increase of up to 5% to employees earning not less than \$14.76 and not more than \$30.00 per hour (effective January 1, 2019). Additionally, OPM shall reimburse providers, within available appropriations, for the cost of employer taxes, and other costs associated with the wage increase provisions, and for the expansion of benefits.

Legislative: Federal grants revenue is increased by \$10.8 million to reflect the federal share of increased wages for certain employees, per SA 18-5. The Office of Policy and Management (OPM) budget includes funding of \$21,537,000 in FY 19 to support these increases, for which the state will receive approximately 50% federal reimbursement under Medicaid.

Transfers From/To Other Funds

Policy Revisions

Adjust FY 19 Transfer from RGGI

Governor FY 19	Legislative FY 19	Difference FY 19
(10,000,000)	-	10,000,000

Background: The Regional Greenhouse Gas Initiative (RGGI) is a regional interstate "cap and trade" program to reduce greenhouse 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. Connecticut's share of the auction proceeds are used primarily for conservation and load management initiatives and in support of renewable energy with the remaining 7.5% retained by the Department of Energy and Environmental Protection to cover administrative costs. Total FY 17 auction proceeds to Connecticut were \$13.7 million.

The FY 18 and FY 19 Budget transfers \$10 million from the RGGI account in each year of the biennium.

Governor: Repeal the scheduled FY 19 transfer from RGGI. Section 2 of SB 10 enacts this policy.

Legislative: Maintain the transfer.

Adjust FY 19 Transfer from Green Bank

Governor FY 19	Legislative FY 19	Difference FY 19
(14,000,000)	-	14,000,000

Background: The Connecticut Green Bank is a quasi-public agency designed to leverage public and private funds to accelerate the growth of green energy in Connecticut.

The 2014-2015 Biennial Budget included transfers from the agency of \$6.2 million in FY 14 and \$19.2 million in FY 15. The 2018-2019 Biennial Budget includes transfers of \$14 million each year of the biennium. In addition to the \$14 million transfers directly from the Green Bank, the 2018-2019 Budget also transfers \$10 million each year from RGGL, which is a major source of revenue to the Green Bank.

Governor: Repeal the FY 19 transfer from the Green Bank. Section 3 of SB 10 enacts the repeal.

Legislative: Maintain the transfer.

Adjust FY 19 Transfer from Banking Fund

Governor FY 19	Legislative FY 19	Difference FY 19
(5,200,000)	-	5,200,000

Background: The Banking Fund is supported by assessments and fees from 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 Banking Fund has a recent history of running operating surpluses and building a fund balance in the millions of dollars, and has been subject to fund sweeps (i.e., transfers) to the General Fund on multiple occasions. The Banking Fund ran an operating surplus of approximately \$4 million in FY 17 but closed the fiscal year with a balance of only \$500,000 (\$2 million less a carry forward appropriation of \$1.5 million).

The 2018-2019 Biennial Budget increased fees for broker-dealers, investment advisers and their agents who transact business in Connecticut, which is estimated to generate \$5.2 million annually. The 2018-2019 Biennial Budget transfers \$11.2 million from the Banking Fund in FY 18 and \$9.2 million in FY 19, which effectively assumes an operating surplus and balance of \$6 million in FY 18 and \$4 million in FY 19.

Governor: Reduce the FY 19 transfer to reflect the projected revenue gain from the increase in fees, only. Section 4 of SB 10 enacts this reduction.

Legislative: Maintain the transfer.

Adjust Transfer from the Mashantucket Pequot - Mohegan Fund

Governor FY 19	Legislative FY 19	Difference FY 19
300,000	-	(300,000)

Background: The Mashantucket Pequot and Mohegan Fund (Pequot Fund) receives a portion of the State of Connecticut's casino gaming revenue. The Pequot Fund appropriation reduces the amount of casino revenues that are otherwise deposited into the General Fund. The appropriation provides grants to towns.

Governor: Reduce the transfer from the General Fund to the Pequot Fund to reflect the recommended appropriations level.

Legislative: Make no change to the transfer.

Reduce FY 19 Transfer from CT Energy Efficiency Fund

Governor FY 19	Legislative FY 19	Difference FY 19
-	(10,000,000)	(10,000,000)

Background: The Energy Efficiency or Conservation and Load Management Fund helps residents, businesses, and institutions reduce the amount of energy they use. The state's electricity 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.

Section 683 of PA 17-2 JSS (the 2018-2019 Biennial Budget) transfers \$63.5 million from the Energy Conservation and Load Management Fund to the General Fund in each year of the 2018-2019 biennium.

Legislative: Reduce the FY 19 transfer to \$53.5 million. Sections 12 and 60 of PA 18-81, the Revised FY 19 Budget Act, enact this change.

Revised FY 19 Special Transportation Fund Revenue Schedule

In Millions of Dollars

	Original FY 19 Budget	January 2018 Consensus	Governor Policies	Governor Revised FY 19 Revenue	Consensus Update (April 2018)	Legislative Policies	Legislative Revised FY 19 Revenue
Taxes							
Motor Fuels Tax	506.1	502.3	30.0	532.3	502.3	-	502.3
Oil Companies Tax	300.2	279.8	-	279.8	279.8	-	279.8
Sales and Use Tax	335.4	329.4	9.1	338.5	329.4	29.0	358.4
Sales Tax - DMV	88.8	86.8	-	86.8	86.8	-	86.8
Refunds of Taxes	(14.1)	(14.6)	-	(14.6)	(14.6)	-	(14.6)
Total Taxes	1,216.4	1,183.7	39.1	1,222.8	1,183.7	29.0	1,212.7
Other Sources							
Motor Vehicle Receipts	253.8	249.0	-	249.0	250.6	-	250.6
Licenses, Permits, Fees	145.2	142.8	8.0	150.8	142.8	-	142.8
Interest Income	10.4	10.4	-	10.4	12.4	-	12.4
Federal Grants	12.1	12.1	-	12.1	12.1	-	12.1
Transfers From / (To) Other Funds	(5.5)	(5.5)	-	(5.5)	(5.5)	-	(5.5)
Refunds of Payments	(4.3)	(4.3)	-	(4.3)	(4.6)	-	(4.6)
Total Other Sources	411.7	404.5	8.0	412.5	407.8	-	407.8
TOTAL Special Transportation Fund	1,628.1	1,588.2	47.1	1,635.3	1,591.5	29.0	1,620.5

Revised Policies Details - Special Transportation Fund

Sales Tax - STF

Policy Revisions

Accelerate Shift of Certain Sales Tax Revenues to the STF

Governor FY 19	Legislative FY 19	Difference FY 19
9,100,000	29,000,000	19,900,000

Background: Sections 637-638 of PA 17-2 JSS shift revenues from the sale of new and used motor vehicles by a dealer from the General Fund to the Special Transportation Fund. The shift is scheduled to take place over a five year period in equal increments of 20%. In FY 21, the shift is 20%, increasing to 40% in FY 22, up to 100% in FY 25 and thereafter.

Governor: Accelerate the shift as follows: FY 19 (2.5%); FY 20 (20%); FY 21 (40%); FY 21 (60%); FY 22 (80%); and FY 23 (100%) . Sections 15-16 of SB 10 enact this change.

Legislative: Accelerate the shift as follows: FY 19 (8%); FY 20 (33%); FY 21 (56%); FY 22 (75%); and FY 23 (100%). Sections 62-63 of PA 18-81 enact this change.

Reduce Sales & Use Tax Rate on Vessel-Related Sales

Governor FY 19	Legislative FY 19	Difference FY 19
-	(200,000)	(200,000)

Legislative: Reduce, from 6.35% to 2.99%, the sales and use tax on vessels (i.e., boats), vessel motors, and trailers used for transporting vessels. By law, unchanged by the bill, vessels docked in Connecticut for 60 days or less are exempt from sales and use tax. Sections 62-63 of PA 18-81 enact this change, effective July 1, 2018.

Motor Fuels

Policy Revisions

Adjust the Gasoline Tax

Governor FY 19	Legislative FY 19	Difference FY 19
30,000,000	-	(30,000,000)

Background: Motor fuel used or sold in Connecticut is subject to the Motor Vehicle Fuels Tax. "Fuel" includes gasoline, diesel, gasohol, propane, or any combustible gas or liquid that generates the power needed to propel a motor vehicle. The tax on gasoline has been 25 cents per gallon since 2000.

Governor: Increase the gasoline tax rate to 32 cents (7 cents increase) over the next four years: 1) 2 cents increase in FY 19; 2) 1 cent increase in FY 20; 3) 2 cents increase in FY 21; and 4) 2 cents increase in FY 22. Section 29 of SB 10 enacts these increases.

Legislative: Maintain the tax at 25 cents per gallon.

Licenses, Permits and Fees

Policy Revisions

Consider Proposal to Impose a \$3 Tire Fee

Governor FY 19	Legislative FY 19	Difference FY 19
8,000,000	-	(8,000,000)

Governor: Impose a new fee on the purchase of a new motor vehicle tire for passenger vehicles and light trucks. Sections 30-31 of SB 10 enact this policy.

Legislative: Maintain current law - do not establish a new tire fee.

PART IV. CAPITAL BUDGET

Summary

PA 18-178, the 2018 bond act, revised FY 19 bond authorizations downward by a net of \$224.3 million, all from General Obligation (GO) bonds. A total of \$182 million of new or increased GO bonds were authorized in the act, as detailed in Table 1. A total reduction of GO bond authorizations of \$466.3 million was made, as shown in Table 2. \$60 million of the reduction was authorized for years after FY 19; the net reduction effective for FY 19 was \$406.3 million. The revised total of GO bonds effective for FY 19 is \$1,393.7 million, down from \$1,618 as authorized in the original budget.

