



General Assembly

Amendment

January Session, 2003

LCO No. 3315

HB0639703315HDO

Offered by:

REP. DYSON, 94th Dist.

To: House Bill No. 6397

File No.

Cal. No.

**"AN ACT CONCERNING STATE EXPENDITURE AND REVENUE
ADJUSTMENTS."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (*Effective from passage*) The Governor shall modify
4 allotment requisitions or allotments in force as follows, provided the
5 amount of any allotment reduction resulting from the Governor's
6 January 24, 2003, reductions or from this section shall not exceed the
7 larger of the January 24, 2003, reduction or the reduction in this
8 section:

T1 GENERAL FUND

T2

T3

2002-2003

T4

T5

\$

T6

T7

LEGISLATIVE

T8		
T9	COMMISSION ON CHILDREN	
T10	Social Health Index	-30,000
T11		
T12	TOTAL	-30,000
T13	LEGISLATIVE	
T14		
T15	GENERAL GOVERNMENT	
T16		
T17	OFFICE OF POLICY AND MANAGEMENT	
T18	Drugs Don't Work	-85,000
T19	Leadership, Education, Athletics in Partnership	
T20	(LEAP)	-450,000
T21	Children and Youth Program Development	-217,000
T22	Justice Assistance Grants	-699,000
T23	Boys and Girls Club	-87,000
T24	OTHER THAN PAYMENTS TO LOCAL	
T25	GOVERNMENTS	
T26	Drug Enforcement Program	-692,000
T27	PAYMENTS TO LOCAL GOVERNMENTS	
T28	Drug Enforcement Program	-1,500,000
T29	P.I.L.O.T. - New Manufacturing Machinery and	
T30	Equipment	-10,000,000
T31	Waste Water Treatment Facility Host Town Grant	-118,500
T32	AGENCY TOTAL	-13,848,500
T33		
T34	OFFICE OF WORKFORCE COMPETITIVENESS	
T35	Personal Services	-100,000
T36	CETC Workforce	-310,000
T37	AGENCY TOTAL	-410,000
T38		
T39	DEPARTMENT OF INFORMATION TECHNOLOGY	
T40	Automated Personnel System	-250,000
T41		
T42	DEPARTMENT OF PUBLIC WORKS	
T43	Other Expenses	-1,000,000
T44	Management Services	-500,000
T45	Facilities Design Expenses	-500,000

T46	AGENCY TOTAL	-2,000,000
T47		
T48	TOTAL	-16,508,500
T49	GENERAL GOVERNMENT	
T50		
T51	REGULATION AND PROTECTION	
T52		
T53	DEPARTMENT OF PUBLIC SAFETY	
T54	Personal Services	-1,250,000
T55	Fleet Purchase	-1,600,000
T56	AGENCY TOTAL	-2,850,000
T57		
T58	LABOR DEPARTMENT	
T59	Other Expenses	-100,000
T60	Vocational and Manpower Training	-250,000
T61	AGENCY TOTAL	-350,000
T62		
T63	TOTAL	-3,200,000
T64	REGULATION AND PROTECTION	
T65		
T66	CONSERVATION AND DEVELOPMENT	
T67		
T68	DEPARTMENT OF ECONOMIC AND	
T69	COMMUNITY DEVELOPMENT	
T70	Other Expenses	-700,000
T71	Cluster Initiative	-250,000
T72	AGENCY TOTAL	-950,000
T73		
T74	TOTAL	-950,000
T75	CONSERVATION AND DEVELOPMENT	
T76		
T77	HEALTH AND HOSPITALS	
T78		
T79	DEPARTMENT OF PUBLIC HEALTH	
T80	Children's Health Initiatives	-220,000
T81	Tobacco Education	-84,000
T82	AGENCY TOTAL	-304,000
T83		

T84	DEPARTMENT OF MENTAL RETARDATION	
T85	Personal Services	-1,000,000
T86	Other Expenses	-500,000
T87	Early Intervention	-1,000,000
T88	AGENCY TOTAL	-2,500,000
T89		
T90	DEPARTMENT OF MENTAL HEALTH AND	
T91	ADDICTION SERVICES	
T92	General Assistance Managed Care	-1,500,000
T93	Special Populations	-2,600,000
T94	OTHER THAN PAYMENTS TO LOCAL	
T95	GOVERNMENTS	
T96	Governor's Partnership to Protect Connecticut's	
T97	Workforce	-164,000
T98	AGENCY TOTAL	-4,264,000
T99		
T100	TOTAL	-7,068,000
T101	HEALTH AND HOSPITALS	
T102		
T103	HUMAN SERVICES	
T104		
T105	DEPARTMENT OF SOCIAL SERVICES	
T106	Other Expenses	-1,000,000
T107	OTHER THAN PAYMENTS TO LOCAL	
T108	GOVERNMENTS	
T109	Medicaid	-32,450,000
T110	Old Age Assistance	-143,378
T111	Aid to the Blind	-4,434
T112	Aid to the Disabled	-325,188
T113	Connecticut Pharmaceutical Assistance Contract	
T114	to the Elderly	-2,371,000
T115	Child Care Services-TANF/CCDBG	-500,000
T116	Human Resource Development	-640,000
T117	Disproportionate Share - Medical Emergency	
T118	Assistance	-5,000,000
T119	State Administered General Assistance	-1,083,333
T120	AGENCY TOTAL	-43,517,333
T121		

T122	TOTAL	-43,517,333
T123	HUMAN SERVICES	
T124		
T125	EDUCATION, MUSEUMS, LIBRARIES	
T126		
T127	DEPARTMENT OF EDUCATION	
T128	PAYMENTS TO LOCAL GOVERNMENTS	
T129	Priority School Districts	4,053,197
T130		
T131	STATE LIBRARY	
T132	OTHER THAN PAYMENTS TO LOCAL	
T133	GOVERNMENTS	
T134	Basic Cultural Resources Grant	-626,000
T135	Connecticut Educational Telecommunications	
T136	Corporation	-217,000
T137	AGENCY TOTAL	-843,000
T138		
T139	UNIVERSITY OF CONNECTICUT	
T140	Operating Expenses	-1,141,001
T141	Tuition Freeze	-29,637
T142	Regional Campus Enhancement	-39,782
T143	AGENCY TOTAL	-1,210,419
T144		
T145	UNIVERSITY OF CONNECTICUT HEALTH	
T146	CENTER	
T147	Operating Expenses	-463,338
T148	AHEC for Bridgeport	-974
T149	AGENCY TOTAL	-464,312
T150		
T151	CHARTER OAK STATE COLLEGE	
T152	Operating Expenses	-8,505
T153	Distance Learning Consortium	-6,309
T154	AGENCY TOTAL	-14,814
T155		
T156	REGIONAL COMMUNITY - TECHNICAL	
T157	COLLEGES	
T158	Operating Expenses	-767,543
T159	Tuition Freeze	-13,506

T160	Woodland Street Operating Expenses	-3,227
T161	AGENCY TOTAL	-784,275
T162		
T163	CONNECTICUT STATE UNIVERSITY	
T164	Operating Expenses	-822,293
T165	Tuition Freeze	-41,013
T166	Waterbury-Based Degree Program	-5,117
T167	AGENCY TOTAL	-868,422
T168		
T169	TOTAL	-132,045
T170	EDUCATION, MUSEUMS, LIBRARIES	
T171		
T172	CORRECTIONS	
T173		
T174	DEPARTMENT OF CORRECTION	
T175	Personal Services	-2,442,695
T176	Other Expenses	-215,894
T177	Equipment	-121,000
T178	Workers' Compensation Claims	-366,288
T179	Inmate Medical Services	-353,293
T180	AGENCY TOTAL	-3,499,170
T181		
T182	DEPARTMENT OF CHILDREN AND FAMILIES	
T183	Personal Services	-170,000
T184	Other Expenses	-191,000
T185	Short Term Residential Treatment	-77
T186	Substance Abuse Screening	-42,686
T187	OTHER THAN PAYMENTS TO LOCAL	
T188	GOVERNMENTS	
T189	Health Assessment and Consultation	-3,501
T190	Grants for Psychiatric Clinics for Children	-662,176
T191	Day Treatment Centers for Children	-417,648
T192	Community Based Prevention Programs	-31,097
T193	Support for Recovering Families	-539
T194	Child Welfare Support Services	-3,531
T195	Board and Care for Children - Adoption	-351,000
T196	Community KidCare	-1,000,000
T197	AGENCY TOTAL	-2,873,255

T198		
T199	COUNCIL TO ADMINISTER THE CHILDREN'S	
T200	TRUST FUND	
T201	Children's Trust Fund	-285,000
T202		
T203	TOTAL	-6,657,425
T204	CORRECTIONS	
T205		
T206	JUDICIAL	
T207		
T208	JUDICIAL DEPARTMENT	
T209	Personal Services	-845,000
T210	Other Expenses	-1,655,000
T211	AGENCY TOTAL	-2,500,000
T212		
T213	TOTAL	-2,500,000
T214	JUDICIAL	
T215		
T216	TOTAL	-80,563,303
T217	GENERAL FUND	

9 Sec. 2. (*Effective from passage*) The Governor shall modify allotment
 10 requisitions or allotments in force as follows:

