

Analysis of Finance Advisory Committee Meeting Items

April 3, 2025 Agenda



OFFICE OF FISCAL ANALYSIS

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FAC 2025-03 Office of Policy and Management

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Municipal Restructuring	7,300,000	-	(3,000,000)	-	4,300,000
Other Expenses	1,414,922	-	-	3,000,000	4,414,922
TOTAL - General Fund			(3,000,000)	3,000,000	

Funding is available for transfer from this account due to the following:

- Municipal Restructuring - two cities are left under the jurisdiction of the MARB and it is not anticipated that the funds will be needed to support these municipalities.

Funding is needed for transfer to this account due to the following:

- Other Expenses - additional legal and financial service consulting costs associated with the bankruptcy of Prospect Medical Holdings.

Holdbacks and lapses: The municipal restructuring account is non-lapsing and has currently accrued more than \$39 million in available funding over the past few years.

¹ Prior policy actions may include holdbacks (forced lapses), rescissions, and transfers.

FAC 2025-04 Division of Criminal Justice

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Other Expenses	5,102,201	-	(160,000)	-	4,942,201
Witness Protection	164,148	-	-	160,000	324,148
TOTAL - General Fund			(160,000)	160,000	

Funding is available for transfer from this account due to the following:

- Other Expenses - the Division of Criminal Justice has delayed a rollout of new equipment resulting in savings for this fiscal year. This account is expected to lapse approximately \$300,000.

Funding is needed for transfer to this account due to the following:

- Witness Protection - expenses for travel and lodging have increased due to inflation. In FY 24, \$256,183 was spent from this account.

Holdbacks and lapses: The transfer reduces the projected lapse in the Other Expenses account from \$300,000 to \$140,000. There are no holdbacks associated with these accounts.

FAC 2025-05 Department of Mental Health and Addiction Services

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Personal Services	246,638,398	4,231,797	(15,700,000)	-	235,170,195
Behavioral Health Recovery Services	26,066,287	341,577	(3,000,000)	-	23,407,864
Other Expenses	28,143,895	-	-	8,500,000	36,643,895
Professional Services	16,400,697	-	-	7,500,000	23,900,697
Behavioral Health Medications	7,220,754	-	-	2,100,000	9,320,754
Discharge and Diversion Services	40,945,054	912,937	-	350,000	42,207,991
Home and Community Based Services	25,475,421	(887,700)	-	250,000	24,837,721
TOTAL - General Fund			(18,700,000)	18,700,000	

Funding is available for transfer from these accounts due to the following:

- Personal Services - funding is being utilized to cover shortfalls noted in the FAC, contributing to the deficiency in the Personal Services line item.
- Behavioral Health Recovery Services - lower than anticipated administrative services organization (ASO) expenditures.

Funding is needed for transfer to these accounts due to the following:

- Other Expenses - higher than budgeted costs for utilities, maintenance and food costs at DMHAS facilities.
- Professional Services - continued use of contracted doctors and nurses as well as interpreter services.
- Behavioral Health Medications - increased costs and utilization of medications.
- Discharge and Diversion Services - higher than anticipated program costs for discharge clients.
- Home and Community Based Services - higher than budgeted claims.

Holdbacks and lapses:

The transfer from Personal Services assumes the holdback of \$7.6 million is released. As noted above, the transfer from Personal Services contributes to the overall deficiency in the line item.

FAC 2025-06 Department of Transportation

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Personal Services	231,453,386	7,798,326	(10,250,000)	-	229,001,712
Other Expenses	57,534,586	-	-	10,250,000	67,784,586
TOTAL - Special Transportation Fund			(10,250,000)	10,250,000	

Funding is available for transfer from this account due to the following:

- Personal Services - A delay in refilling vacant positions and a less severe winter storm season. As of February 2025, 270 positions were vacant out of a total authorized count of 3,567, representing an improvement over prior years.
- It should be noted that DOT has requested a transfer comparable to this request in each of the last several years (i.e., from PS to OE, and with similar rationale), indicating a potential structural issue with these accounts. The Governor's Recommended FY 26 and FY 27 Budget for DOT shifts funding from PS to OE to address this perennial issue.