No changes to authorization amounts were made to Clean Water Fund Revenue or Special Tax Obligation bonds in the act. Total authorizations for FY 19 remain at \$350.3 million and \$1,574.4 million respectively.

Programmatic Changes

Besides changes to overall authorization levels, several programmatic changes and/or obligations of existing authorizations were included in the act. Notably, \$5 million of funds previously authorized for school construction project reimbursements was made available for use on school security projects that “involve multimedia interoperable communication systems.” The act obligates \$70 million of funds previously authorized for the Economic Development and Manufacturing Assistance Act to programs established or altered in the act, including \$50 million for the Apprenticeship Connecticut initiative and a total of \$20 million for expansion of programs for Connecticut Innovations, Inc. These changes did not change the overall level of authorization or indebtedness to the state.

Statutory Debt Limit

The state’s level of General Fund indebtedness to start FY 19 was \$22.7 billion, as estimated by the Treasurer on May 9, 2018. Based on revenue estimates adopted by the Finance, Revenue and Bonding committee on May 9, 2018, the level of indebtedness, including the changes in the bond act is 89.33% of the statutory limit. This is approximately \$170.3 million below the 90% threshold.

Besides the authorization changes described in this section, overall indebtedness increased by approximately \$550 million in FY 18 due to the contract entered into by the Municipal Accountability Review Board (MARB) and the city of Hartford in March, 2018, which stipulated that the state was responsible for repayment of this debt under specified conditions. This was viewed by the Treasurer as evidence of the state’s indebtedness under CGS Sec. 3-21, which establishes the debt limit and what is to be counted and exempted from the same.

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.

The Certificate of State Indebtedness issued by the Office of the State Treasurer on May 9, 2018 indicated the following:

Certificate of State Indebtedness	Amount \$
FY 19 limit on General Obligation bonds	25,379,680,000
FY 19 net General Obligation bond indebtedness	22,671,401,165
FY 18 net indebtedness as a percent of debt limit	89.33%
Capacity remaining before 90% threshold	170,310,835

The table below shows the level of state indebtedness between FY 99 and FY 19.

State Debt Limitation from FY 99 to FY 19 (in thousands)

Fiscal Year	Statutory Debt Limitation \$	Aggregate Indebtedness (Adjusted) \$	Debt Incurring Margin \$	Indebtedness as % of Debt Limitation
1999	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%
2019	25,379,680	22,671,401	2,708,278	89.3%

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.

Table 1 New or Additional Authorizations, by Agency

In Dollars

Section (PA 18-178)	Agency/Description	FY 19 New/Additional Authorization
	Capital Region Development Authority	
2	Design and construction of parking garages to support development in Hartford	16,000,000
	Connecticut State Library	
36	Grants-in-aid to public libraries for construction, renovations, expansions, energy conservation and handicapped accessibility	2,500,000
	Department of Energy and Environmental Protection	
19	Connecticut bikeway, pedestrian walkway, recreational trail and greenway grant program	3,000,000
	Department of Emergency Services and Public Protection	
26	School Security Infrastructure Competitive Grant Program	10,000,000
	Office of Policy and Management	
9	Dredging and navigational improvements for economic development	25,000,000
15	Distressed municipality grant program, as described in C.G.S. 32-9s	5,500,000
17	Urban Act	100,000,000
34	Information technology capital investment program	20,000,000
	Total GO Bond Authorization Addition	182,000,000

Table 2 Cancellations or Reductions, by Authorizing Act or Statute

In Dollars

Cancellation/Reduction Section (PA 18-178)	Description	Act/Statute	Cancellation
18	School Building Project Grants	C.G.S. 10-287d	(360,000,000)
29	High-quality school start-up costs*	PA 14-98 9(j)	(1,334,200)
31	High-quality school start-up costs*	PA 15-1 32(k)(3)	(5,000,000)
40	Hospital Grants**	PA 17-2 552	(100,000,000)
	Total Reduction of GO Bond Authorization		(466,334,200)

*These reductions were part of correcting an error in PA 17-2 JSS 489

**Funds were originally authorized as \$20 million per year starting in FY 18. At the time of the cancellation, \$40 million of the \$100 million total was effective.

Table 3 Revised FY 19 Authorizations
In Dollars

Prior Auth./ Last Change	Agency/Description	FY 19 Prior	PA 18-178	FY 19 Revised
	Board of Regents for Higher Education			
PA 17-2 JSS 397(h)(1)(B)	Advanced manufacturing and emerging technology programs	2,875,000		2,875,000
PA 17-2 JSS 397(h)(2)	Community Colleges: Deferred maintenance, code compliance and infrastructure improvements	14,000,000		14,000,000
PA 17-2 JSS 397(h)(4)	Naugatuck Valley Community College: Alterations and improvements in compliance with the Americans with Disabilities Act	5,000,000		5,000,000
PA 17-2 JSS 397(h)(5)	Northwestern Community College: Alterations, renovations and improvements to the White building	2,021,250		2,021,250
PA 17-2 JSS 397(h)(1)(C)	Security improvements	5,000,000		5,000,000
PA 17-2 JSS 397(h)(1)(A)	System telecommunications infrastructure upgrades, improvements and expansions	2,000,000		2,000,000
PA 17-2 JSS 397(h)(3)	Universities: Deferred maintenance, code compliance and infrastructure improvements	7,000,000		7,000,000
PA 17-2 JSS 439	CSCU 2020	95,000,000		95,000,000
	Capital Region Development Authority			
PA 18-178 2	Design and construction of parking garages to support development in Hartford	-	16,000,000	16,000,000
PA 17-2 JSS 397(e)(1)	Alterations, renovations and improvements at the Connecticut Convention Center and Rentschler Field	1,500,000		1,500,000
PA 17-2 JSS 397(e)(2)	Alterations, renovations and improvements to parking garages in Hartford	5,000,000		5,000,000
PA 17-2 JSS 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
PA 17-2 JSS 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
PA 17-2 JSS 397(e)(3)	Infrastructure renovations and improvements to the Front Street district in Hartford	7,000,000		7,000,000
	CT Innovations Inc.			
PA 17-2 JSS 408(d)	For the purpose of recapitalizing the programs established in chapter 581 of the general statutes	20,000,000		20,000,000
PA 17-2 JSS 451	Connecticut Bioscience Innovation Fund	15,000,000		15,000,000
PA 11-2 OSS 2	Connecticut Bioscience Collaboration - Jackson Labs	12,525,000		12,525,000
	Department of Administrative Services			
PA 17-2 JSS 397(b)(1)	Alterations and improvements in compliance with the Americans with Disabilities Act	1,000,000		1,000,000

Prior Auth./ Last Change	Agency/Description	FY 19 Prior	PA 18-178	FY 19 Revised
PA 17-2 JSS 408(b)	Grants-in-aid to alliance districts to assist in paying for general improvements to school buildings	30,000,000		30,000,000
PA 17-2 JSS 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
PA 17-2 JSS 397(b)(3)	Removal of encapsulation of asbestos and hazardous materials in state-owned buildings	5,000,000		5,000,000
PA 17-2 JSS 436	School construction grants-in-aid - interest payments	2,100,000		2,100,000
PA 17-2 435	School construction grants-in-aid - progress payments	450,000,000	(360,000,000)	90,000,000
PA 17-2 JSS 397(b)(4)	Upgrade and replacement of technology infrastructure for the Connecticut Education Network	1,500,000		1,500,000
	Department of Correction			
PA 17-2 JSS 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		10,000,000
	Department of Developmental Services			
PA 17-2 JSS 397(f)	Fire, safety and environmental improvements to regional facilities	2,500,000		2,500,000
	Department of Economic and Community Development			
PA 17-2 JSS 408(c)(3)	Brownfield Remediation and Revitalization	10,000,000		10,000,000
PA 17-2 JSS 408(c)(1)	Grants-in-aid to nonprofit organizations sponsoring cultural and historic sites	2,500,000		2,500,000
PA 17-2 JSS 454	Manufacturing Assistance Act	75,000,000		75,000,000
PA 17-2 JSS 408(c)(2)	Connecticut Manufacturing Fund established by section 32-70 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	6,500,000		6,500,000
	Department of Education			
PA 17-2 JSS 434	Grants-in-aid to assist charter schools with capital expenses	5,000,000		5,000,000
PA 17-2 JSS 408(f)	Grants-in-aid to assist targeted local and regional school districts for alterations, repairs, improvements, technology and equipment for low-performing schools	5,000,000		5,000,000
	Department of Emergency Services and Public Protection			

Prior Auth./ Last Change	Agency/Description	FY 19 Prior	PA 18-178	FY 19 Revised
PA 18-178 26	School Security Infrastructure Competitive Grant Program	-	10,000,000	10,000,000
	Department of Energy and Environmental Protection			
PA 18-178 19	Connecticut bikeway, pedestrian walkway, recreational trail and greenway grant program	-	3,000,000	3,000,000
PA 17-2 JSS 447	Clean Water Fund - GO Bonds	85,000,000		85,000,000
PA 17-2 JSS 397(d)(1)	Dam repairs, including state-owned dams	5,500,000		5,500,000
PA 17-2 JSS 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
	Department of Housing			
PA 17-2 JSS 553	Crumbling Foundations Assistance Fund	20,000,000		20,000,000
PA 17-2 JSS 404	Flexible Housing	100,000,000		100,000,000
PA 17-2 JSS 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
PA 17-2 JSS 433	Housing Trust Fund	30,000,000		30,000,000
	Department of Mental Health and Addiction Services			
PA 17-2 JSS 397(g)	Fire, safety and environmental improvements to regional facilities	2,000,000		2,000,000
	Department of Transportation			
PA 17-2 JSS 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
	Judicial Department			
PA 17-2 JSS 397(i)(1)	Alterations, renovations and improvements to buildings and grounds at state-owned and maintained facilities	5,000,000		5,000,000
PA 17-2 JSS 397(i)(2)	Exterior renovations and improvements at the superior courthouse in New Haven	3,000,000		3,000,000
	Labor Department			
PA 17-2 JSS 408(i)	Workforce Training Authority Fund	20,000,000		20,000,000
	Military Department			
PA 17-2 JSS	Acquisition of property for development of readiness centers in Litchfield county	2,000,000		2,000,000