T218	SPECIAL TRANSPORTATION FUND	
T219		2002-2003
T220		
T221		\$
T222		
T223	TRANSPORTATION	
T224		
T225	DEPARTMENT OF TRANSPORTATION	
T226	PAYMENTS TO LOCAL GOVERNMENTS	
T227	Town Aid Road Grants	-7,500,000
T228		
T229	TOTAL	-7,500,000
T230	TRANSPORTATION	
T231		
T232	TOTAL	-7,500,000

T233	SPECIAL TRANSPORTATION FUND	
11	Sec. 3. (<i>Effective from passage</i>) The Governor shall modify allotment	
12	requisitions or allotments in force as follows:	
T234	MASHANTUCKET PEQUOT AND MOHEGAN	
T235	FUND	
T236		2002-2003
T237		
T238		\$
T239		
T240	NON-FUNCTIONAL	
T241		
T242	MISCELLANEOUS APPROPRIATIONS	
T243	ADMINISTERED BY THE COMPTROLLER	
T244		
T245	MASHANTUCKET PEQUOT AND MOHEGAN	
T246	FUND GRANT	
T247	PAYMENTS TO LOCAL GOVERNMENTS	
T248	Grants to Towns	-20,000,000
T249		
T250	TOTAL	-20,000,000
T251	MISCELLANEOUS APPROPRIATIONS	
T252	ADMINISTERED BY THE COMPTROLLER	
T253		
T254	TOTAL	-20,000,000
T255	NON-FUNCTIONAL	
T256		
T257	TOTAL	-20,000,000
T258	MASHANTUCKET PEQUOT AND MOHEGAN	
T259	FUND	

13 Sec. 4. Section 17 of public act 02-1 of the May 9 special session, as
 14 amended by section 108 of public act 02-1 of the May 9 special session,
 15 is amended to read as follows (*Effective from passage*):

16 The following amounts credited to the resources of the General
 17 Fund, for the fiscal year ending June 30, 2002, pursuant to sections 1 to

18 18, inclusive, of public act 02-1 of the May 9 special session, shall be
 19 transferred as follows:

T260		\$	
T261	LEGISLATIVE MANAGEMENT		
T262	CTN	1,500,000	
T263			
T264	OFFICE OF POLICY AND		
T265	MANAGEMENT		
T266	Amistad	[75,000]	<u>50,000</u>
T267	[Adopt-a-House in Stamford	10,000]	
T268	Waterbury Youth Net	[200,000]	<u>150,000</u>
T269	Library Improvements	36,000	
T270	OTHER THAN PAYMENTS TO LOCAL		
T271	GOVERNMENTS		
T272	Arts Grants	1,100,000	
T273	PAYMENTS TO LOCAL GOVERNMENTS		
T274	Local Aid Adjustment	3,000,000	
T275	AGENCY TOTAL	[4,421,000]	<u>4,336,000</u>
T276			
T277	[DEPARTMENT OF VETERANS AFFAIRS]		
T278	[Transitional Living Services for Veterans	400,000]	
T279			
T280	OFFICE OF WORKFORCE		
T281	COMPETITIVENESS		
T282	Workforce Development Boards	350,000	
T283			
T284	LABOR DEPARTMENT		
T285	Opportunity Industrial Centers -	100,000	
T286	Bridgeport		
T287	Individual Development Accounts	325,000	
T288	AGENCY TOTAL	425,000	
T289			
T290	DEPARTMENT OF AGRICULTURE		
T291	CT Seafood Advisory Council	50,000	
T292	Food Council	25,000	
T293	Wine Council	[25,000]	<u>2,765</u>
T294	AGENCY TOTAL	[100,000]	<u>77,765</u>

T295			
T296	[DEPARTMENT OF ENVIRONMENTAL		
T297	PROTECTION]		
T298	[Grants for Water programs	75,000]	
T299	[Recreational Fishing Programs	1,000,000]	
T300	[AGENCY TOTAL	1,075,000]	
T301			
T302	DEPARTMENT OF ECONOMIC AND		
T303	COMMUNITY DEVELOPMENT		
T304	[Women's Business Development Center	10,000]	
T305	OTHER THAN PAYMENTS TO LOCAL		
T306	GOVERNMENTS		
T307	Entrepreneurial Centers	[200,000]	<u>150,000</u>
T308	PAYMENTS TO LOCAL GOVERNMENTS		
T309	Tax Abatement	[2,243,276]	<u>2,178,276</u>
T310	Payment in Lieu of Taxes	2,900,000	
T311	AGENCY TOTAL	[5,353,276]	<u>5,228,276</u>
T312			
T313	DEPARTMENT OF PUBLIC HEALTH		
T314	[Tobacco Education	361,208]	
T315	Biomedical Research	[500,000]	<u>300,000</u>
T316	PAYMENTS TO LOCAL GOVERNMENTS		
T317	School Based Health Clinics	145,000	
T318	AGENCY TOTAL	[1,006,208]	<u>445,000</u>
T319			
T320	DEPARTMENT OF MENTAL		
T321	RETARDATION		
T322	New Family Center	12,000	
T323			
T324	DEPARTMENT OF MENTAL HEALTH		
T325	AND ADDICTION SERVICES		
T326	Institute for Municipal and Regional Policy	100,000	
T327	Connecticut Mental Health Center	[450,000]	<u>350,000</u>
T328	[Regional Action Councils	200,000]	
T329	OTHER THAN PAYMENTS TO LOCAL		
T330	GOVERNMENTS		
T331	Grants for Mental Health Services	[375,000]	<u>275,000</u>
T332	AGENCY TOTAL	[1,125,000]	<u>725,000</u>

T333			
T334	DEPARTMENT OF SOCIAL SERVICES		
T335	OTHER THAN PAYMENTS TO LOCAL		
T336	GOVERNMENTS		
T337	School Readiness	200,000	
T338	Community Services	150,000	
T339	Enhanced Funding for Griffin Hospital	200,000	
T340	Stamford Hospital	[2,500,000]	<u>2,250,000</u>
T341	Yale-New Haven Hospital	[3,300,000]	<u>2,970,000</u>
T342	Legal Immigrants	1,200,000	
T343	Nursing Home Staffing	2,000,000	
T344	Epilepsy Project	50,000	
T345	Elderly Health Screening	100,000	
T346	Elderly Express	[80,000]	<u>30,000</u>
T347	Geriatric Assessment	30,000	
T348	Human Resource Development	400,000	
T349	[PAYMENTS TO LOCAL GOVERNMENTS]		
T350	[Teen Pregnancy Prevention	25,000]	
T351	AGENCY TOTAL	[10,235,000]	<u>9,580,000</u>
T352			
T353	DEPARTMENT OF EDUCATION		
T354	Jason Project	150,000	
T355	Connecticut Writing Project	75,000	
T356	PAYMENTS TO LOCAL GOVERNMENTS		
T357	Youth Service Bureau	15,000	
T358	Magnet Schools	912,000	
T359	Young Parents Program - The Bridge	25,000	
T360	AGENCY TOTAL	1,177,000	
T361			
T362	STATE LIBRARY		
T363	OTHER THAN PAYMENTS TO LOCAL		
T364	GOVERNMENTS		
T365	Basic Cultural Resources Grant	[130,000]	<u>65,000</u>
T366	Grants - Local Institutions in Humanities	[205,000]	<u>155,000</u>
T367	AGENCY TOTAL	[335,000]	<u>220,000</u>
T368			
T369	DEPARTMENT OF HIGHER EDUCATION		
T370	Minority Advancement Program	207,029	

T371	Saturday Academy	100,000	
T372	New England Board of Higher Education	250,000	
T373	AGENCY TOTAL	557,029	
T374			
T375	UNIVERSITY OF CONNECTICUT		
T376	Veterinary Diagnostic Laboratory	50,000	
T377			
T378	DEPARTMENT OF CORRECTION		
T379	OTHER THAN PAYMENTS TO LOCAL		
T380	GOVERNMENTS		
T381	Community Residential Services	240,000	
T382			
T383	BOARD OF PAROLE		
T384	OTHER THAN PAYMENTS TO LOCAL		
T385	GOVERNMENTS		
T386	Community Residential Services	40,000	
T387			
T388	DEPARTMENT OF CHILDREN AND		
T389	FAMILIES		
T390	OTHER THAN PAYMENTS TO LOCAL		
T391	GOVERNMENTS		
T392	Stamford Child Guidance Clinic	10,000	
T393	Fund Covenant to Care	150,000	
T394	Fund Neighborhood Center	[90,000]	<u>77,500</u>
T395	AGENCY TOTAL	[250,000]	<u>237,500</u>
T396			
T397	JUDICIAL DEPARTMENT		
T398	Alternative Incarceration Program	[400,000]	<u>200,000</u>
T399			
T400	TOTAL	[29,051,513]	<u>25,400,570</u>

20 Sec. 5. (*Effective from passage*) The Governor shall effect economies in
 21 order to modify allotment requisitions or allotments in force as
 22 follows:

T401 GENERAL FUND

T402

T403

2002-2003

T404		
T405		\$
T406		
T407		
T408		
T409	ERIP Savings Attributable to Managers	-4,500,000
T410	Fleet Reduction	-2,250,000
T411	Additional Allotment Reduction Not Exceeding 1.75%	
T412	in any Appropriated Account	-12,750,000
T413	Corrections Initiative	-10,000,000
T414	Executive and Judicial Branch Travel	-1,000,000
T415	Energy Costs Reduction due to Transfer from Energy	
T416	Conservation and Load Management Fund	-6,000,000
T417		
T418	TOTAL	-36,500,000
T419	GENERAL FUND	

23 Sec. 6. (*Effective from passage*) (a) Notwithstanding any provision of
 24 the general statutes or any provision of any public or special act, any
 25 revision to allotment requisitions or allotments in force made pursuant
 26 to sections 1 to 5, inclusive, of this act affecting (1) grants to
 27 municipalities, or (2) appropriated accounts with more than one
 28 grantee, shall be made proportionately to remain within the revised
 29 allotment.