Funding is needed for transfer to this account due to the following:

- Other Expenses - Higher than budgeted expenses across several areas including highway supplies, electricity, fleet/equipment repair, fuel, IT, and safety related clothing items.

Holdbacks and lapses: The transfer decreases the Personal Services funds projected to lapse from \$12.5 million to \$2.25 million. There are no holdbacks associated with these accounts.

FAC 2025-07 Department of Social Services

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
HUSKY B Program	38,230,000	-	(11,500,000)	-	26,730,000
Substance Use Disorder Waiver Reserve	18,370,000	-	(15,000,000)	-	3,370,000
Temporary Family Assistance - TANF	69,641,000	-	(8,200,000)	-	61,441,000
Medicaid	3,287,715,431	860,303	-	26,000,000	3,314,575,734
Old Age Assistance	51,346,541	-	-	1,200,000	52,546,541
Aid To The Disabled	50,543,338	-	-	3,100,000	53,643,338
State Administered General Assistance	14,710,000	-	-	4,400,000	19,110,000
TOTAL - General Fund			(34,700,000)	34,700,000	

Funding is available for transfer from these accounts due to the following:

- HUSKY B Program - lower than budgeted health coverage costs for undocumented children, which were originally budgeted under HUSKY B instead of Medicaid where the majority of costs are occurring.
- Substance Use Disorder Waiver Reserve - delays in reinvesting the revenue generated under the waiver.
- Temporary Family Assistance - TANF - lower than budgeted caseload.

Funding is needed for transfer to these accounts due to the following:

- Medicaid - expenditure trends that have continued since FY 24, including higher than budgeted hospital and pharmacy costs, Medicare Part D clawback payments, as well as costs associated with health coverage for undocumented children.
- Old Age Assistance - increased caseloads and higher than budgeted costs per case.
- Aid To The Disabled - increased caseloads and higher than budgeted costs per case.
- State Administered General Assistance - increased costs, primarily related to the one-time domestic violence benefit payments.

Holdbacks and lapses:

There are no holdbacks associated with these accounts.

FAC 2025-08 Department of Correction

Account	Original Appropriation	Prior Policy Actions ¹	Proposed FAC Transfer		Available Funding Post FAC Action
			FROM (Decrease)	TO (Increase)	
Personal Services	446,837,256	20,274,941	(34,600,000)	-	432,512,197
Board of Pardons and Paroles	7,702,157	-	(1,400,000)	-	6,302,157
Community Support Services	46,869,958	(1,803,490)	(4,000,000)	-	41,066,468
Other Expenses	72,751,901	172,368	-	21,000,000	93,924,269
Inmate Medical Services	130,559,989	-	-	19,000,000	149,559,989
TOTAL - General Fund			(40,000,000)	40,000,000	

Funding is available for transfer from these accounts due to the following:

- Personal Services - There is currently a projected deficiency of \$6.5 million in this account. The funding transferred out of this account will increase its projected deficiency to \$41.1 million.
- Board of Pardons and Paroles - In the past few years, retirements and attrition have resulted in a lapse of about \$1.4 million.
- Community Support Services - Expenditures in this account are lower than budgeted.

Funding is needed for transfer to these accounts due to the following:

- Other Expenses - an increase in food, beverage, clothing costs, higher than expected utility rates, and an increase in inmate population. As of March 14, 2025, there are 11,105 inmates in DOC facilities, which represents a 5.1% increase from the same time period last year.
- Inmate Medical Services - a significant increase in the cost of pharmaceutical and medical supplies compared to previous years, as well as increased overtime.

Holdbacks and lapses: The Community Support Services account will not be able to meet its current holdback of \$3 million as a result of this transfer. The transfer removes the projected lapse in the Board of Pardons and Parole account.