Prior Auth./ Last Change	Agency/Description	FY 19 Prior	PA 18-178	FY 19 Revised
	Office of Policy and Management			
PA 18-178 9	Dredging and navigational improvements for economic development		25,000,000	25,000,000
PA 18-178 15	Distressed municipality grant program, as described in C.G.S. 32-9s		5,500,000	5,500,000
PA 17-2 JSS 430	Grants-in-aid to hospitals for capital improvements	20,000,000	(20,000,000)	-
PA 17-2 JSS 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
PA 17-2 JSS 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
PA 18-178 34	Information technology capital investment program	25,000,000	20,000,000	45,000,000
PA 17-2 JSS 431	Local Capital Improvement Program	35,000,000		35,000,000
PA 17-2 JSS 408(a)(2)	Responsible Growth Incentive Fund	2,000,000		2,000,000
PA 17-2 JSS 397(a)(1)	Transit-oriented development and predevelopment activities	6,000,000		6,000,000
PA 18-178 17	Urban Act	50,000,000	100,000,000	150,000,000
	State Library			
PA 18-178 36	Grants-in-aid to public libraries for construction, renovations, expansions, energy conservation and handicapped accessibility	2,500,000	2,500,000	5,000,000
	University of Connecticut			
PA 17-2 JSS 433	UConn 2000	200,000,000		200,000,000
	Reductions other than to FY 19 authorizations			
	Other (See Table X for detail)		(26,334,000)	(26,334,000)
	Grand Total (FY 19 Effective)	1,618,021,250	(224,334,000)	1,393,687,250

Table 4 FY 19 Special Tax Obligation Bond Authorizations
(No Changes to Authorization Levels in PA 18-178)

PA 17-2 JSS Section	Description	FY 19 \$
Department of Transportation		
422(a)(1)	Interstate Highway Program	13,000,000
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
422(a)(11)	Local Bridge Program	24,000,000
422(a)(12)	Highway and bridge renewal equipment	10,400,000
422(a)(2)	Urban Systems Projects	16,217,392
422(a)(3)	Intrastate Highway Programs	44,000,000
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	15,000,000
422(a)(5)	State bridge improvement, rehabilitation and replacement projects	33,000,000
422(a)(6)	Capital resurfacing and related reconstruction	75,000,000
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	99,760,000
422(a)(8)	Fix-it-First program to repair the state's roads	55,000,000
422(a)(9)	Local Transportation Capital Program	64,000,000
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	246,000,000
422(c)(1)	Department facilities	44,247,000
422(c)(2)	Cost of issuance of special tax obligation bonds and debt service reserve	55,000,000
GRAND TOTAL		824,624,392

Table 5 FY 19 Revenue Bonds
(No change in PA 18-178)

PA 17-2 JSS Section	Description	FY 19 \$
Department of Energy and Environmental Protection		
448	Clean Water Fund - Revenue Bonds	350,300,000
Clean Water Fund - Revenue Bonds Grant Total		350,300,000

PART V. MUNICIPAL AID

The FY 19 Revised Budget decreased municipal aid by approximately \$18.6 million from Original FY 19 levels. This includes a reduction of approximately \$40 million in Teachers' Retirement Board contributions. Without this reduction, municipal aid increased by approximately \$21.4 million.

Significant changes in municipal aid include:

- \$15.7 million for additional Car Tax grant funding. This funding ensures that municipalities are reimbursed based on their estimated current mill rates for the revenue loss experienced as a result of the mill rate cap on motor vehicles. The cap on motor vehicle mill rates remains unchanged at 45.
- \$3.3 million in funding for districts that enrolled students displaced by 2017 Caribbean hurricanes, in the Education Cost Sharing and Bilingual Education accounts.

The following table summarizes Revised FY 19 funding for municipal aid:

REVISED FY 19 MUNICIPAL AID SYNOPSIS

Fund/Agency	FY 18 Post Holdbacks	FY 19 Orig	FY 19 Final	FY 19 Final - FY 19 Orig	FY 19 Final - FY 18 Post Holdbacks
Appropriated Funds					
Office of Policy and Management					
State Property PILOT	50,306,436	56,045,788	56,045,788	-	5,739,352
College & Hospital PILOT	98,377,557	105,889,432	105,889,432	-	7,511,875
Reimbursement Property Tax - Disability Exemption	364,713	374,065	364,713	(9,352)	-
Distressed Municipalities	-	-	-	-	-
Property Tax Relief Elderly Circuit Breaker	-			-	-
Property Tax Relief Elderly Freeze Program	65,000	65,000	65,000	-	-
Property Tax Relief for Veterans	2,708,107	2,777,546	2,708,107	(69,439)	-
Municipal Revenue Sharing (Supplemental PILOT)	35,221,814	36,819,135	36,819,135	-	1,597,321

Fund/Agency	FY 18 Post Holdbacks	FY 19 Orig	FY 19 Final	FY 19 Final - FY 19 Orig	FY 19 Final - FY 18 Post Holdbacks
Municipal Restructuring	27,300,000	28,000,000	27,300,000	(700,000)	-
Municipal Transition	30,944,314	15,000,000	30,700,000	15,700,000	(244,314)
Municipal Stabilization Grant	55,481,355	37,753,335	37,753,335	-	(17,728,020)
Pequot Grants	57,649,850	49,942,796	49,942,796	-	(7,707,054)
State Department of Education					
Vocational Agriculture	9,972,874	10,228,589	13,759,589	3,531,000	3,786,715
Adult Education	19,874,361	20,383,960	20,383,960	-	509,599
Health and Welfare Services Pupils Private Schools	3,438,415	3,526,579	3,438,415	(88,164)	-
Education Equalization Grants	1,928,243,995	2,017,131,405	2,016,728,682	(402,723)	88,484,687
Bilingual Education	2,777,112	2,848,320	3,177,112	328,792	400,000
Priority School Districts	37,150,868	38,103,454	37,150,868	(952,586)	-
Young Parents Program	71,657	106,159	71,657	(34,502)	-
Interdistrict Cooperation	1,537,500	3,050,000	1,537,500	(1,512,500)	-
School Breakfast Program	2,158,900	2,158,900	2,158,900	-	-
Excess Cost - Student Based	138,979,288	142,119,782	140,619,782	(1,500,000)	1,640,494
Youth Service Bureaus	2,533,524	2,598,486	2,598,486	-	64,962
Open Choice Program	37,138,373	40,090,639	39,138,373	(952,266)	2,000,000
Magnet Schools	309,509,936	326,508,158	326,508,158	-	16,998,222
After School Program	4,602,678	4,720,695	4,720,695	-	118,017
Teachers' Retirement Board					
Retirement Contributions	1,271,033,000	1,332,368,000	1,292,314,000	(40,054,000)	21,281,000
Retirees Health Service Cost	14,554,500	14,575,250	14,575,250	-	20,750
Municipal Retiree Health Insurance Costs	4,644,673	4,644,673	4,644,673	-	-
Other Appropriated Aid					
Housing/Homeless Services- Municipality	575,226	586,965	575,226	(11,739)	-
Local and District Departments of Health	4,144,588	4,144,588	4,144,588	-	-

Fund/Agency	FY 18 Post Holdbacks	FY 19 Orig	FY 19 Final	FY 19 Final - FY 19 Orig	FY 19 Final - FY 18 Post Holdbacks
School Based Health Clinics	10,618,232	11,039,012	10,743,232	(295,780)	125,000
Human Resource Development-Hispanic Programs - Municipality	-	4,120	-	(4,120)	-
Teen Pregnancy Prevention - Municipality	98,281	100,287	98,281	(2,006)	-
Connecticard Payments	703,638	781,820	703,638	(78,182)	-
Municipal Restructuring (Debt Service)	20,000,000	20,000,000	20,000,000	-	-
Total Appropriated Funds	4,182,780,765	4,334,486,938	4,307,379,371	(27,107,567)	124,598,606
Bond Funds					
Town Aid Road	60,000,000	60,000,000	60,000,000	-	-
LoCIP ¹	54,999,918	34,999,926	34,999,926	-	(19,999,992)
Grants for Municipal Projects	60,000,000	60,000,000	60,000,000	-	-
Total Bond Funds	174,999,918	154,999,926	154,999,926	-	(19,999,992)
GROSS TOTAL	4,357,780,683	4,489,486,864	4,462,379,297	(27,107,567)	104,598,614
Municipal Aid Lapse	-	(8,500,000)	-	8,500,000	-
NET TOTAL	4,357,780,683	4,480,986,864	4,462,379,297	(18,607,567)	104,598,614

¹The 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.