30 (b) There shall be an Early Retirement Incentive Program (ERIP)
 31 offered to full-time and part-time state employees, as described below,
 32 in addition to the normal retirement program.

33 A. Eligibility Rules.

34 The following members of the State Employees Retirement System
 35 (SERS) shall be eligible to participate in the program:

- 36 1. All state employees who will be at least fifty-two years of age on
- 37 or before May 31, 2003, and who retire directly from employment and
- 38 begin immediately receiving normal or early retirement benefits under

39 Tier I, Tier II or Tier IIA and whose effective date of retirement is from
40 March 1, 2003, to June 1, 2003, inclusive;

41 2. Who have at least ten years of actual state service in the SERS; and

42 3. In the case of hazardous duty employees, a minimum of twenty
43 years of actual state service in the SERS.

44 B. Effective Date of Retirement.

45 All retirements under the program shall be effective March 1, 2003,
46 April 1, 2003, May 1, 2003, or June 1, 2003. At the state's option, the
47 effective date of any retirement may be deferred on a case by case basis
48 to not later than June 1, 2004, for hazardous duty members, employees
49 of the retirement division of the Office of the State Comptroller, and
50 employees of the budget division of the Office of Policy and
51 Management. Requests to defer retirement shall be made in writing to
52 the member with copies to the appropriate bargaining unit
53 representative. If the state requests any such member or employee to
54 stay beyond May 31, 2003, and the employee refuses to do so, the
55 employee shall continue to be eligible for the ERIP.

56 C. Incentive.

57 An individual who is eligible for the ERIP shall be permitted to add
58 up to three years to age or up to three years to service, or any
59 combination not to exceed three years in total. The credit shall first be
60 added to age until it reaches age fifty-five. Hazardous duty members
61 shall have the credit added to their service. Incentive years shall only
62 be used in whole units of one month.

63 D. Restrictions.

64 1. For purposes of this program, a full-time employee is one who
65 works thirty-five or more hours per week.

66 2. Actual age shall be used in calculation of all related benefits
67 including, but not limited to, Plan B reductions and Group Life

68 Insurance. Actual paid wages, not projected wages, shall be used in all
69 benefit calculations. Accrued vacation days at the date of retirement
70 shall be credited as increased service time.

71 3. Disability retirement and employees eligible for terminated
72 vested retirement benefits are excluded from this program.

73 E. Payment for Unused Sick and Vacation Days.

74 1. Any employee participating in the incentive program shall be
75 eligible for payment of accrued sick days and for the balance of
76 vacation leave in accordance with existing rules, modified as follows:
77 One-third of the amount owed such employee on July 1, 2005; one-
78 third of such amount on July 1, 2006, and one-third of such amount on
79 July 1, 2007.

80 2. The state may, at its option, make the payment in one installment
81 on or before July 2005, if the amount of the payment is less than \$2,000.

82 F. Applicability to Former Employees.

83 An employee who was laid off or whose position was abolished
84 between November 1, 2002, and May 31, 2003, who would otherwise
85 have been eligible for the Early Retirement Incentive Program shall be
86 eligible to receive the benefits of the plan beginning March 1, 2003, if
87 such employee is at least fifty-two years of age. If an employee who
88 was laid off or whose position was abolished attains the age of fifty-
89 two prior to May 31, 2003, such employee shall be eligible for the ERIP
90 on the first day of the month following the month of such employee's
91 birthday. Any such employee who retires shall not be rehired. If such
92 employee has received payment for accrued vacation and sick leave,
93 such employee shall not be required to repay such amount in order to
94 be eligible for ERIP.

95 (c) The additional allotment reduction not exceeding 1.75% of any

96 appropriated account required pursuant to section 5 of this act shall
97 not affect allotments for: Aid to municipalities; personal services;
98 higher education operating expenses, or entitlements.

99 (d) The Department of Correction shall open a facility located in
100 Suffield on or after July 1, 2003.

101 (e) Notwithstanding any provision of the general statutes or any
102 provision of any public or special act, (1) for the fiscal year ending June
103 30, 2003, the sum of \$8,900,000 shall be transferred from the principal
104 of the Soldiers, Sailors and Marines' Fund to the resources of the
105 General Fund, and (2) for the fiscal years ending June 30, 2004, and
106 June 30, 2005, amounts necessary for payments pursuant to the
107 provisions of section 12-81g of the general statutes shall be
108 appropriated to the Office of Policy and Management from the
109 principal of said fund.

110 (f) The sum of \$21,000,000 shall be transferred from the Special
111 Transportation Fund to the resources of the General Fund.

112 (g) The sum of \$10,000,000 shall be transferred from the Probate
113 Court Administration Fund to the resources of the General Fund.

114 (h) The sum of \$2,500,000 shall be transferred from the commercial
115 recording account established pursuant to section 3-99c of the general
116 statutes to the resources of the General Fund.

117 (i) There is established the "Nonprofit Nursing Home Incentive
118 Account". The sum of \$1,000,000 transferred to the Department of
119 Social Services, for Nursing Home Staffing, by section 17 of public act
120 02-1 of the May 9 special session, as amended by section 108 of public
121 act 02-1 of the May 9 special session and this act, shall be transferred to
122 said account. The funds in the account shall be used by the
123 Department of Social Services, during the fiscal year ending June 30,
124 2003, to provide a supplemental incentive grant to each nonprofit
125 nursing home which had 225 or more licensed beds for the fiscal year
126 ending June 30, 2002. The purpose of such grant shall be to improve

127 patient care and direct care staffing levels in such homes. Funds shall
128 be distributed based on the following formula: One million dollars
129 multiplied by a fraction, the numerator of which shall be the total
130 number of licensed nursing home beds in such nursing home for such
131 fiscal year, and the denominator of which shall be the total number of
132 licensed beds in all such nursing homes for such fiscal year.

133 (j) The sum of \$1,000,000 transferred to the Department of Social
134 Services, for Nursing Home Staffing, by section 17 of public act 02-1 of
135 the May 9 special session, as amended by section 108 of public act 02-1
136 of the May 9 special session and this act, shall be transferred to the
137 DSH-Urban Hospitals in Distressed Municipalities account in said
138 department.

139 (k) The Retirement Commission shall request an actuarial interim
140 valuation to take into account the Early Retirement Incentive Program
141 established by this section and shall certify revised contribution
142 amounts to the General Assembly for the biennium ending June 30,
143 2005.

144 (l) Subject to state personnel policy and the terms of any collective
145 bargaining agreement in effect on the effective date of this act, the
146 Secretary of the Office of Policy and Management shall ensure that, on
147 or before March 1, 2003, any employee who received notice of layoff
148 from the state on or after November 1, 2002, shall be offered the
149 opportunity to be reinstated in the position which such employee held
150 on the date that the employee received notice of such layoff. The
151 provisions of this subsection shall not apply to layoffs occurring as a
152 result of the termination of grant-funded or durational positions,
153 failure to renew appointment for performance reasons, or denial of
154 tenure for performance reasons. Each person laid off but returned to
155 employment with the state pursuant to this section shall be deemed to
156 have been continuously employed by the state, with no interruption in
157 service or pension credit, during any period that such person was laid
158 off on or after November 1, 2002, to June 30, 2003.

159 (m) During the fiscal year ending June 30, 2003, no further
160 modifications to allotment requisitions or allotments in force shall be
161 made to payments pursuant to section 10-266p of the general statutes.

162 Sec. 7. Section 17b-292 of the general statutes is repealed and the
163 following is substituted in lieu thereof (*Effective from passage*):

164 (a) A child who resides in a household with a family income which
165 exceeds one hundred eighty-five per cent of the federal poverty level
166 and does not exceed three hundred per cent of the federal poverty
167 level may be eligible for subsidized benefits under the HUSKY Plan,
168 Part B.

169 (b) A child who resides in a household with a family income over
170 three hundred per cent of the federal poverty level may be eligible for
171 unsubsidized benefits under the HUSKY Plan, Part B.

172 (c) Whenever a court or family support magistrate orders a
173 noncustodial parent to provide health insurance for a child, such
174 parent may provide for coverage under the HUSKY Plan, Part B.

175 [(d) A child who has been determined to be eligible for benefits
176 under either the HUSKY Plan, Part A or Part B shall remain eligible for
177 said plan for a period of twelve months from such child's
178 determination of eligibility unless the child attains the age of nineteen
179 years or is no longer a resident of the state.]

180 [(e)] (d) To the extent allowed under federal law, the commissioner
181 shall not pay for services or durable medical equipment under the
182 HUSKY Plan, Part B if the enrollee has other insurance coverage for
183 the services or such equipment.

184 [(f)] (e) A newborn child who otherwise meets the eligibility criteria
185 for the HUSKY Plan, Part B shall be eligible for benefits retroactive to
186 his date of birth, provided an application is filed on behalf of the child
187 within thirty days of such date.