Appendix A: Projected Account Balances for Agencies on this Agenda (After Proposed FAC Transfer(s))

Office of Policy and Management				
	Original Appropriation ²	Available Funding ³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	20,450,385	20,004,139	18,004,139	2,000,000
Other Expenses	1,414,922	4,414,922	914,922	3,500,000
Automated Budget System and Data Base Link	20,438	20,438	20,438	-
Justice Assistance Grants	800,967	800,967	800,967	-
Tax Relief For Elderly Renters	25,020,226	25,020,226	25,020,226	-
Private Providers	53,300,000	220,616	220,616	-
Reimbursement Property Tax - Disability Exemption	364,713	364,713	364,713	-
Distressed Municipalities	1,500,000	-	-	-
Property Tax Relief Elderly Freeze Program	6,000	6,000	6,000	-
Property Tax Relief for Veterans	2,708,107	2,708,107	2,708,107	-
Municipal Restructuring	7,300,000	4,300,000	7,300,000	(3,000,000)
TOTAL - General Fund	112,885,758	57,860,128	55,360,128	2,500,000

Division of Criminal Justice				
	Original Appropriation ²	Available Funding ³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	54,541,281	52,245,645	52,245,645	-
Other Expenses	5,102,201	4,942,201	4,802,201	140,000
Witness Protection	164,148	324,148	324,148	-
Training And Education	147,398	147,398	147,398	-
Expert Witnesses	135,413	135,413	135,413	-
Medicaid Fraud Control	1,439,442	1,439,442	1,549,442	(110,000)
Criminal Justice Commission	409	409	409	-
Cold Case Unit	282,227	282,227	332,227	(50,000)
Shooting Taskforce	1,353,731	1,353,731	1,353,731	-
TOTAL - General Fund	63,166,250	60,870,614	60,890,614	(20,000)

Department of Mental Health and Addiction Services				
	Original Appropriation ²	Available Funding ³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	246,638,398	235,170,195	267,370,195	(32,200,000)
Other Expenses	28,143,895	36,643,895	36,643,895	-
Housing Supports and Services	27,763,723	28,391,445	28,391,445	-
Managed Service System	71,494,588	72,873,830	72,873,830	-
Legal Services	745,911	764,660	764,660	-
Connecticut Mental Health Center	9,229,406	9,229,406	9,229,406	-
Professional Services	16,400,697	23,900,697	23,900,697	-
Behavioral Health Recovery Services	26,066,287	23,407,864	23,407,864	-
Nursing Home Screening	652,784	652,784	652,784	-
Young Adult Services	93,332,231	94,693,734	94,693,734	-
TBI Community Services	9,208,125	9,386,773	9,386,773	-
Behavioral Health Medications	7,220,754	9,320,754	9,320,754	-
Medicaid Adult Rehabilitation Option	4,419,683	4,541,759	4,541,759	-

² Includes appropriated accounts from all appropriated funds.

³ Includes all anticipated and enacted holdbacks (forced lapses), rescissions, and transfers.

Department of Mental Health and Addiction Services				
	Original Appropriation ²	Available Funding ³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Discharge and Diversion Services	40,945,054	42,207,991	42,207,991	-
Home and Community Based Services	25,475,421	24,837,721	24,837,721	-
Nursing Home Contract	1,152,856	1,152,856	1,152,856	-
Katie Blair House	16,608	17,016	17,016	-
Forensic Services	11,192,080	11,417,731	11,417,731	-
Grants for Substance Abuse Services	35,824,604	37,103,118	37,103,118	-
Grants for Mental Health Services	74,937,619	76,995,083	76,995,083	-
Employment Opportunities	9,635,549	9,873,631	9,873,631	-
TOTAL - General Fund	740,496,273	752,582,943	784,782,943	(32,200,000)