APPENDIX A. Authorized Permanent Full-Time Positions

By fund and agency

Agency	Actual FY 17	Estimated FY 18	Original FY 19	Governor Revised FY 19	Revised FY 19	Revised Changes from Governor	Revised Changes from Original
General Fund							
Legislative Management	444	444	436	436	436	-	-
Auditors of Public Accounts	121	126	126	126	126	-	-
Commission Women, Children, Seniors	9	6	6	6	6	-	-
Commission on Equity and Opportunity	9	6	6	6	6	-	-
Governor's Office	28	28	28	28	28	-	-
Secretary of the State	85	85	85	85	85	-	-
Lieutenant Governor's Office	7	7	7	7	7	-	-
Elections Enforcement Commission	35	35	35	35	35	-	-
Office of State Ethics	15	16	16	16	16	-	-
Freedom of Information Commission	15	16	16	16	16	-	-
State Treasurer	45	45	45	46	45	(1)	-
State Comptroller	277	277	277	277	277	-	-
Department of Revenue Services	660	660	660	660	660	-	-
Office of Governmental Accountability	19	19	19	19	19	-	-
Office of Policy and Management	125	125	125	125	125	-	-
Department of Veterans' Affairs	243	243	243	243	243	-	-
Department of Administrative Services	665	663	663	666	663	(3)	-
Attorney General	303	311	311	311	311	-	-
Division of Criminal Justice	486	486	486	486	486	-	-
Department of Emergency Services and Public Protection	1,733	1,735	1,735	1,736	1,735	(1)	-
Military Department	42	42	42	42	42	-	-
Department of Consumer Protection	241	218	218	218	218	-	-
Labor Department	191	191	191	201	191	(10)	-
Commission on Human Rights and Opportunities	85	82	82	82	82	-	-
Protection and Advocacy for Persons with Disabilities	31	-	-	-	-	-	-
Department of Agriculture	50	50	50	50	50	-	-
Department of Energy and Environmental Protection	642	618	618	618	618	-	-

Agency	Actual FY 17	Estimated FY 18	Original FY 19	Governor Revised FY 19	Revised FY 19	Revised Changes from Governor	Revised Changes from Original
Council on Environmental Quality	2	2	-	-	-	-	-
Department of Economic and Community Development	89	89	89	89	89	-	-
Department of Housing	23	23	23	23	23	-	-
Agricultural Experiment Station	69	69	69	69	69	-	-
Department of Public Health	481	495	480	481	480	(1)	-
Office of Health Strategy	-	-	23	24	23	(1)	-
Office of the Chief Medical Examiner	50	50	50	50	50	-	-
Department of Developmental Services	3,098	2,980	2,980	2,980	2,980	-	-
Department of Mental Health and Addiction Services	3,438	3,438	3,438	3,438	3,438	-	-
Psychiatric Security Review Board	3	3	3	3	3	-	-
Department of Social Services	1,986	2,009	2,009	1,986	1,986	-	(23)
State Department on Aging	27	-	-	-	-	-	-
Department of Rehabilitation Services	118	113	113	136	136	-	23
Department of Education	1,815	1,819	1,819	1,842	1,819	(23)	-
Office of Early Childhood	116	118	118	118	118	-	-
State Library	55	55	55	55	55	-	-
Office of Higher Education	27	27	27	-	27	27	-
University of Connecticut	2,413	2,413	2,413	2,413	2,413	-	-
University of Connecticut Health Center	1,698	1,698	1,698	1,698	1,698	-	-
Teachers' Retirement Board	27	27	27	27	27	-	-
Connecticut State Colleges and Universities	4,633	4,633	4,633	4,633	4,633	-	-
Department of Correction	6,117	6,117	6,117	6,117	6,117	-	-
Department of Children and Families	3,240	3,240	3,240	3,062	3,240	178	-
Judicial Department	4,329	4,329	4,329	4,329	4,329	-	-
Public Defender Services Commission	447	447	447	447	447	-	-
General Fund Total	40,907	40,728	40,726	40,561	40,726	165	-
Special Transportation Fund							
State Treasurer	1	1	1	1	1	-	-
Department of Motor Vehicles	603	603	603	604	603	(1)	-
Department of Energy and Environmental Protection	29	29	29	29	29	-	-
Department of Transportation	3,352	3,357	3,362	3,402	3,362	(40)	-
Special Transportation Fund Total	3,985	3,990	3,995	4,036	3,995	(41)	-

Agency	Actual FY 17	Estimated FY 18	Original FY 19	Governor Revised FY 19	Revised FY 19	Revised Changes from Governor	Revised Changes from Original
Banking Fund							
Department of Banking	123	119	119	119	119	-	-
Judicial Department	51	20	20	20	20	-	-
Banking Fund Total	174	139	139	139	139	-	-
Insurance Fund							
Office of Policy and Management	2	2	2	2	2	-	-
Insurance Department	159	151	150	150	150	-	-
Office of the Healthcare Advocate	29	27	22	18	18	-	(4)
Department of Housing	-	1	1	1	1	-	-
Department of Public Health	5	5	5	5	5	-	-
Office of Health Strategy	-	-	6	9	9	-	3
Insurance Fund Total	195	186	186	185	185	-	(1)
Consumer Counsel and Public Utility Control Fund							
Office of Consumer Counsel	15	12	12	12	12	-	-
Department of Energy and Environmental Protection	127	122	122	122	122	-	-
Consumer Counsel and Public Utility Control Fund Total	142	134	134	134	134	-	-
Workers' Compensation Fund							
Division of Criminal Justice	4	4	4	4	4	-	-
Labor Department	2	2	2	2	2	-	-
Workers' Compensation Commission	117	117	117	117	117	-	-
Department of Rehabilitation Services	6	6	6	6	6	-	-
Workers' Compensation Fund Total	129	129	129	129	129	-	-
Regional Market Operation Fund							
Department of Agriculture	7	7	7	7	7	-	-
Regional Market Operation Fund Total	7	7	7	7	7	-	-
Passport to the Parks Fund							
Council on Environmental Quality	-	-	-	2	-	(2)	-
Passport to the Parks Fund Total	-	-	-	2	-	(2)	-
Tourism Fund							
Department of Economic and Community Development	-	-	-	3	-	(3)	-
Tourism Fund Total	-	-	-	3	-	(3)	-
GRAND TOTAL	45,539	45,313	45,316	45,196	45,315	119	(1)

APPENDIX B. Appropriations Growth Rates by Fund

In Millions of Dollars

Fund	FY 18 Appropriation	FY 19 Original Appropriation	FY 19 Revised Appropriation	Change From FY 18 to FY 19 Revised		Change From FY 19 Orig. to FY 19 Revised	
General	18,690.1	18,790.6	18,998.2	308.1	1.6%	207.5	1.1%
Special Transportation	1,510.9	1,628.1	1,617.3	106.4	7.0%	(10.8)	-0.7%
Other Appropriated	229.5	239.5	239.9	10.4	4.6%	0.4	0.2%
TOTAL	20,430.5	20,658.2	20,855.4	424.9	2.1%	197.2	1.0%

APPENDIX C. Out-Year Projections by Fund

In Millions of Dollars

Fund	FY 20			FY 21		
	Revenue	Approp.	Surplus/ (Deficit)	Revenue	Approp.	Surplus/ (Deficit)
General	17,536.8	19,506.2	(1,969.4)	17,730.9	20,179.7	(2,448.8)
Special Transportation	1,749.5	1,704.1	45.4	1,873.5	1,806.8	66.7
Other Appropriated	249.2	239.9	9.3	249.2	239.9	9.3
TOTAL	19,535.5	21,450.3	(1,914.7)	19,853.6	22,226.5	(2,372.8)

Fund	FY 22			FY 23		
	Revenue	Approp.	Surplus/ (Deficit)	Revenue	Approp.	Surplus/ (Deficit)
General	17,599.0	20,613.5	(3,014.5)	17,972.9	21,351.3	(3,378.4)
Special Transportation	1,974.4	1,874.0	100.4	2,103.7	2,005.6	98.1
Other Appropriated	249.2	239.9	9.3	249.2	239.9	9.3
TOTAL	19,822.6	22,727.4	(2,904.8)	20,325.8	23,596.8	(3,271.0)

APPENDIX D: Revised FY 18-FY 19 Spending Cap Calculations

In Millions of Dollars

Item	Revised FY 18	Revised FY 19
All Appropriated Funds - Prior Year	19,739.2	20,414.3
Base Adjustment ¹	77.8	(4.1)
Extraordinary spending	-	-
Prior Year Appropriations	19,817.0	20,410.2
Less Prior Year "Non-Capped" Expenditures		
Debt Service	2,626.1	2,894.3
SERS/TRS/JRS unfunded liability ²	1,890.0	2,088.5
Appropriation of federal funds ³	1,257.6	1,592.4
Prior Year "Non-Capped" Expenditures	5,773.7	6,575.3
Total "capped" expenditures	14,043.3	13,835.0
Times the 5-year compound growth in personal income (calendar year basis) or 12-month increase in Core CPI-U	2.2%	1.8%
= Allowable "capped" growth	311.9	244.2
Allowable Capped Expenditures	14,355.2	14,079.2
Plus Current Year "Non-Capped" Expenditures		
Debt service ⁵	2,894.3	2,864.8
SERS/TRS/JRS unfunded liability	2,205.3	2,244.0
Federal mandates and court orders (new funding)	9.6	3.6
State match to federal funds (new funding)	-	-
Appropriation of federal funds ^{4,6}	1,684.3	1,664.3
Current Year "Non-Capped" Expenditures	6,793.6	6,776.7
Expenditures Allowed Under the Cap	21,148.7	20,855.9
Appropriation for this year ^{5, 6}	20,414.3	20,855.4
TOTAL OVER/(UNDER) THE SPENDING CAP	(734.4)	(0.5)

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.

²FY 19 rebased to reflect allocation of holdbacks to FY 18 appropriations for SERS/TRS/JRS.

³FY 19 rebased to reflect January 16, 2018 consensus revenue.

⁴FY 19 reflects January 16, 2018 consensus revenue federal funds plus impact of policy changes.