188 [(g)] (f) The commissioner shall implement presumptive eligibility

189 for children applying for Medicaid. Such presumptive eligibility
190 determinations shall be in accordance with applicable federal law and
191 regulations. The commissioner shall adopt regulations, in accordance
192 with chapter 54, to establish standards and procedures for the
193 designation of organizations as qualified entities to grant presumptive
194 eligibility. In establishing such regulations, the commissioner shall
195 ensure the representation of state-wide and local organizations that
196 provide services to children of all ages in each region of the state.

197 [(h)] (g) The commissioner shall enter into a contract with an entity
198 to be a single point of entry servicer for applicants and enrollees under
199 the HUSKY Plan, Part A and Part B. The servicer shall jointly market
200 both Part A and Part B together as the HUSKY Plan. Such servicer shall
201 develop and implement public information and outreach activities
202 with community programs. Such servicer shall electronically transmit
203 data with respect to enrollment and disenrollment in the HUSKY Plan,
204 Part B to the commissioner who may transmit such data to the
205 Children's Health Council.

206 [(i)] (h) To the extent permitted by federal law, the single point of
207 entry servicer may be one of the entities authorized to grant
208 presumptive eligibility under the HUSKY Plan, Part A.

209 [(j)] (i) The single point of entry servicer shall send an application
210 and supporting documents to the commissioner for determination of
211 eligibility of a child who resides in a household with a family income
212 of one hundred eighty-five per cent or less of the federal poverty level.
213 The servicer shall enroll eligible beneficiaries in the applicant's choice
214 of managed care plan.

215 [(k)] (j) Not more than twelve months after the determination of
216 eligibility for benefits under the HUSKY Plan, Part A and Part B and
217 annually thereafter, the commissioner or the servicer, as the case may
218 be, shall determine if the child continues to be eligible for the plan. The
219 commissioner or the servicer shall mail an application form to each
220 participant in the plan for the purposes of obtaining information to

221 make a determination on eligibility. To the extent permitted by federal
222 law, in determining eligibility for benefits under the HUSKY Plan, Part
223 A and Part B with respect to family income, the commissioner or the
224 servicer shall rely upon information provided in such form by the
225 participant unless the commissioner or the servicer has reason to
226 believe that such information is inaccurate or incomplete. The
227 determination of eligibility shall be coordinated with health plan open
228 enrollment periods.

229 [(l)] (k) The commissioner shall implement the HUSKY Plan, Part B
230 while in the process of adopting necessary policies and procedures in
231 regulation form in accordance with the provisions of section 17b-10.

232 [(m)] (l) The commissioner shall adopt regulations, in accordance
233 with chapter 54, to establish residency requirements and income
234 eligibility for participation in the HUSKY Plan, Part B and procedures
235 for a simplified mail-in application process. Notwithstanding the
236 provisions of section 17b-257b, such regulations shall provide that any
237 child adopted from another country by an individual who is a citizen
238 of the United States and a resident of this state shall be eligible for
239 benefits under the HUSKY Plan, Part B upon arrival in this state.

240 Sec. 8. Section 17b-242 of the general statutes is amended by adding
241 subsection (c) as follows (*Effective from passage*):

242 (NEW) (c) The home health services fee schedule shall include a fee
243 for the administration of medication, which shall apply when the
244 purpose of a nurse's visit is limited to the administration of
245 medication. Administration of medication may include, but is not
246 limited to, blood pressure checks, glucometer readings, pulse rate
247 checks and similar indicators of health status. The fee for medication
248 administration shall include administration of medications while the
249 nurse is present, the pre-pouring of additional doses that the client will
250 self-administer at a later time and the teaching of self-administration.
251 The department shall not pay for medication administration in
252 addition to any other nursing service at the same visit. The department

253 may establish prior authorization requirements for this service. Before
254 implementing such change, the Commissioner of Social Services shall
255 consult with the chairpersons of the joint standing committees of the
256 General Assembly having cognizance of matters relating to public
257 health and human services.

258 Sec. 9. Section 17b-259a of the general statutes is repealed and the
259 following is substituted in lieu thereof (*Effective from passage*):

260 The Commissioner of Social Services may impose cost sharing
261 requirements on recipients of medical assistance, including a
262 deductible, coinsurance, [copayment] or similar charge up to the
263 maximum permitted under 42 CFR 447.54. [, except that no copayment
264 may be imposed for prescription drugs.] The Commissioner of Social
265 Services shall impose cost sharing requirements on recipients of
266 medical assistance, as follows: (1) A one dollar copayment for each
267 outpatient medical service delivered by an enrolled Medicaid provider
268 to a medical assistance recipient not enrolled in a managed care plan as
269 permitted under federal law, and (2) a one dollar copayment for each
270 drug prescription at the time the prescription is filled, except that to
271 the degree permitted under federal law, the commissioner may make
272 modifications to the prescription cost sharing requirement for certain
273 individuals who have drugs dispensed in less than a thirty-day supply
274 and may exempt residents in certain institutional settings from such
275 requirement. Such cost sharing requirements shall be implemented in
276 accordance with the conditions specified in federal regulations.

277 Sec. 10. Section 17b-261 of the general statutes is repealed and the
278 following is substituted in lieu thereof (*Effective from passage*):

279 (a) Medical assistance shall be provided for any otherwise eligible
280 person whose income, including any available support from legally
281 liable relatives and the income of the person's spouse or dependent
282 child, is not more than one hundred forty-three per cent, pending
283 approval of a federal waiver applied for pursuant to subsection (d) of
284 this section, of the benefit amount paid to a person with no income

285 under the temporary family assistance program in the appropriate
286 region of residence and if such person is an institutionalized
287 individual as defined in Section 1917(c) of the Social Security Act, 42
288 USC 1396p(c), and has not made an assignment or transfer or other
289 disposition of property for less than fair market value for the purpose
290 of establishing eligibility for benefits or assistance under this section.
291 Any such disposition shall be treated in accordance with Section
292 1917(c) of the Social Security Act, 42 USC 1396p(c). Any disposition of
293 property made on behalf of an applicant or recipient or the spouse of
294 an applicant or recipient by a guardian, conservator, person
295 authorized to make such disposition pursuant to a power of attorney
296 or other person so authorized by law shall be attributed to such
297 applicant, recipient or spouse. A disposition of property ordered by a
298 court shall be evaluated in accordance with the standards applied to
299 any other such disposition for the purpose of determining eligibility.
300 The commissioner shall establish the standards for eligibility for
301 medical assistance at one hundred forty-three per cent of the benefit
302 amount paid to a family unit of equal size with no income under the
303 temporary family assistance program in the appropriate region of
304 residence, pending federal approval, except that the medical assistance
305 program shall provide coverage to persons under the age of nineteen
306 up to one hundred eighty-five per cent of the federal poverty level
307 without an asset limit. [On and after January 1, 2001, said] Said
308 medical assistance program shall also provide coverage to persons
309 under the age of nineteen and their parents and needy caretaker
310 relatives who qualify for coverage under Section 1931 of the Social
311 Security Act with family income up to one hundred [fifty] per cent of
312 the federal poverty level without an asset limit, upon the request of
313 such a person or upon a redetermination of eligibility. Such levels shall
314 be based on the regional differences in such benefit amount, if
315 applicable, unless such levels based on regional differences are not in
316 conformance with federal law. Any income in excess of the applicable
317 amounts shall be applied as may be required by said federal law, and
318 assistance shall be granted for the balance of the cost of authorized
319 medical assistance. All contracts entered into on and after July 1, 1997,

320 pursuant to this section shall include provisions for collaboration of
321 managed care organizations with the Healthy Families Connecticut
322 Program established pursuant to section 17a-56. The Commissioner of
323 Social Services shall provide applicants for assistance under this
324 section, at the time of application, with a written statement advising
325 them of the effect of an assignment or transfer or other disposition of
326 property on eligibility for benefits or assistance.

327 (b) For the purposes of the Medicaid program, the Commissioner of
328 Social Services shall consider parental income and resources as
329 available to a child under eighteen years of age who is living with his
330 or her parents and is blind or disabled for purposes of the Medicaid
331 program, or to any other child under twenty-one years of age who is
332 living with his or her parents.

333 (c) For the purposes of determining eligibility for the Medicaid
334 program, an available asset is one that is actually available to the
335 applicant or one that the applicant has the legal right, authority or
336 power to obtain or to have applied for the applicant's general or
337 medical support. If the terms of a trust provide for the support of an
338 applicant, the refusal of a trustee to make a distribution from the trust
339 does not render the trust an unavailable asset. Notwithstanding the
340 provisions of this subsection, the availability of funds in a trust or
341 similar instrument funded in whole or in part by the applicant or the
342 applicant's spouse shall be determined pursuant to the Omnibus
343 Budget Reconciliation Act of 1993, 42 USC 1396p. The provisions of
344 this subsection shall not apply to special needs trust, as defined in 42
345 USC 1396p(d)(4)(A).

346 (d) The transfer of an asset in exchange for other valuable
347 consideration shall be allowable to the extent the value of the other
348 valuable consideration is equal to or greater than the value of the asset
349 transferred.

