



Senate

General Assembly

File No. 540

February Session, 2000

Substitute Senate Bill No. 119

Senate, April 12, 2000

The Committee on Appropriations reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

An Act Concerning The Treatment Of Unexpended Balances At The End Of The Fiscal Year.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 4-89 of the general statutes, as amended by section
2 6 of public act 99-1 of the June special session, is repealed and the
3 following is substituted in lieu thereof:

4 (a) No officer, department, board, commission, institution or other
5 agency of the state shall, after the close of any fiscal year, incur, or vote
6 or order or approve the incurring of, any obligation or expenditure
7 under any appropriation made by the General Assembly for any fiscal
8 year that had expired at the time the obligation for such expenditure
9 was incurred. The Comptroller is authorized to draw warrants or
10 process interdepartmental transactions against the available
11 appropriations made for the current fiscal year for the payment of
12 expenditures incurred during the prior fiscal year for which
13 appropriations were made or in fulfillment of contracts properly made

14 during such prior year, and the Treasurer is authorized to pay such
15 warrants or record such interdepartmental transactions. The balances
16 of certain appropriations which otherwise would lapse at the close of
17 any fiscal year and for which no appropriation is made in the
18 following year shall be extended into the succeeding fiscal year for the
19 period of one month to permit liquidation of obligations of the prior
20 fiscal year.

21 (b) Except as provided in this section, all unexpended balances of
22 appropriations made by the General Assembly in the state budget act
23 shall lapse at the end of the period for which they have been made and
24 shall revert to the unappropriated surplus of the fund from which such
25 appropriation or appropriations were made, except that any
26 appropriation for the improvement of or maintenance work by
27 contract on public roads, for the purchase of land or the erection of
28 buildings or new construction or for specific projects for capital
29 improvements and repairs, provided in the case of such specific
30 projects allotments shall have been made by the Governor for design
31 and construction, shall continue to be available until the attainment of
32 the object or the completion of the work for which such appropriation
33 was made, but in no case for more than six years unless renewed by
34 act of the General Assembly.

35 (c) All unexpended balances of special appropriations made by the
36 General Assembly for special programs, projects or studies shall lapse
37 at the end of the period for which they have been made, except that if
38 satisfied that the work of any such program, project or study is not
39 completed and will continue during the following fiscal year, the
40 Secretary of the Office of Policy and Management shall order any
41 unexpended balance remaining in the special appropriation to be
42 continued to the ensuing fiscal year.

43 (d) Any appropriation made by the General Assembly for no
44 specific period, or any unexpended balance thereof, shall lapse on June

45 thirtieth in the fourth year after such appropriation was made,
46 provided when the purpose for which any such appropriation was
47 made has been accomplished or there is no further need for funds
48 thereunder, the unexpended balance thereof, upon the written consent
49 of the head of the department, board, commission, institution or other
50 agency to which such appropriation was made, shall lapse and shall
51 revert to the unappropriated surplus of the fund from which such
52 appropriation was made.

53 (e) The provisions of this section shall not apply to appropriations
54 for Department of Transportation equipment, the highway and
55 planning research program administered by the Department of
56 Transportation, Department of Environmental Protection equipment
57 or the purchase of public transportation equipment, the minor capital
58 improvement account in the Department of Public Works, the
59 litigation/settlement account in the Office of the Attorney General,
60 library or educational equipment for the constituent units of the state
61 system of higher education, or library or educational materials for the
62 State Library. Such appropriations shall not lapse until the end of the
63 fiscal year succeeding the fiscal year of the appropriation, provided an
64 obligation to spend such funds has been incurred in the next preceding
65 fiscal year, except that for the purposes of library or educational
66 equipment or materials, such funds shall not exceed twenty-five per
67 cent of the amount of the appropriation for such purposes.

68 (f) The provisions of this section shall not apply to appropriations to
69 the Department of Higher Education for student financial assistance in
70 an amount not greater than five per cent of the annual state student
71 financial assistance appropriation, for the high technology graduate
72 scholarship program established under section 10a-170a, for
73 Connecticut higher education centers of excellence established under
74 section 10a-25h, for the minority advancement program established
75 under subsection (b) of section 10a-11, for the high technology doctoral
76 fellowship program established under section 10a-25n, or to the