⁵FY 18 figure includes deficiency appropriations from Sections 44-47 of PA 18-81.

⁶FY 18 figure updated to reflect the impact of PA 17-1 of the January Special Session (Medicare Savings Program bill).

APPENDIX E: Other Appropriated Funds

In Dollars

Other Appropriated Funds	Actual FY 17	Projected FY 18	Budgeted FY 19
Mashantucket Pequot and Mohegan Fund			
Beginning Balance	-	23,390	23,390
Revenue	58,100,000	57,649,850	49,942,796
Expenditures	(58,076,610)	(57,649,850)	(49,942,796)
Transfers	-	-	-
Ending Balance	23,390	23,390	23,390
Regional Market Operating Fund			
Beginning Balance	122,592	36,360	(108,932)
Revenue	858,080	858,634	1,100,000
Expenditures	(944,311)	(1,003,926)	(1,067,306)
Transfers	-	-	-
Ending Balance	36,360	(108,932)	(76,238)
Banking Fund			
Beginning Balance	8,587,945	2,035,948	1,772,548
Revenue	30,535,631	36,439,093	34,000,000
Expenditures	(26,087,628)	(25,502,493)	(27,386,848)
Transfers	(11,000,000)	(11,200,000)	(9,200,000)
Ending Balance	2,035,948	1,772,548	(814,300)
Insurance Fund			
Beginning Balance	11,607,796	8,179,066	1,007,544
Revenue	72,913,895	78,165,501	95,300,000
Expenditures	(76,405,592)	(85,410,805)	(95,206,162)
Transfers	62,967	73,781	-
Ending Balance	8,179,066	1,007,544	1,101,382
Consumer Counsel and Public Utility Control Fund			
Beginning Balance	5,327,701	8,274,274	6,094,153
Revenue	28,290,152	21,898,917	25,700,000
Expenditures	(25,343,580)	(21,579,039)	(25,571,954)
Transfers	-	(2,500,000)	-
Ending Balance	8,274,274	6,094,153	6,222,199

Other Appropriated Funds	Actual FY 17	Projected FY 18	Budgeted FY 19
Workers' Compensation Fund			
Beginning Balance	15,320,563	17,517,229	15,002,878
Revenue	24,126,834	18,529,791	27,500,000
Expenditures	(21,930,168)	(21,044,141)	(24,940,502)
Transfers	-	-	-
Ending Balance	17,517,229	15,002,878	17,562,376
Criminal Injuries Compensation Fund			
Beginning Balance	3,212,619	3,586,831	3,964,507
Revenue	3,292,032	2,924,530	3,000,000
Expenditures	(2,917,820)	(2,546,855)	(2,934,088)
Transfers	-	-	-
Ending Balance	3,586,831	3,964,507	4,030,419
Municipal Revenue Sharing Fund			
Beginning Balance	-	47,111	47,111
Revenue	184,250,000	-	-
Expenditures	(184,202,889)	-	-
Transfers	-	-	-
Ending Balance	47,111	47,111	47,111
Tourism Fund			
Beginning Balance	-	-	-
Revenue	-	-	12,700,000
Expenditures	-	-	(12,894,988)
Transfers	-	-	-
Ending Balance	-	-	(194,988)
Totals			
Beginning Balance	44,179,215	39,700,209	26,306,599
Revenue	402,366,624	216,466,316	249,242,796
Expenditures	(395,908,598)	(216,233,707)	(239,944,644)
Transfers	(10,937,033)	(13,626,219)	(9,200,000)
ENDING BALANCE	39,700,209	26,306,599	26,404,751

Other Appropriated Funds Explained (alphabetical)

Banking Fund: The Banking Fund is used for the ongoing operation of the Department of Banking, the Judicial Department's Foreclosure Mediation program and also for programs in the Labor Department and the Department of Housing. The fund is supported primarily by consumer credit and securities licensing fees and also by a fee assessed on state banks and credit unions based on asset size.

Consumer Counsel/Public Utility Control Fund: The Consumer Counsel & Public Utility Control Fund supports the operations of the energy division (Public Utilities Regulatory Authority) within the Department of Energy and Environmental Protection (DEEP), the Office of the Consumer Counsel, and the Connecticut Siting Council. Each agency assesses the regulated public service company, other than telephone companies, 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 fully supports the operations of the Insurance Department (DOI) and the Office of the Healthcare Advocate. It partially supports the operations of the Office of Health Strategy and the Department of Public Health, including the Immunization Services account, and supports individual programs in a few other agencies. It does this through three different DOI-administered assessments on domestic insurers (based on premium taxes paid the previous year), domestic health insurers and health plan administrators (based on covered lives in Connecticut the previous year), and domestic health insurers (also based on covered lives), respectively.

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 Department of Agriculture 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.

Tourism Fund: Established by PA 17-2 JSS, the Tourism Fund supports arts, culture, and tourism-related expenditures through the Department of Economic and Community Development. The fund is financed by a transfer of 10% of room occupancy tax collections.

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.

APPENDIX F. Budget Reserve (“Rainy Day”) Fund

The Budget Reserve Fund (BRF) is a reserve that can be used in lieu of borrowing to solve a General Fund deficit at the close of a fiscal year. During the previous two decades, BRF balances grew over time and were drawn down to help solve General Fund deficits as the economy entered into recession. However, relatively weak revenue growth and rising fixed costs in the current decade have stymied growth in the BRF. Deposits have been limited and withdrawals were triggered in fiscal years 2015, 2016 and 2017.

“Volatility Adjustment” Transfers

When anticipated revenues are projected to exceed a statutory cap, the excess must be transferred to the BRF. This transfer is called a “volatility adjustment,” and it is required under a law that took effect in FY 18. This statutory cap, along with several other caps, is incorporated into a June 2018 bond covenant that restricts policy changes for 5 years.

Budget Reserve Fund Activity and Balance In Millions of Dollars			
FY	Begin Balance	Change	End Balance
2004	-	302.2	302.2
2005	302.2	363.8	666.0
2006	666.0	446.5	1,112.5
2007	1,112.5	269.2	1,381.7
2008	1,381.7	-	1,381.7
2009	1,381.7	-	1,381.7
2010	1,381.7	(1,278.5)	103.2
2011	103.2	(103.2)	-
2012	-	93.3	93.3
2013	93.3	177.2	270.5
2014	270.5	248.5	519.0
2015	519.0	(113.2)	405.8
2016	405.8	(170.4)	235.4
2017	235.4	(22.5)	212.9
2018 (est.)	212.9	972.4	1,185.3
2019 (proj.)	1,185.3	373.6	1,558.9

APPENDIX G. Historical Expenditures

FY 06 through FY 19 All Appropriated Funds Expenditures¹

In Thousands of Dollars

Fiscal Year	All Appropriated Funds Expenditures*	Increase Over Prior Year	Annual Growth in Expenditures %	Inflation Adjusted Expenditures 2011 Constant	Inflation Adjusted Annual Growth in Expenditures %
2006	14,096,428	1,129,501	8.7%	16,605,593	3.1%
2007	14,929,886	833,458	5.9%	16,755,150	0.9%
2008	16,171,592	1,241,706	8.3%	17,235,386	2.9%
2009	16,635,741	464,149	2.9%	17,302,815	0.4%
2010	16,532,368	(103,374)	-0.6%	17,060,312	-1.4%
2011	16,935,701	403,333	2.4%	16,935,701	-0.7%
2012	17,777,039	841,338	5.0%	17,345,229	2.4%
2013	17,954,099	177,060	1.0%	17,198,947	-0.8%
2014	18,416,927	462,828	2.6%	17,275,342	0.4%
2015	18,945,817	528,889	2.9%	17,529,004	1.5%
2016	19,541,153	595,337	3.1%	17,958,516	2.5%
2017	19,406,595	(134,558)	-0.7%	17,528,784	-2.4%
2018 Estimated	20,311,819	905,224	4.7%	17,835,490	1.7%
2019 Budgeted	20,855,381	543,562	2.7%	17,940,695	0.6%

¹Notes

FY 06 through FY 17 figures reflect actual expenditures of the General Fund, Special Transportation Fund, and other appropriated funds according to Comptroller's reports, subject to the Medicaid adjustment described below. FY 18 expenditures come from CORE-CT, the state's central accounting system, as of September 14, 2018. FY 19 reflects net appropriations in the FY 19 Revised Budget (PA 18-81).

***Medicaid Adjustment:** Beginning in FY 14, the General Fund appropriation for the Medicaid account in the Department of Social Services began to reflect only the state share of the joint state/federal program; prior years included the federal portion. FY 06 - FY 13 expenditures have been adjusted to show the series under the current budgeting methodology by subtracting the federal Medicaid share in that account from the expenditures for those years.

Inflation Adjusted Expenditures - Budget expenditures for all appropriated funds are divided by the decimal form of the Implicit Price Deflator for State and Local Governments, to adjust for the decline in the purchasing power of the dollar due to inflation. The use of this adjustment factor is intended to isolate growth resulting from changes in the *amount* of goods and services purchased, while eliminating the growth resulting from changes in the *price* of goods and services (i.e., inflation). Values are shown in 2011 dollars.

Implicit Price Deflator for State and Local Governments - The Implicit Price Deflator (IPD) for Gross Domestic Product (GDP) is a measure of the level of prices for all new, domestically produced, final goods and services in the economy. The Implicit Price Deflator for State and Local Governments measures specifically the level of prices for these final goods and services that make up state and local government purchases. OFA calculates the fiscal year average IPD from quarterly, seasonally adjusted IPD provided by the US Department of Commerce Bureau of Economic Analysis (BEA) and Moody's Economy.com (for projections).