350 (e) On or before January 15, 1994, and annually thereafter, the
351 Department of Social Services shall submit a report to the General

352 Assembly in accordance with section 11-4a which sets forth the
353 following: The number of children receiving Medicaid services; the
354 number of children receiving medical treatment at any state or
355 municipal health care facility; the number of doctors and dentists
356 participating in state or municipally-funded programs; and the
357 percentage of children treated in medical programs whose family
358 income is less than one hundred thirty-three per cent of the federal
359 poverty level and the number whose family income is greater than one
360 hundred thirty-three per cent but not more than one hundred eighty-
361 five per cent of the federal poverty level. On and after October 1, 1996,
362 the report shall be submitted to the joint standing committee of the
363 General Assembly having cognizance of matters relating to human
364 services and, upon request, to any member of the General Assembly. A
365 summary of the report shall be submitted to each member of the
366 General Assembly if the summary is two pages or less and a
367 notification of the report shall be submitted to each member if the
368 summary is more than two pages. Submission shall be by mailing the
369 report, summary or notification to the legislative address of each
370 member of the committee or the General Assembly, as applicable.

371 (f) The Commissioner of Social Services shall seek a waiver from
372 federal law to permit federal financial participation for Medicaid
373 expenditures for families with incomes of one hundred forty-three per
374 cent of the temporary family assistance program payment standard.

375 (g) Notwithstanding the provisions of subsection (a) of this section,
376 on or after March 15, 2003, all parent and needy caretaker relatives
377 with incomes exceeding one hundred per cent of the federal poverty
378 level, who are receiving medical assistance pursuant to this section,
379 shall be ineligible for such medical assistance. Upon passage of this act,
380 the Department of Social Services shall not accept applications for
381 medical assistance program coverage under Section 1931 of the Social
382 Security Act from parent and needy caretaker relatives with incomes
383 exceeding one hundred per cent of the federal poverty level until on or
384 after July 1, 2005.

385 Sec. 11. Section 17b-280 of the general statutes is repealed and the
386 following is substituted in lieu thereof (*Effective from passage*):

387 [Notwithstanding any provision of the regulations of Connecticut
388 state agencies concerning payment for drugs provided to Medicaid
389 recipients (1) effective July 1, 1989, the]

390 The state shall reimburse for all legend drugs provided under the
391 Medicaid, state-administered general assistance, general assistance,
392 ConnPACE and Connecticut AIDS drug assistance programs at the
393 rate established by the Health Care Finance Administration as the
394 federal acquisition cost, or, if no such rate is established, the
395 commissioner shall establish and periodically revise the estimated
396 acquisition cost in accordance with federal regulations. Effective
397 [September 1, 2002] February 15, 2003, the commissioner shall also
398 establish a professional fee of three dollars and [eighty-five] sixty cents
399 for each prescription to be paid to licensed pharmacies for dispensing
400 drugs to Medicaid, state-administered general assistance, general
401 assistance, ConnPACE and Connecticut AIDS drug assistance
402 recipients in accordance with federal regulations; and [(2)] on and after
403 September 4, 1991, payment for legend and nonlegend drugs provided
404 to Medicaid recipients shall be based upon the actual package size
405 dispensed. Effective October 1, 1991, reimbursement for over-the-
406 counter drugs for such recipients shall be limited to those over-the-
407 counter drugs and products published in the Connecticut Formulary,
408 or the cross reference list, issued by the commissioner. The cost of all
409 over-the-counter drugs and products provided to residents of nursing
410 facilities, chronic disease hospitals, and intermediate care facilities for
411 the mentally retarded shall be included in the facilities' per diem rate.

412 Sec. 12. (NEW) (*Effective from passage*) In no event shall an individual
413 eligible for medical assistance under section 17b-261 of the general
414 statutes, as amended, be guaranteed eligible for such assistance for six
415 consecutive months without regard to changes in certain
416 circumstances that would otherwise cause the individual to become

417 ineligible for assistance.

418 Sec. 13. Subsection (c) of section 17b-112 of the general statutes is
419 repealed and the following is substituted in lieu thereof (*Effective July*
420 *1, 2003*):

421 (c) A family who is subject to time-limited benefits may petition the
422 Commissioner of Social Services for six-month extensions of such
423 benefits. The commissioner shall grant not more than [~~three~~] two
424 extensions to such family who has made a good faith effort to comply
425 with the requirements of the program and despite such effort has a
426 total family income at a level below the payment standard, or has
427 encountered circumstances preventing employment including, but not
428 limited to: (1) Domestic violence or physical harm to such family's
429 children; or (2) other circumstances beyond such family's control. The
430 commissioner shall disregard ninety dollars of earned income in
431 determining applicable family income. The commissioner may grant [a
432 fourth or] a subsequent six-month extension if each adult in the family
433 meets one or more of the following criteria: (A) The adult is precluded
434 from engaging in employment activities due to domestic violence or
435 another reason beyond the adult's control; (B) the adult has two or
436 more substantiated barriers to employment including, but not limited
437 to, the lack of available child care, substance abuse or addiction, severe
438 mental or physical health problems, one or more severe learning
439 disabilities, domestic violence or a child who has a serious physical or
440 behavioral health problem; (C) the adult is working thirty-five or more
441 hours per week, is earning at least the minimum wage and continues
442 to earn less than the family's temporary family assistance payment
443 standard; or (D) the adult is employed and works less than thirty-five
444 hours per week due to (i) a documented medical impairment that
445 limits the adult's hours of employment, provided the adult works the
446 maximum number of hours that the medical condition permits, or (ii)
447 the need to care for a disabled member of the adult's household,
448 provided the adult works the maximum number of hours the adult's
449 caregiving responsibilities permit. Families receiving temporary family
450 assistance shall be notified by the department of the right to petition

451 for such extensions. Notwithstanding the provisions of this section, the
452 commissioner shall not provide benefits under the state's temporary
453 family assistance program to a family that is subject to the twenty-one
454 month benefit limit and has received benefits beginning on or after
455 October 1, 1996, if such benefits result in that family's receiving more
456 than sixty months of time-limited benefits unless that family
457 experiences domestic violence, as defined in Section 402(a)(7)(B), P.L.
458 104-193. For the purpose of calculating said sixty-month limit: (I) A
459 month shall count toward the limit if the family receives assistance for
460 any day of the month, and (II) a month in which a family receives
461 temporary family assistance benefits that are issued from a jurisdiction
462 other than Connecticut shall count toward the limit.

463 Sec. 14. Section 17b-491 of the general statutes is repealed and the
464 following is substituted in lieu thereof (*Effective from passage*):

465 (a) There shall be a "Connecticut Pharmaceutical Assistance
466 Contract to the Elderly and the Disabled Program" which shall be
467 within the Department of Social Services. The program shall consist of
468 payments by the state to pharmacies for the reasonable cost of
469 prescription drugs dispensed to eligible persons minus a copayment
470 charge. The pharmacy shall collect the copayment charge from the
471 eligible person at the time of each purchase of prescription drugs, and
472 shall not waive, discount or rebate in whole or in part such amount.
473 [For an individual who is determined eligible to participate in the
474 program on or after September 1, 2002, said] The copayment for each
475 prescription shall be as follows:

476 (1) [Twelve] Sixteen dollars and twenty-five cents if the participant
477 is (A) not married and has an annual income of less than [fifteen
478 thousand nine hundred] twenty thousand three hundred dollars, or (B)
479 is married and has an annual income that, when combined with the
480 participant's spouse, is less than [twenty-one thousand five] twenty-
481 seven thousand five hundred dollars.

482 [(2) Fifteen dollars if the participant is (A) not married and has an

483 annual income that (i) equals or exceeds fifteen thousand nine hundred
484 dollars, and (ii) equals or is less than twenty thousand dollars, or (B)
485 married and has an annual income that, when combined with the
486 participant's spouse (i) equals or exceeds twenty-one thousand five
487 hundred dollars, and (ii) equals or is less than twenty-seven thousand
488 one hundred dollars.]

489 [(3)] (2) Upon the granting of a federal waiver to expand the
490 program in accordance with section 17b-492, the copayment shall be
491 twenty dollars for a participant who is (A) not married and has an
492 annual income that equals or exceeds twenty thousand three hundred
493 dollars, or (B) married and has an annual income that, when combined
494 with the participant's spouse, equals or exceeds twenty-seven
495 thousand [one] five hundred dollars.

496 [(b) Notwithstanding subsection (a) of this section, an individual
497 who is determined eligible to participate in the program prior to
498 September 1, 2002, shall be responsible for a copayment of twelve
499 dollars for each prescription except that such participant shall pay a
500 copayment of twenty dollars per prescription if the participant has an
501 annual income that exceeds (1) twenty thousand dollars if not married,
502 or (2) if married, when combined with the participant's spouse,
503 twenty-seven thousand one hundred dollars. This subsection shall not
504 apply to an individual who was determined eligible to participate in
505 the program prior to September 1, 2002, and who subsequently
506 reapplies for benefits for any reason after any period of any eligibility.
507 Such individual shall be determined to be responsible for a copayment
508 in accordance with subsection (a) of this section. For purposes of this
509 subsection a redetermination by the Department of Social Services
510 shall not be considered a reapplication for benefits.]

511 [(c)] (b) On January 1, 2002, and annually thereafter, the
512 commissioner shall increase the income limits established in
513 [subsections (a) and (b)] subsection (a) of this section that set the
514 appropriate participant copayment by the increase in the annual
515 inflation adjustment in Social Security income, if any. Each such

516 adjustment shall be determined to the nearest one hundred dollars.

517 [(d)] (c) Notwithstanding the provisions of subsection (a), effective
518 September 15, 1991, payment by the state to a pharmacy under the
519 program may be based on the price paid directly by a pharmacy to a
520 pharmaceutical manufacturer for drugs dispensed under the program
521 minus the copayment charge, plus the dispensing fee, if the direct price
522 paid by the pharmacy is lower than the reasonable cost of such drugs.