77 operating funds of the constituent units of the state system of higher
78 education established pursuant to sections 10a-105, 10a-99 and 10a-77.
79 Such appropriations shall not lapse until the end of the fiscal year
80 succeeding the fiscal year of the appropriation except that centers of
81 excellence appropriations deposited by the board of governors in the
82 Endowed Chair Investment Fund, established under section 10a-20a,
83 shall not lapse but shall be held permanently in the Endowed Chair
84 Investment Fund and any moneys remaining in higher education
85 operating funds of the constituent units of the state system of higher
86 education shall not lapse but shall be held permanently in such funds.
87 On or before September first, annually, the Board of Governors of
88 Higher Education shall submit a report to the joint standing committee
89 of the General Assembly having cognizance of matters relating to
90 appropriations and the budgets of state agencies, through the Office of
91 Fiscal Analysis, concerning the amount of each such appropriation
92 carried over from the preceding fiscal year.

93 (g) The provisions of this section shall not apply to appropriations
94 to the Commission on the Deaf and Hearing Impaired in an amount
95 not greater than the amount of reimbursements of prior year
96 expenditures for the services of interpreters received by the
97 commission during the fiscal year pursuant to section 46a-33b and
98 such appropriations shall not lapse until the end of the fiscal year
99 succeeding the fiscal year of the appropriation.

100 (h) The provisions of this section shall not apply to appropriations
101 from the municipal solid waste recycling trust account established
102 under subsection (d) of section 22a-241. Such appropriations shall not
103 lapse.

104 Sec. 2. (NEW) (a) Moneys received for any specific purpose
105 authorized by statute shall be deemed to be appropriated for such
106 purpose.

107 (b) Any appropriation, or portion thereof, made from the General

108 Fund to any agency, may be transferred at the request of said agency
109 to any other agency by the Governor, with the approval of the Finance
110 Advisory Committee, to take full advantage of federal matching funds,
111 provided both agencies shall certify that the expenditure of such
112 transferred funds by the receiving agency will be for the same purpose
113 as that of the original appropriation or portion thereof so transferred.
114 Any federal funds generated through the transfer of appropriations
115 between agencies may be used for reimbursing General Fund
116 expenditures or for expanding program services or a combination of
117 both as determined by the Governor, with the approval of the Finance
118 Advisory Committee.

119 (c) Any appropriation to the Reserve for Salary Adjustments
120 account may be transferred and necessary additions from the resources
121 of special funds may be made by the Governor to give effect to salary
122 increases, other employee benefits, agency costs related to staff
123 reductions, including accrual payments, or other personal services
124 adjustments authorized by any public or special act or other applicable
125 statutes.

126 (d) That portion of unexpended funds, as determined by the
127 Secretary of the Office of Policy and Management, appropriated in any
128 public or special act, which relate to collective bargaining agreements
129 and related costs, shall not lapse until the end of the fiscal year
130 succeeding the fiscal year of the appropriation.

131 (e) The unexpended balance of funds for Justice Assistance Grants,
132 appropriated to the Office of Policy and Management in any public or
133 special act, shall not lapse until the end of the fiscal year succeeding
134 the fiscal year of the appropriation.

135 Sec. 3. This act shall take effect July 1, 2000.

APP Committee Vote: Yea 50 Nay 0 JFS

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: See Explanation Below

Affected Agencies: Office of the Attorney General

Municipal Impact: None

Explanation

State Impact:

The bill establishes a non-lapsing Litigation/Settlement Costs account in the Office of the Attorney General. This account is to be used to pay for litigations expenses and settlement costs for cases where no client agency exists to be charged. Funding in the amount of \$1.0 million from the FY 00 surplus is appropriated for this purpose in sHBH 5217, the Appropriations Act. No funding for this purpose is included in sHBS 5217, the Appropriations Act.

The bill makes other technical changes that have no fiscal impact.

OFA Bill Analysis

sSB 119

AN ACT CONCERNING THE TREATMENT OF UNEXPENDED BALANCES AT THE END OF THE FISCAL YEAR.

SUMMARY:

The bill establishes a non-lapsing Litigation /Settlement Costs account in the Office of the Attorney General. The account will be used to pay for litigation expenses and settlement costs when the Attorney General's Office represents the state in cases where no client agency exists to be charged. This will reduce the need for Finance Advisory Committee transfers and Deficiency Appropriations.

Several additional provisions are included which are technical in nature. They have been placed in the "back-of-the-budget" for many years. The placement of these provisions in the statutes will eliminate the need for them to be repeated in each appropriations act.

EFFECTIVE DATE: July 1, 2000

COMMITTEE ACTION

Appropriations Committee

Joint Favorable Substitute

Yea 50 Nay 0