APPENDIX H. All Appropriated Funds FY 19 Revenue Estimates:

As adopted by the Finance, Revenue, and Bonding Committee

Revenue Item	Fund	FY 19 Estimates	Share of All Appropriated Funds: Gross Revenue
Personal Income Tax			
Personal Income Tax	GF	9,707,600,000	42.8%
Personal Income Tax total		9,707,600,000	42.8%
Sales & Use Tax			
Sales & Use Tax	GF	4,153,600,000	18.3%
Sales & Use Tax	STF	358,400,000	1.6%
Sales Tax- DMV	STF	86,800,000	0.4%
Hotel Tax	TF	12,700,000	0.1%
Sales & Use Tax Total		4,611,500,000	20.4%
Business Taxes			
Corporation Tax	GF	920,200,000	4.1%
Public Service Tax	GF	243,800,000	1.1%
Insurance Companies Tax	GF	234,300,000	1.0%
Health Provider Tax	GF	1,049,200,000	4.6%
Oil Companies Tax	STF	279,800,000	1.2%
Business Taxes Total		2,727,300,000	12.0%
Other Taxes			
Inheritance & Estate Tax	GF	176,200,000	0.8%
Cigarettes Tax	GF	381,000,000	1.7%
Real Estate Conveyance Tax	GF	209,400,000	0.9%
Alcoholic Beverages Tax	GF	63,000,000	0.3%
Admissions & Dues Tax	GF	41,800,000	0.2%
Miscellaneous Tax	GF	22,000,000	0.1%
Other Taxes Total		893,400,000	3.9%
Federal Funds			
Federal Funds	GF	2,112,400,000	9.3%
Federal Funds	STF	12,100,000	0.1%
Federal Funds Total		2,124,500,000	9.4%
Other Revenue			
Transfers - Special Revenue	GF	352,700,000	1.6%
Indian Gaming Payments	GF	203,600,000	0.9%
Licenses, Permits and Fees	GF	322,600,000	1.4%
Sales of Commodities	GF	37,700,000	0.2%
Rents, Fines and Escheats	GF	147,200,000	0.6%
Investment Income	GF	14,500,000	0.1%
Miscellaneous	GF	189,100,000	0.8%
Transfer From Tobacco Settlement	GF	110,200,000	0.5%
Transfers (To)/From Other Funds	GF	78,300,000	0.3%
Motor Fuels Tax	STF	502,300,000	2.2%

Revenue Item	Fund	FY 19 Estimates	Share of All Appropriated Funds: Gross Revenue
Motor Vehicle Receipts	STF	250,600,000	1.1%
Licenses, Permits and Fees	STF	142,800,000	0.6%
Interest Income	STF	12,400,000	0.1%
Transfers From/(To) Other Funds	STF	(5,500,000)	0.0%
Transfers from General Fund	MF	49,942,796	0.2%
Rentals and Investment Income	RF	1,100,000	0.0%
Fees and Assessments	BF	34,000,000	0.2%
Fees and Assessments	IF	95,300,000	0.4%
Fees and Assessments	PF	25,700,000	0.1%
Fees and Assessments	WF	27,500,000	0.1%
Restitutions	CIF	3,000,000	0.0%
Other Revenue Total		2,595,042,796	11.5%
Total Gross Revenue Estimates		22,659,342,796	100.0%
Reductions			
Tax Refunds	GF	(1,215,100,000)	-5.4%
Earned Income Tax Credit	GF	(118,300,000)	-0.5%
R&D Credit Exchange	GF	(6,400,000)	0.0%
Refunds of Payments	GF	(58,800,000)	-0.3%
Volatility Cap Adjustment	GF	(363,069,406)	-1.6%
Tax Refunds	STF	(14,600,000)	-0.1%
Refunds of Payments	STF	(4,600,000)	0.0%
Reductions Total		(1,780,869,406)	-7.9%
Total Net Revenue		20,878,473,390	92.1%

Abbreviation	Fund
GF	General Fund
STF	Special Transportation Fund
TF	Tourism Fund
MF	Mashantucket Pequot and Mohegan Fund
RF	Regional Market Operation Fund
BF	Banking Fund
IF	Insurance Fund
PF	Consumer Counsel and Public Utility Control Fund
WF	Workers' Compensation Fund
CIF	Criminal Injuries Compensation Fund

APPENDIX I. All Appropriated Funds FY 19 Revised Budget:

Appropriations Categorization of Agencies & Accounts¹

Agency	Accounts (% of account)	FY 19 Revised Appropriations	Share of Gross Appropriations
Health & Human Services			
Department of Social Services	All	4,303,808,650	20.6%
Department of Children and Families	All	768,455,917	3.7%
Department of Mental Health and Addiction Services	All	600,012,968	2.9%
Department of Developmental Services	All	524,499,606	2.5%
Department of Public Health	All	117,791,855	0.6%
Department of Rehabilitation Services	All, except Fringe Benefits	30,826,328	0.1%
Department of Veterans' Affairs	All	23,088,621	0.1%
Office of the Chief Medical Examiner	All	6,270,523	0.0%
Office of Health Strategy	All, except Fringe Benefits	4,958,632	0.0%
Psychiatric Security Review Board	All	296,512	0.0%
Health & Human Services Total		6,380,009,612	30.5%
Education			
Department of Education	All	2,961,685,292	14.2%
Teachers' Retirement Board	All	1,313,540,254	6.3%
Connecticut State Colleges and Universities	All	289,518,394	1.4%
Office of Early Childhood	All	288,284,934	1.4%
University of Connecticut	All	190,631,592	0.9%
University of Connecticut Health Center	All	119,732,844	0.6%
Office of Higher Education	All	37,045,800	0.2%
State Library	All	8,511,756	0.0%
Education Total		5,208,950,866	24.9%
Debt Service			
Debt Service - State Treasurer	All	2,864,847,445	13.7%
Debt Service Total		2,864,847,445	13.7%
Retired Employee Benefits			
State Comptroller - Fringe Benefits	State Employees Retirement Contributions (82%)	1,059,331,234	5.1%
State Comptroller - Fringe Benefits	Retired State Employees Health Service Cost	687,599,000	3.3%
State Comptroller - Fringe Benefits	Judges and Compensation Commissioners Retirement (70%)	19,199,236	0.1%
State Comptroller - Fringe Benefits	Pensions and Retirements - Other Statutory	1,657,248	0.0%
Retired Employee Benefits Total		1,767,786,718	8.5%

Agency	Accounts (% of account)	FY 19 Revised Appropriations	Share of Gross Appropriations
Active Employee Benefits			
State Comptroller - Fringe Benefits	State Employees Health Service Cost	702,429,523	3.4%
State Comptroller - Fringe Benefits	State Employees Retirement Contributions (18%)	232,536,124	1.1%
State Comptroller - Fringe Benefits	Employers Social Security Tax	214,752,261	1.0%
Reserve for Salary Adjustments	All	101,533,870	0.5%
State Comptroller - Fringe Benefits	Other Post- Employment Benefits	97,200,000	0.5%
Workers' Compensation Claims - Administrative Services	All	14,328,827	0.1%
Insurance Department	Fringe Benefits	10,938,946	0.1%
Department of Energy and Environmental Protection	Fringe Benefits	9,467,858	0.0%
Department of Banking	Fringe Benefits	8,787,388	0.0%
State Comptroller - Fringe Benefits	Insurance- Group Life	8,547,825	0.0%
State Comptroller - Fringe Benefits	Judges and Compensation Commissioners Retirement (30%)	8,228,244	0.0%
Workers' Compensation Commission	Fringe Benefits	8,192,289	0.0%
State Comptroller - Fringe Benefits	Unemployment Compensation	6,669,312	0.0%
Office of the Healthcare Advocate	Fringe Benefits	1,253,599	0.0%
Office of Consumer Counsel	Fringe Benefits	1,056,988	0.0%
Office of Health Strategy	Fringe Benefits	738,151	0.0%
Department of Rehabilitation Services	Fringe Benefits	430,485	0.0%
Department of Agriculture	Fringe Benefits	361,316	0.0%
Division of Criminal Justice	Fringe Benefits	306,273	0.0%
Office of Policy and Management	Fringe Benefits	200,882	0.0%
State Comptroller - Fringe Benefits	Higher Education Alternative Retirement System	1,000	0.0%
Active Employee Benefits Total		1,427,961,161	6.8%
Other Government Services			
Office of Policy and Management	All, except Fringe Benefits	420,262,948	2.0%
Department of Emergency Services and Public Protection	All	182,645,113	0.9%
Department of Administrative Services	All	121,415,231	0.6%
Department of Housing	All	95,573,074	0.5%
Labor Department	All	70,650,487	0.3%
Department of Energy and	All, except Fringe	68,814,017	0.3%