523 [(e)] (d) Effective September 15, 1991, reimbursement to a pharmacy
524 for prescription drugs dispensed under the program shall be based
525 upon actual package size costs of drugs purchased by the pharmacy in
526 units larger than or smaller than one hundred.

527 [(f)] (e) The commissioner shall establish an application form
528 whereby a pharmaceutical manufacturer may apply to participate in
529 the program. Upon receipt of a completed application, the department
530 shall issue a certificate of participation to the manufacturer.
531 Participation by a pharmaceutical manufacturer shall require that the
532 department shall receive a rebate from the pharmaceutical
533 manufacturer. Rebate amounts for brand name prescription drugs
534 shall be equal to those under the Medicaid program. Rebate amounts
535 for generic prescription drugs shall be established by the
536 commissioner, provided such amounts may not be less than those
537 under the Medicaid program. A participating pharmaceutical
538 manufacturer shall make quarterly rebate payments to the department
539 for the total number of dosage units of each form and strength of a
540 prescription drug which the department reports as reimbursed to
541 providers of prescription drugs, provided such payments shall not be
542 due until thirty days following the manufacturer's receipt of utilization
543 data from the department including the number of dosage units
544 reimbursed to providers of prescription drugs during the quarter for
545 which payment is due.

546 [(g)] (f) All prescription drugs of a pharmaceutical manufacturer
547 that participates in the program pursuant to subsection [(f)] (e) of this

548 section shall be subject to prospective drug utilization review. Any
549 prescription drug of a manufacturer that does not participate in the
550 program shall not be reimbursable, unless the department determines
551 the prescription drug is essential to program participants.

552 Sec. 15. Subsection (a) of section 17b-492 of the general statutes is
553 repealed and the following is substituted in lieu thereof (*Effective from*
554 *passage*):

555 (a) Eligibility for participation in the program shall be limited to any
556 resident (1) who is sixty-five years of age or older or who is disabled,
557 (2) (A) whose annual income, if unmarried, is less than thirteen
558 thousand eight hundred dollars, except after April 1, 2002, such annual
559 income is less than twenty thousand dollars, or whose annual income,
560 if married, when combined with that of the resident's spouse is less
561 than sixteen thousand six hundred dollars, except after April 1, 2002,
562 such combined annual income is less than twenty-seven thousand one
563 hundred dollars, or (B) in the event the program is granted a waiver to
564 be eligible for federal financial participation, then, after July 1, 2002,
565 whose annual income, if unmarried, is less than twenty-five thousand
566 eight hundred dollars, or whose annual income, if married, when
567 combined with that of the resident's spouse is less than thirty-four
568 thousand eight hundred dollars, (3) who is not insured under a policy
569 which provides full or partial coverage for prescription drugs once a
570 deductible amount is met, and (4) on and after September 15, 1991,
571 who pays an annual [twenty-five-dollar] thirty-dollar registration fee
572 to the Department of Social Services. Effective January 1, 2002, the
573 commissioner shall commence accepting applications from individuals
574 who will become eligible to participate in the program as of April 1,
575 2002. On January 1, 1998, and annually thereafter, the commissioner
576 shall increase the income limits established under this subsection over
577 those of the previous fiscal year to reflect the annual inflation
578 adjustment in Social Security income, if any. Each such adjustment
579 shall be determined to the nearest one hundred dollars.

580 Sec. 16. Subsection (b) of section 17b-749 of the general statutes is

581 repealed and the following is substituted in lieu thereof (*Effective from*
582 *passage*):

583 (b) The commissioner shall establish income standards for
584 applicants and recipients at a level to include a family with gross
585 income up to fifty per cent of the state-wide median income, except the
586 commissioner (1) may increase the income level to up to seventy-five
587 per cent of the state-wide median income, [and] (2) upon the request of
588 the Commissioner of Children and Families, may waive the income
589 standards for adoptive families so that children adopted on or after
590 October 1, 1999, from the Department of Children and Families are
591 eligible for the child care subsidy program, and (3) on and after
592 February 15, 2003, the commissioner shall reduce the income eligibility
593 level to up to fifty-five per cent of the state-wide median income for
594 applicants and recipients who qualify based on their loss of eligibility
595 for temporary family assistance. The commissioner may adopt
596 regulations in accordance with chapter 54 to establish income criteria
597 and durational requirements for such waiver of income standards.

598 Sec. 17. Subdivision (4) of subsection (f) of section 17b-340 of the
599 general statutes is repealed and the following is substituted in lieu
600 thereof (*Effective from passage*):

601 (4) For the fiscal year ending June 30, 1992, (A) no facility shall
602 receive a rate that is less than the rate it received for the rate year
603 ending June 30, 1991; (B) no facility whose rate, if determined pursuant
604 to this subsection, would exceed one hundred twenty per cent of the
605 state-wide median rate, as determined pursuant to this subsection,
606 shall receive a rate which is five and one-half per cent more than the
607 rate it received for the rate year ending June 30, 1991; and (C) no
608 facility whose rate, if determined pursuant to this subsection, would be
609 less than one hundred twenty per cent of the state-wide median rate,
610 as determined pursuant to this subsection, shall receive a rate which is
611 six and one-half per cent more than the rate it received for the rate year
612 ending June 30, 1991. For the fiscal year ending June 30, 1993, no
613 facility shall receive a rate that is less than the rate it received for the

614 rate year ending June 30, 1992, or six per cent more than the rate it
615 received for the rate year ending June 30, 1992. For the fiscal year
616 ending June 30, 1994, no facility shall receive a rate that is less than the
617 rate it received for the rate year ending June 30, 1993, or six per cent
618 more than the rate it received for the rate year ending June 30, 1993.
619 For the fiscal year ending June 30, 1995, no facility shall receive a rate
620 that is more than five per cent less than the rate it received for the rate
621 year ending June 30, 1994, or six per cent more than the rate it received
622 for the rate year ending June 30, 1994. For the fiscal years ending June
623 30, 1996, and June 30, 1997, no facility shall receive a rate that is more
624 than three per cent more than the rate it received for the prior rate
625 year. For the fiscal year ending June 30, 1998, a facility shall receive a
626 rate increase that is not more than two per cent more than the rate that
627 the facility received in the prior year. For the fiscal year ending June
628 30, 1999, a facility shall receive a rate increase that is not more than
629 three per cent more than the rate that the facility received in the prior
630 year and that is not less than one per cent more than the rate that the
631 facility received in the prior year, exclusive of rate increases associated
632 with a wage, benefit and staffing enhancement rate adjustment added
633 for the period from April 1, 1999, to June 30, 1999, inclusive. For the
634 fiscal year ending June 30, 2000, each facility, except a facility with an
635 interim rate or replaced interim rate for the fiscal year ending June 30,
636 1999, and a facility having a certificate of need or other agreement
637 specifying rate adjustments for the fiscal year ending June 30, 2000,
638 shall receive a rate increase equal to one per cent applied to the rate the
639 facility received for the fiscal year ending June 30, 1999, exclusive of
640 the facility's wage, benefit and staffing enhancement rate adjustment.
641 For the fiscal year ending June 30, 2000, no facility with an interim rate,
642 replaced interim rate or scheduled rate adjustment specified in a
643 certificate of need or other agreement for the fiscal year ending June
644 30, 2000, shall receive a rate increase that is more than one per cent
645 more than the rate the facility received in the fiscal year ending June
646 30, 1999. For the fiscal year ending June 30, 2001, each facility, except a
647 facility with an interim rate or replaced interim rate for the fiscal year
648 ending June 30, 2000, and a facility having a certificate of need or other

649 agreement specifying rate adjustments for the fiscal year ending June
650 30, 2001, shall receive a rate increase equal to two per cent applied to
651 the rate the facility received for the fiscal year ending June 30, 2000,
652 subject to verification of wage enhancement adjustments pursuant to
653 subdivision (15) of this subsection. For the fiscal year ending June 30,
654 2001, no facility with an interim rate, replaced interim rate or
655 scheduled rate adjustment specified in a certificate of need or other
656 agreement for the fiscal year ending June 30, 2001, shall receive a rate
657 increase that is more than two per cent more than the rate the facility
658 received for the fiscal year ending June 30, 2000. For the fiscal year
659 ending June 30, 2002, each facility shall receive a rate that is two and
660 one-half per cent more than the rate the facility received in the prior
661 fiscal year. For the fiscal year ending June 30, 2003, each facility shall
662 receive a rate that is two per cent more than the rate the facility
663 received in the prior fiscal year, except that such increase shall be
664 effective January 1, 2003, and such facility rate in effect for the fiscal
665 year ending June 30, 2002, shall be paid for services provided until
666 December 31, 2002, except any facility that would have been issued a
667 lower rate effective July 1, 2002, than for the fiscal year ending June 30,
668 2002, due to interim rate status or agreement with the department shall
669 be issued such lower rate effective July 1, 2002, and have such rate
670 increased two per cent effective [January] June 1, 2003. The
671 Commissioner of Social Services shall add fair rent increases to any
672 other rate increases established pursuant to this subdivision for a
673 facility which has undergone a material change in circumstances
674 related to fair rent.