Department of Transportation				
	Original Appropriation ²	Available Funding ³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	231,453,386	229,001,712	226,751,712	2,250,000
Other Expenses	57,534,586	67,784,586	67,784,586	-
Equipment	1,376,329	1,376,329	1,376,329	-
Minor Capital Projects	449,639	449,639	449,639	-
Highway Planning And Research	3,060,131	3,060,131	3,060,131	-
Rail Operations	284,183,528	284,183,528	284,183,528	-
Bus Operations	261,931,227	261,931,227	261,931,227	-
ADA Para-transit Program	40,449,564	40,449,564	40,449,564	-
Non-ADA Dial-A-Ride Program	576,361	576,361	576,361	-
Pay-As-You-Go Transportation Projects	18,028,794	18,028,794	18,028,794	-
Port Authority	400,000	400,000	400,000	-
Transportation Asset Management	3,000,000	3,000,000	3,000,000	-
Transportation to Work	2,370,629	2,370,629	2,370,629	-
Town Aid Road Grants - TF	60,000,000	60,000,000	60,000,000	-
TOTAL - Special Transportation Fund	964,814,174	972,612,500	970,362,500	2,250,000

Department of Social Services				
	Original Appropriation ²	Available Funding ³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	154,061,290	157,114,547	155,114,547	2,000,000
Other Expenses	155,393,116	155,393,116	155,393,116	-
Genetic Tests in Paternity Actions	81,906	81,906	81,906	-
HUSKY B Program	38,230,000	26,730,000	26,730,000	-
Substance Use Disorder Waiver Reserve	18,370,000	3,370,000	3,370,000	-
Medicaid	3,287,715,431	3,314,575,734	3,588,575,734	(274,000,000)
Old Age Assistance	51,346,541	52,546,541	52,546,541	-
Aid To The Blind	619,721	619,721	619,721	-
Aid To The Disabled	50,543,338	53,643,338	53,643,338	-
Temporary Family Assistance - TANF	69,641,000	61,441,000	61,441,000	-
Emergency Assistance	1	1	1	-
Food Stamp Training Expenses	9,341	9,341	9,341	-
DMHAS-Disproportionate Share	108,935,000	108,935,000	108,935,000	-
Connecticut Home Care Program	46,720,000	46,720,000	45,720,000	1,000,000
Human Resource Development-Hispanic Programs	1,043,704	1,070,348	1,070,348	-
Safety Net Services	1,462,802	1,500,145	1,500,145	-
Refunds Of Collections	89,965	89,965	89,965	-
Services for Persons With Disabilities	301,953	309,661	309,661	-

Department of Social Services				
	Original Appropriation ²	Available Funding ³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Nutrition Assistance	1,000,000	1,020,994	1,020,994	-
State Administered General Assistance	14,710,000	19,110,000	19,110,000	-
Connecticut Children's Medical Center	11,138,737	11,138,737	11,138,737	-
Community Services	6,335,965	5,958,162	5,458,162	500,000
Human Services Infrastructure Community Action Program	4,177,301	4,274,240	4,274,240	-
Teen Pregnancy Prevention	1,361,787	1,394,639	1,394,639	-
Domestic Violence Shelters	7,459,941	7,650,381	7,650,381	-
Hospital Supplemental Payments	568,300,000	568,300,000	568,300,000	-
Teen Pregnancy Prevention - Municipality	98,281	98,281	98,281	-
TOTAL - General Fund	4,599,147,121	4,603,095,798	4,873,595,798	(270,500,000)

Department of Correction				
	Original Appropriation ²	Available Funding ³	Estimated Expenditures	Estimated Surplus/(Deficiency)
Personal Services	446,837,256	432,512,197	473,612,197	(41,100,000)
Other Expenses	72,751,901	93,924,269	91,751,901	2,172,368
Inmate Medical Services	130,559,989	149,559,989	149,059,989	500,000
Board of Pardons and Paroles	7,702,157	6,302,157	6,302,157	-
STRIDE	80,181	80,181	80,181	-
Aid to Paroled and Discharged Inmates	3,000	3,000	3,000	-
Legal Services To Prisoners	797,000	797,000	797,000	-
Volunteer Services	87,725	87,725	87,725	-
Community Support Services	46,869,958	41,066,468	44,066,468	(3,000,000)
Total - General Fund	705,689,167	724,332,986	765,760,618	(41,427,632)