Agency	Accounts (% of account)	FY 19 Revised Appropriations	Share of Gross Appropriations
Environmental Protection	Benefits		
Department of Revenue Services	All	61,072,788	0.3%
Legislative Management	All	55,252,531	0.3%
Attorney General	All	31,098,825	0.1%
Department of Economic and Community Development	All	26,778,869	0.1%
State Comptroller	All	26,535,237	0.1%
Insurance Department	All, except Fringe Benefits	16,043,093	0.1%
Department of Consumer Protection	All	13,528,046	0.1%
Workers' Compensation Commission	All	13,191,764	0.1%
Department of Banking	All, except Fringe Benefits	12,798,717	0.1%
Auditors of Public Accounts	All	10,621,294	0.1%
Secretary of the State	All	8,743,156	0.0%
Agricultural Experiment Station	All	6,939,389	0.0%
Department of Agriculture	All, except Fringe Benefits	6,533,936	0.0%
Commission on Human Rights and Opportunities	All	6,008,912	0.0%
Military Department	All	5,425,700	0.0%
State Comptroller - Miscellaneous	All	3,575,762	0.0%
Elections Enforcement Commission	All	3,125,570	0.0%
State Treasurer	All	2,884,999	0.0%
Governor's Office	All	2,291,501	0.0%
Office of the Healthcare Advocate	All, except Fringe Benefits	2,013,580	0.0%
Office of Consumer Counsel	All, except Fringe Benefits	1,623,660	0.0%
Office of Governmental Accountability	All	1,623,380	0.0%
Freedom of Information Commission	All	1,513,476	0.0%
Office of State Ethics	All	1,431,755	0.0%
Lieutenant Governor's Office	All	648,950	0.0%
Commission on Equity and Opportunity	All	430,000	0.0%
Commission Women, Children, Seniors	All	430,000	0.0%
Other Government Services Total		1,281,525,760	6.1%
Judicial & Corrections			
Department of Correction	All	575,690,308	2.8%
Judicial Department	All	506,794,636	2.4%
Public Defender Services Commission	All	64,871,789	0.3%
Division of Criminal Justice	All, except Fringe Benefits	47,963,750	0.2%
Judicial & Corrections Total		1,195,320,483	5.7%
Transportation			
Department of Transportation	All	697,117,471	3.3%

Agency	Accounts (% of account)	FY 19 Revised Appropriations	Share of Gross Appropriations
Department of Motor Vehicles	All	65,377,070	0.3%
Transportation Total		762,494,541	3.7%
Total Gross Appropriations		20,888,896,586	100.0%
Lapses			
Unallocated Lapse - Special Transportation Fund	Not Applicable	(12,000,000)	-0.1%
Unallocated Lapse - General Fund	Not Applicable	(9,515,570)	0.0%
Statewide Hiring Reduction	Not Applicable	(7,000,000)	0.0%
Unallocated Lapse - Judicial	Not Applicable	(5,000,000)	0.0%
Lapses Total		(33,515,570)	-0.2%
Total Net Appropriations		20,855,381,016	99.8%

¹Note: This table provides the detailed classification behind the appropriations chart at the start of the book. The table provides Share of Gross Appropriations for each category as a percentage with one decimal place, which matches the more-rounded figures in the appropriations chart. The exception is Health & Human Services, which was rounded down to 30% so that shares in the chart add up to 100%.

APPENDIX J. Funds Carried Forward

The carry forward funds are composed of \$134.3 million from the General Fund, \$29.7 million from the Transportation Fund, \$1.0 million from Banking Fund, and \$.5 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 19 \$¹
		(Legal Citation)	
General Fund			
Debt Service - State Treasurer	Municipal Restructuring	CGS Sec. 4-89(c)	3,188,257
Office of the State Comptroller	Tuition Reimbursement	Per Various SEBAC Agreements	5,733,198
Office of the State Comptroller	Retired Employee Health Service Costs	PA 18-81, Sec. 49	21,500,000
Office of Policy and Management	Litigation and Settlement Account	CGS Sec. 4-89(e)	2,439,647
Office of Policy and Management	Municipal Restructuring	CGS 7-576i	8,000,000
Office of Policy and Management	Reserve for Salary Adjustments	PA 17-2, JSS, Sec. 19	43,480,335
Office of Policy and Management	Other Expenses	CGS Sec. 4-89(c)	453,589
Office of Policy and Management	Automated Budget System	CGS Sec. 4-89(c)	10,497
Office of Policy and Management	Project Longevity	CGS Sec. 4-89(c)	23,002
Department of Veterans Affairs	Other Expenses	CGS Sec. 4-89(c)	170,000
Department of Administrative Services	Other Expenses	PA 18-81, Sec. 36	73,200
Department of Administrative Services	Tuition Reimbursement	Article 35 of 1199 contract	646,643
Department of Administrative Services	Special Labor Management	Article 35 of 1199 contract	833,465
Department of Administrative Services	Quality of Work-Life	Article 35 of 1199 contract	291,300
Department of Administrative Services	Rents and Moving	CGS Sec. 4-89(c)	700,000
Department of Administrative Services	Workers' Compensation Claims	CGS Sec. 4-89(c)	80,000
Department of Emergency Services and Public Protection	Criminal Justice Information System	CGS Sec. 4-89(c)	1,810,023
Department of Emergency Services and Public Protection	Stress Reduction	Article 33 of the NP-1 Agreement, Section 10(c)	75,308
Department of Labor	Workforce Investment Act	CGS Sec. 4-89(h)	11,640,323
Department of Labor	Spanish-American Merchant Association	CGS Sec. 4-89(c)	100,122
Department of Agriculture	Other Expenses	CGS Sec. 4-89(c)	35,471
Department of Housing	Housing/Homeless Services	CGS Sec. 4-89(c)	50,000
Department of Social Services	Medicaid	PA 18-81, Sec. 9	21,000,000
State Department of Rehabilitation Services	Part Time Interpreters	CGS 4-89(g)	4,329
Department of Education	Regional Education Services	CGS Sec. 4-89(c)	262,500
Office of Early Childhood	Child Care Services - TANF/CCDBG	CGS Sec. 4-89(c)	9,800,000
Office of Higher Education	Minority Advancement Program	CGS Sec. 4-89(f)	562,812
Office of Higher Education	Governor's Scholarship	CGS Sec. 4-89(f)	959,424
Department of Correction	Stress Management	Article 29 of NP-4 Contract Section 3	121,091
Department of Correction	Board of Pardons and Paroles	CGS Sec. 4-89(c)	270,000
Subtotal - General Fund			134,314,536

Fund/Agency	Account	Authorization	FY 19 \$¹
		(Legal Citation)	
Transportation Fund			
Office of Policy and Management	Reserve for Salary Adjustments	PA 17-2, JSS, Sec. 19	13,968,779
Department of Transportation	Equipment	CGS Sec. 4-89(e)	117,417
Department of Transportation	Minor Capital Projects	CGS Sec. 4-89(b)	182,095
Department of Transportation	Highway Planning & Research	CGS Sec. 4-89(e)	2,289,104
Department of Transportation	Pay-As-You-Go Transportation Projects	CGS Sec. 4-89(b)	6,166,577
Department of Motor Vehicles	Reflective License Plates - CIVLS (Reg.DriverLicenDataProcesSys)	CGS Sec. 4-89(c)	5,809,063
Department of Motor Vehicles	CVISN (Com.Veh.Info.Sys.Network) Project	CGS Sec. 4-89(c)	1,182,338
Subtotal - Transportation Fund			29,715,373
Banking Fund			
Department of Banking	Other Expenses	CGS Sec. 4-89(c)	951,377
Subtotal - Banking Fund			951,377
Workers' Compensation Fund (WC)			
Workers' Compensation Commission	Other Expenses	CGS Sec. 4-89(c)	500,000
Subtotal - WC Fund			500,000
TOTAL - ALL APPROPRIATED FUNDS			165,481,286

¹The amounts shown are either specified in legislation/statute or are unexpended as of September 2018. Agency/account listed is the recipient of the carry forward funding.

APPENDIX K. FY 19 Budgeted Lapses and Agency Holdbacks

The table below details the FY 19 lapses in the original and the revised budgets. The FY 19 Revised Budget (PA 18-81) reduced the lapses from the original budget by \$1.1 billion. The lapses are identified below with a brief explanation.

FY 19 Budgeted Lapses

Lapse	Original \$	Revised \$	Difference \$	Explanation
General Fund (GF) Lapses				
Achieve Labor Concessions	(867,600,000)	-	867,000,000	Sec. 5(a) of PA 18-81 eliminates the labor management lapse of \$867,600,000 to reflect the allocation into agency budgets.
Unallocated Lapse ¹	(60,765,570)	(14,515,570)	46,250,000	Sec. 6(a) of PA 18-81 reduces the unallocated lapse amount to the executive branch from \$45,000,000 to \$9,515,570 to reflect the allocation into agency budgets. Sec. 6(b) of PA 18-81 eliminates the unallocated lapse amount to the legislative branch of \$1,000,000 to reflect the allocation into agency budgets. Sec. 6(c) of PA 18-81 reduces the unallocated lapse amount to the judicial branch from \$8,000,000 to \$5,000,000 to reflect the allocation into agency budgets.
Targeted Savings	(150,878,179)	-	150,878,179	Sec. 7 of PA 18-81 eliminates the targeted savings lapse of \$150,878,179 to reflect the allocation into agency budgets.
Statewide Hiring Reduction	(7,000,000)	(7,000,000)	-	Savings anticipated to be achieved by hiring reductions and other savings initiatives in a manner to be determined by OPM. All General Fund agency Personal Services accounts could be subject to this reduction.
Municipal Aid Savings	(8,500,000)	-	8,500,000	Section 34 of PA 18-81 eliminates a requirement that OPM reduce municipal aid by \$8.5 million in FY 19 in an amount equal to the cost of the Renters' Rebate program in each town. This precludes a revenue loss to municipalities of \$8.5 million in FY 19.
Total GF Lapses	(1,094,743,749)	(21,515,570)	1,073,228,179	
Special Transportation Fund (STF) 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 Special Transportation Fund agencies and accounts.
Total STF Lapses	(12,000,000)	(12,000,000)	-	
TOTAL LAPSES	(1,106,743,719)	(33,515,570)	1,073,228,179	

The table below identifies the allocations (holdbacks) by lapse category, agency and account.