675 Sec. 18. Section 17b-257 of the general statutes is repealed and the
676 following is substituted in lieu thereof (*Effective from passage*):

677 (a) [On and after July 1, 1998, the] The Commissioner of Social
678 Services shall implement a state medical assistance program for
679 persons ineligible for Medicaid and on or before April 1, 1997, the
680 commissioner shall implement said program in the towns in which the
681 fourteen regional or district offices of the Department of Social Services
682 are located. The commissioner shall establish a schedule for the

683 transfer of recipients of medical assistance administered by towns
684 under the general assistance program to the state program. To the
685 extent possible, the administration of the state medical assistance
686 program shall parallel that of the Medicaid program as it is
687 administered to recipients of temporary family assistance, including
688 eligibility criteria concerning income and assets. Payment for medical
689 services shall be made only for individuals determined eligible. The
690 rates of payment for medical services shall be those of the Medicaid
691 program. Medical services covered under the program shall be those
692 covered under the Medicaid program, except that nonemergency
693 medical transportation, eye care, optical hardware and optometry care,
694 podiatry, chiropractic, natureopathy, home health care and long-term
695 care and services available pursuant to a home and community-based
696 services waiver under Section 1915 of the Social Security Act shall not
697 be covered. On or after April 1, 1997, the commissioner shall
698 implement a managed care program for medical services provided
699 under this program, except services provided pursuant to section 17a-
700 453a. Notwithstanding the provisions of sections 4a-51 and 4a-57, the
701 commissioner may enter into contracts, including, but not limited to,
702 purchase of service agreements to implement the provisions of this
703 section.

704 (b) The Commissioner of Social Services shall impose cost sharing
705 requirements on recipients of medical assistance under this section and
706 section 17b-259 as follows: (1) A one dollar copayment for each
707 outpatient medical service delivered by a state medical assistance
708 program provider to a medical assistance recipient, and (2) a one
709 dollar copayment for each drug prescription at the time the
710 prescription is filled, provided the commissioner may make
711 modifications to the prescription cost-sharing requirement for certain
712 individuals who have drugs dispensed in less than a thirty-day supply
713 and may exempt residents in certain institutional settings from such
714 requirement.

715 Sec. 19. Section 17b-274d of the general statutes is repealed and the
716 following is substituted in lieu thereof (*Effective from passage*):

717 (a) Pursuant to 42 USC 1396r-8, there is established a Medicaid
718 Pharmaceutical and Therapeutics Committee within the Department of
719 Social Services. Said committee shall convene on or before March 31,
720 2003.

721 (b) The Medicaid Pharmaceutical and Therapeutics Committee shall
722 be comprised as specified in 42 USC 1396r-8 and shall consist of eleven
723 members appointed by the Governor. Five members shall be
724 physicians licensed pursuant to chapter 370, five members shall be
725 pharmacists licensed pursuant to chapter 400j, and one member shall
726 be a consumer representative. The members shall serve for terms of
727 two years from the date of their appointment. Members may be
728 appointed to more than one term. The administrative staff of the
729 Department of Social Services shall serve as staff for said committee
730 and assist with all ministerial duties. The Governor shall ensure that
731 the committee membership includes Medicaid participating physicians
732 and pharmacists, with experience serving all segments of the Medicaid
733 population. Not less than one of the committee members shall be a
734 representative of the pharmaceutical manufacturers.

735 (c) Committee members shall select a chairperson and vice-
736 chairperson from the committee membership on an annual basis.

737 (d) The committee shall meet at least quarterly, and may meet at
738 other times at the discretion of the chairperson and committee
739 membership. The committee shall comply with all regulations adopted
740 by the department, including notice of any meeting of the committee,
741 pursuant to the requirements of chapter 54.

742 (e) [Upon recommendation of the Medicaid Pharmaceutical and
743 Therapeutics Committee] On or before July 1, 2003, the Department of
744 Social Services, in consultation with the Medicaid and Pharmaceutical
745 Therapeutics Committee, shall adopt a preferred drug list. To the
746 extent feasible, the [committee] department shall review all drugs
747 included in the preferred drug list at least every twelve months, and
748 may recommend additions to, and deletions from, the preferred drug

749 list, to ensure that the preferred drug list provides for medically
750 appropriate drug therapies for Medicaid patients.

751 (f) Except for mental-health-related drugs and antiretroviral drugs,
752 reimbursement for a drug not included in the preferred drug list is
753 subject to prior authorization.

754 (g) The Department of Social Services shall publish and disseminate
755 the preferred drug list to all Medicaid providers in the state.

756 (h) The committee shall ensure that the pharmaceutical
757 manufacturers agreeing to provide a supplemental rebate pursuant to
758 42 USC 1396r-8(c) have an opportunity to present evidence supporting
759 inclusion of a product on the preferred drug list unless a court of
760 competent jurisdiction, in a final decision, determines that the
761 Secretary of Health and Human Services does not have authority to
762 allow such supplemental rebates; provided the inability to utilize
763 supplemental rebates pursuant to this subsection shall not impair the
764 committee's authority to maintain a preferred drug list. Upon timely
765 notice, the department shall ensure that any drug that has been
766 approved or had any of its particular uses approved by the United
767 States Food and Drug Administration under a priority review
768 classification, will be reviewed by the Medicaid Pharmaceutical and
769 Therapeutics Committee at the next regularly scheduled meeting. To
770 the extent feasible, upon notice by a pharmaceutical manufacturer, the
771 department shall also schedule a product review for any new product
772 at the next regularly scheduled meeting of the Medicaid
773 Pharmaceutical and Therapeutics Committee.

774 (i) Factors considered by the department and the Medicaid
775 Pharmaceutical and Therapeutics Committee in developing the
776 preferred drug list shall include, but not be limited to, clinical efficacy,
777 safety and cost effectiveness of a product.

778 (j) The Medicaid Pharmaceutical and Therapeutics Committee may
779 also make recommendations to the department regarding the prior
780 authorization of any prescribed drug covered by Medicaid.

781 (k) Medicaid recipients may appeal any department preferred drug
782 list determinations utilizing the Medicaid fair hearing process
783 administered by the Department of Social Services established
784 pursuant to chapter 54.

785 Sec. 20. (NEW) (*Effective from passage*) Notwithstanding the
786 provisions of section 16-245m of the general statutes, the Department
787 of Public Utility Control shall authorize the disbursement of a total of
788 one million dollars in each month, commencing with February, 2003,
789 and ending with July, 2005, from the Energy Conservation and Load
790 Management Funds established pursuant to said section 16-245m. The
791 amount disbursed from each Energy Conservation and Load
792 Management Fund shall be proportionately based on the receipts
793 received by each fund. Such disbursements shall be deposited in a
794 nonlapsing account within the General Fund to be used by state
795 agencies for electrical utility costs, including conservation projects.

796 Sec. 21. (NEW) (*Effective from passage*) At the end of each fiscal year
797 commencing with the fiscal year ending on June 30, 2003, the
798 Comptroller is authorized to record as revenue for such fiscal year the
799 amount of any payments from the Energy Conservation and Load
800 Management Funds which are deposited into the General Fund
801 pursuant to section 20 of this act no later than (1) the last day of July
802 immediately following the end of such fiscal year, or (2) if such last
803 day of July is a Saturday, Sunday or legal holiday, as defined in section
804 12-39a of the general statutes, the next succeeding day which is not a
805 Saturday, Sunday or legal holiday.

806 Sec. 22. Subdivisions (5) and (6) of subsection (a) of section 12-700 of
807 the general statutes are repealed and the following is substituted in
808 lieu thereof (*Effective from passage and applicable to taxable years*
809 *commencing on or after January 1, 2003*):

810 (5) For taxable years commencing on or after January 1, 1999, but
811 prior to January 1, 2003, in accordance with the following schedule:

812 (A) For any person who files a return under the federal income tax

813 for such taxable year as an unmarried individual or as a married
 814 individual filing separately:

T420	Connecticut Taxable Income	Rate of Tax
T421	Not over \$10,000	3.0%
T422	Over \$10,000	\$300.00, plus 4.5% of the
T423		excess over \$10,000

815 (B) For any person who files a return under the federal income tax
 816 for such taxable year as a head of household, as defined in Section 2(b)
 817 of the Internal Revenue Code:

T424	Connecticut Taxable Income	Rate of Tax
T425	Not over \$16,000	3.0%
T426	Over \$16,000	\$480.00, plus 4.5% of the
T427		excess over \$16,000

818 (C) For any husband and wife who file a return under the federal
 819 income tax for such taxable year as married individuals filing jointly or
 820 any person who files a return under the federal income tax for such
 821 taxable year as a surviving spouse, as defined in Section 2(a) of the
 822 Internal Revenue Code:

T428	Connecticut Taxable Income	Rate of Tax
T429	Not over \$20,000	3.0%
T430	Over \$20,000	\$600.00, plus 4.5% of the
T431		excess over \$20,000

823 (D) For trusts or estates, the rate of tax shall be 4.5% of their
 824 Connecticut taxable income.