FY 19 Allocation of Lapses (Holdbacks)

Agency	Account	Allocated Lapse (Executive)	Allocated Lapse (Judicial)	Statewide Hiring Reduction	Total FY 19 Holdbacks
General Fund					
Attorney General	Personal Services	-	-	(150,392)	(150,392)
Connecticut State Colleges and Universities	Connecticut State University	-	-	(691,517)	(691,517)
Connecticut State Colleges and Universities	Institute for Municipal and Regional Policy	(150,000)	-	-	(150,000)
Department of Administrative Services	Personal Services	-	-	(229,270)	(229,270)
Department of Consumer Protection	Personal Services	-	-	(61,970)	(61,970)
Department of Developmental Services	Personal Services	-	-	(982,254)	(982,254)
Department of Education	Personal Services	-	-	(79,055)	(79,055)
Department of Education	Local Charter Schools	(48,000)	-	-	(48,000)
Department of Education	American School For The Deaf	(425,000)	-	-	(425,000)
Department of Emergency Services and Public Protection	Personal Services	-	-	(711,097)	(711,097)
Department of Energy and Environmental Protection	Personal Services	-	-	(107,497)	(107,497)
Department of Mental Health and Addiction Services	Personal Services	-	-	(899,595)	(899,595)
Department of Mental Health and Addiction Services	Young Adult Services	-	-	(123,957)	(123,957)
Department of Public Health	Personal Services	-	-	(166,352)	(166,352)
Department of Public Health	Community Health Services	(388,542)	-	-	(388,542)
Department of Public Health	School Based Health Clinics	(250,000)	-	-	(250,000)
Department of Rehabilitation Services	Elderly Nutrition	(2,000,000)	-	-	(2,000,000)
Department of Revenue Services	Personal Services	-	-	(273,198)	(273,198)
Department of Social Services	Personal Services	-	-	(586,000)	(586,000)
Department of Social Services	Protective Services for the Elderly	(785,204)	-	-	(785,204)
Department of Social Services	Community Services	(414,997)	-	-	(414,997)
Department of Social Services	Family Programs - TANF	(29,337)	-	-	(29,337)
Department of Veterans Affairs	Personal Services	(500,000)	-	(96,797)	(596,797)
Division of Criminal Justice	Personal Services	-	-	(213,962)	(213,962)
Judicial Department	Personal Services	-	(3,350,000)	-	(3,350,000)
Judicial Department	Other Expenses	-	(226,037)	-	(226,037)
Judicial Department	Forensic Sex Evidence Exams	-	(100,000)	-	(100,000)
Judicial Department	Juvenile Alternative Incarceration	-	(750,000)	-	(750,000)

Agency	Account	Allocated Lapse (Executive)	Allocated Lapse (Judicial)	Statewide Hiring Reduction	Total FY 19 Holdbacks
General Fund					
Labor Department	Cradle To Career	(100,000)	-	-	(100,000)
Labor Department	New Haven Jobs Funnel	(142,310)	-	-	(142,310)
Labor Department	Healthcare Apprenticeship Initiative	(500,000)	-	-	(500,000)
Labor Department	Manufacturing Pipeline Initiative	(100,000)	-	-	(100,000)
Office of Early Childhood	2Gen - TANF	(200,000)	-	-	(200,000)
Office of Policy and Management	Council of Governments	(500,000)	-	-	(500,000)
Public Defender Services Commission	Assigned Counsel - Criminal		(573,963)	-	(573,963)
State Comptroller	Personal Services	-	-	(110,118)	(110,118)
University of Connecticut	Operating Expenses	-	-	(857,475)	(857,475)
University of Connecticut	Next Generation Connecticut	-	-	(84,327)	(84,327)
University of Connecticut Health Center	Operating Expenses	-	-	(518,862)	(518,862)
University of Connecticut Health Center	Bioscience	-	-	(56,305)	(56,305)
General Fund Total		(6,533,390)	(5,000,000)	(7,000,000)	(18,533,390)

APPENDIX L: Budget and Finance Related Legislation

Public Act	Title/Description
Budget Act	
PA 18 - 81 (SB 543)	<p>AN ACT CONCERNING REVISIONS TO THE STATE BUDGET FOR FISCAL YEAR 2019 AND DEFICIENCY APPROPRIATIONS FOR FISCAL YEAR 2018.</p> <p>The act includes: (1) General Fund appropriations of \$18,998.2 million in FY 19, (2) appropriations in ten funds totaling \$20,855.4 million in FY 19, (3) revenue estimates adopted by the Finance Committee on May 9, 2018, as adjusted to reflect new policies in this act; and (4) various other provisions.</p>
Bond Act	
PA 18-178 (HB 5590)	<p>AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS, TRANSPORTATION AND OTHER PURPOSES, CONCERNING THE BOND CAPS, ESTABLISHING THE APPRENTICESHIP CONNECTICUT INITIATIVE AND CONCERNING THE FUNCTIONS OF CTNEXT AND CONNECTICUT INNOVATIONS, INCORPORATED.</p> <p>The act authorizes up \$182 million in general obligation (GO) bonds taking effect in FY 19 for state capital projects and grant programs, including state information technology projects, economic development, municipal capital improvement grants, and school security grants. It cancels or reduces approximately \$466.3 million in GO bond authorizations.</p> <p>The act establishes a limit on Special Tax Obligation (STO) bond issuances backed by the Special Transportation Fund of \$750 million for each of FY 19 and FY 20. It allows use of GO bonds for up to \$250 million of transportation projects for each of CY 18 and CY 19. No changes to STO authorization levels were made in the bill.</p> <p>Besides changes to overall authorization levels, the bill obligates specified amounts of previously authorized funds for the Economic Development and Manufacturing Assistance Act (MAA) and school construction reimbursements. The bill establishes and/or modifies programmatic requirements of several state functions, including those of CTNext and Connecticut Innovations, Inc.</p>

Public Act	Title/Description
	Finance Related Legislation
PA 18 - 49 (SB 11)	<p>AN ACT CONCERNING AN AFFECTED BUSINESS ENTITY TAX, VARIOUS PROVISIONS RELATED TO CERTAIN BUSINESS DEDUCTIONS, THE ESTATE AND GIFT TAX IMPOSITION THRESHOLDS, THE TAX TREATMENT OF CERTAIN WAGES AND INCOME AND A STUDY TO IDENTIFY BEST PRACTICES FOR MARKETING THE BENEFITS OF QUALIFIED OPPORTUNITY ZONES.</p> <p>The General Assembly passed PA 18-49 to address the impact of federal tax reform (Tax Cuts and Jobs Act of 2017) on Connecticut. PA 18-49 includes three provisions with budgetary impact, described below.</p> <p>Corporate “De-coupling” Federal provisions establishing alternative depreciation and asset expensing schedules by corporations for tax purposes is disallowed.</p> <p>Adjusted Phase-in of the Federal Estate Tax exemption The exemption of the federal Estate Tax threshold increases from approximately \$5.5 million to \$11.2 million. Connecticut’s response is to adjust the scheduled phase-in of the Estate and Gift Tax threshold to the federal threshold.</p> <p>Establishment of a New Pass-Through Entity Tax (PET) A new federal cap of \$10,000 on state and local tax (SALT) deductions for federal income tax purposes has a disproportionate impact on Connecticut taxpayers. In response, Connecticut has established a budget-neutral PET which supplants state personal income taxes on pass-through income. The effect is to move state personal income taxes out from under the new federal cap on SALT deductions and thereby provide certain Connecticut taxpayers with federal income tax relief.</p>

Agency Index

Administrative Services, Department of.....	62
Agricultural Experiment Station.....	109
Agriculture, Department of.....	93
Attorney General.....	67
Auditors of Public Accounts.....	22
Banking, Department of.....	37
Chief Medical Examiner, Office of the.....	122
Children and Families, Department of.....	152
Commission Women, Children, Seniors.....	24
Connecticut State Colleges and Universities.....	179
Consumer Counsel, Office of.....	85
Consumer Protection, Department of.....	79
Correction, Department of.....	185
Criminal Justice, Division of.....	183
Debt Service - State Treasurer.....	43
Developmental Services, Department of.....	124
Early Childhood, Office of.....	164
Economic and Community Development, Department of.....	101
Education, Department of.....	158
Elections Enforcement Commission.....	32
Emergency Services and Public Protection, Department of.....	70
Energy and Environmental Protection, Department of.....	95
Environmental Quality, Council on.....	99
Equity and Opportunity, Commission on.....	25
Freedom of Information Commission.....	34
Governmental Accountability, Office of.....	35
Governor's Office.....	27
Health Strategy, Office of.....	119
Healthcare Advocate, Office of the.....	77
Higher Education, Office of.....	173
Housing, Department of.....	106
Human Rights and Opportunities, Commission on.....	81
Insurance Department.....	75
Judicial Department.....	188
Labor Department.....	89
Legislative Management.....	20
Lieutenant Governor's Office.....	31
Mental Health and Addiction Services, Department of.....	127
Military Department.....	73
Motor Vehicles, Department of.....	133
Policy and Management, Office of.....	55
Psychiatric Security Review Board.....	131
Public Defender Services Commission.....	192
Public Health, Department of.....	114
Rehabilitation Services, Department of.....	149
Reserve for Salary Adjustments.....	60
Revenue Services, Department of.....	53
Secretary of the State.....	29
Social Services, Department of.....	140
State Comptroller.....	45
State Comptroller - Fringe Benefits.....	49
State Comptroller - Miscellaneous.....	47
State Ethics, Office of.....	33
State Library.....	167
State Treasurer.....	41
Teachers' Retirement Board.....	169
Transportation, Department of.....	135
University of Connecticut.....	175

University of Connecticut Health Center	177
Veterans' Affairs, Department of.....	112
Workers' Compensation Claims - Administrative Services	66
Workers' Compensation Commission.....	83