825 (6) For taxable years commencing on or after January 1, 2003, in
 826 accordance with the following schedule:

827 (A) For any person who files a return under the federal income tax
 828 for such taxable year as an unmarried individual and for any trust or
 829 estate:

T432	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T433	<u>Not over \$10,000</u>	<u>3.0%</u>
T434	<u>Over \$10,000 but not over</u>	<u>\$300.00, plus 4.5% of the</u>
T435	<u>\$53,125</u>	<u>excess over \$10,000</u>
T436	<u>Over \$53,125 but not over</u>	<u>\$2,240.63, plus 5.0% of the</u>
T437	<u>\$106,500</u>	<u>excess over \$53,125</u>
T438	<u>Over \$106,500 but not over</u>	<u>\$4,909.38, plus 5.5% of the</u>
T439	<u>\$265,500</u>	<u>excess over \$106,500</u>
T440	<u>Over \$265,500</u>	<u>\$13,654.38, plus 5.75% of the</u>
T441		<u>excess over \$265,500</u>

830 (B) For any person who files a return under the federal income tax
 831 for such taxable year as a married individual filing separately:

T442	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T443	<u>Not over \$10,000</u>	<u>3.0%</u>
T444	<u>Over \$10,000 but not over</u>	<u>\$300.00, plus 4.5% of the</u>
T445	<u>\$50,000</u>	<u>excess over \$10,000</u>
T446	<u>Over \$50,000 but not over</u>	<u>\$2,100.00, plus 5.0% of the</u>
T447	<u>\$100,000</u>	<u>excess over \$50,000</u>

T448	<u>Over \$100,000 but not over</u>	<u>\$4,600.00, plus 5.5% of the</u>
T449	<u>\$250,000</u>	<u>excess over \$100,000</u>
T450	<u>Over \$250,000</u>	<u>\$12,850.00, plus 5.75% of the</u>
T451		<u>excess over \$250,000</u>

832 (C) For any person who files a return under the federal income tax
 833 for such taxable year as a head of household, as defined in Section 2(b)
 834 of the Internal Revenue Code:

T452	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T453	<u>Not over \$16,000</u>	<u>3.0%</u>
T454	<u>Over \$16,000 but not over</u>	<u>\$480.00, plus 4.5% of the</u>
T455	<u>\$80,000</u>	<u>excess over \$16,000</u>
T456	<u>Over \$80,000 but not over</u>	<u>\$3,360, plus 5.0% of the</u>
T457	<u>\$156,000</u>	<u>excess over \$80,000</u>
T458	<u>Over \$156,000 but not over</u>	<u>\$7,260, plus 5.5% of the</u>
T459	<u>\$396,000</u>	<u>excess over \$156,000</u>
T460	<u>Over \$396,000</u>	<u>\$20,350, plus 5.75% of the</u>
T461		<u>excess over \$396,000</u>

835 (D) For any husband and wife who file a return under the federal
 836 income tax for such taxable year as married individuals filing jointly or
 837 any person who files a return under the federal income tax for such
 838 taxable year as a surviving spouse, as defined in Section 2(a) of the
 839 Internal Revenue Code:

T462	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T463	<u>Not over \$20,000</u>	<u>3.0%</u>
T464	<u>Over \$20,000 but not over</u>	<u>\$600.00, plus 4.5% of the</u>

T465	<u>\$100,000</u>	<u>excess over \$20,000</u>
T466	<u>Over \$100,000 but not over</u>	<u>\$4,200, plus 5.0% of the</u>
T467	<u>\$200,000</u>	<u>excess over \$100,000</u>
T468	<u>Over \$200,000 but not over</u>	<u>\$9,200, plus 5.5% of the</u>
T469	<u>\$500,000</u>	<u>excess over \$200,000</u>
T470	<u>Over \$500,000</u>	<u>\$25,700, plus 5.75% of the</u>
T471		<u>excess over \$500,000</u>

840 [(6)] (Z) The provisions of this subsection shall apply to resident
 841 trusts and estates and, wherever reference is made in this subsection to
 842 residents of this state, such reference shall be construed to include
 843 resident trusts and estates, provided any reference to a resident's
 844 Connecticut adjusted gross income derived from sources without this
 845 state or to a resident's Connecticut adjusted gross income shall be
 846 construed, in the case of a resident trust or estate, to mean the resident
 847 trust or estate's Connecticut taxable income derived from sources
 848 without this state and the resident trust or estate's Connecticut taxable
 849 income, respectively.

850 Sec. 23. (*Effective from passage*) The Commissioner of Revenue
 851 Services shall adjust the withholding tables issued for purposes of
 852 administering the personal income tax imposed under chapter 229 of
 853 the general statutes to take account of any changes in such tax made by
 854 this act and, on or before March 1, 2003, shall issue new withholding
 855 tables applicable to taxable years commencing on or after January 1,
 856 2003, provided the tables applicable to the period from March 1, 2003,
 857 to June 30, 2003, shall provide for the collection of a tax computed in
 858 such manner as to result, so far as practicable, in withholding from the
 859 employee's wages during such period an amount substantially
 860 equivalent to the tax reasonably estimated to be due from the
 861 employee under said chapter 229 with respect to the amount of such
 862 wages during a six-month period and further provided the tables
 863 applicable to any period after June 30, 2003, shall be prepared as
 864 provided in section 12-705 of the general statutes.

865 Sec. 24. (NEW) (*Effective from passage*) Notwithstanding the
866 provisions of section 12-722 of the general statutes, any taxpayer
867 required to make an estimated payment in June, 2003, for the tax due
868 under chapter 229 of the general statutes shall make such payment in
869 an amount which is adjusted for any change in the rate applicable to
870 the current taxable year, as provided in section 12-700 of the general
871 statutes, as amended by this act.

872 Sec. 25. Subsection (c) of section 12-704c of the general statutes is
873 repealed and the following is substituted in lieu thereof (*Effective from*
874 *passage and applicable to taxable years commencing on or after January 1,*
875 *2003*):

876 (c) (1) (A) For taxable years commencing prior to January 1, 2000, in
877 the case of any such taxpayer who files under the federal income tax
878 for such taxable year as an unmarried individual whose Connecticut
879 adjusted gross income exceeds fifty-two thousand five hundred
880 dollars, the amount of the credit that exceeds one hundred dollars shall
881 be reduced by ten per cent for each ten thousand dollars, or fraction
882 thereof, by which the taxpayer's Connecticut adjusted gross income
883 exceeds said amount.

884 (B) For taxable years commencing on or after January 1, 2000, but
885 prior to January 1, 2001, in the case of any such taxpayer who files
886 under the federal income tax for such taxable year as an unmarried
887 individual whose Connecticut adjusted gross income exceeds
888 fifty-three thousand five hundred dollars, the amount of the credit that
889 exceeds one hundred dollars shall be reduced by ten per cent for each
890 ten thousand dollars, or fraction thereof, by which the taxpayer's
891 Connecticut adjusted gross income exceeds said amount.

892 (C) For taxable years commencing on or after January 1, 2001, but
893 prior to January 1, 2004, in the case of any such taxpayer who files
894 under the federal income tax for such taxable year as an unmarried
895 individual whose Connecticut adjusted gross income exceeds fifty-four
896 thousand five hundred dollars, the amount of the credit [that exceeds

897 one hundred dollars] shall be reduced by ten per cent for each ten
898 thousand dollars, or fraction thereof, by which the taxpayer's
899 Connecticut adjusted gross income exceeds said amount.

900 (D) For taxable years commencing on or after January 1, 2004, but
901 prior to January 1, 2005, in the case of any such taxpayer who files
902 under the federal income tax for such taxable year as an unmarried
903 individual whose Connecticut adjusted gross income exceeds fifty-five
904 thousand five hundred dollars, the amount of the credit [that exceeds
905 one hundred dollars] shall be reduced by ten per cent for each ten
906 thousand dollars, or fraction thereof, by which the taxpayer's
907 Connecticut adjusted gross income exceeds said amount.

908 (E) For taxable years commencing on or after January 1, 2005, but
909 prior to January 1, 2006, in the case of any such taxpayer who files
910 under the federal income tax for such taxable year as an unmarried
911 individual whose Connecticut adjusted gross income exceeds fifty-six
912 thousand five hundred dollars, the amount of the credit [that exceeds
913 one hundred dollars] shall be reduced by ten per cent for each ten
914 thousand dollars, or fraction thereof, by which the taxpayer's
915 Connecticut adjusted gross income exceeds said amount.

916 (F) For taxable years commencing on or after January 1, 2006, but
917 prior to January 1, 2007, in the case of any such taxpayer who files
918 under the federal income tax for such taxable year as an unmarried
919 individual whose Connecticut adjusted gross income exceeds fifty-
920 eight thousand five hundred dollars, the amount of the credit [that
921 exceeds one hundred dollars] shall be reduced by ten per cent for each
922 ten thousand dollars, or fraction thereof, by which the taxpayer's
923 Connecticut adjusted gross income exceeds said amount.

924 (G) For taxable years commencing on or after January 1, 2007, but
925 prior to January 1, 2008, in the case of any such taxpayer who files
926 under the federal income tax for such taxable year as an unmarried
927 individual whose Connecticut adjusted gross income exceeds sixty
928 thousand five hundred dollars, the amount of the credit [that exceeds

929 one hundred dollars] shall be reduced by ten per cent for each ten
930 thousand dollars, or fraction thereof, by which the taxpayer's
931 Connecticut adjusted gross income exceeds said amount.

932 (H) For taxable years commencing on or after January 1, 2008, but
933 prior to January 1, 2009, in the case of any such taxpayer who files
934 under the federal income tax for such taxable year as an unmarried
935 individual whose Connecticut adjusted gross income exceeds
936 sixty-two thousand five hundred dollars, the amount of the credit [that
937 exceeds one hundred dollars] shall be reduced by ten per cent for each
938 ten thousand dollars, or fraction thereof, by which the taxpayer's
939 Connecticut adjusted gross income exceeds said amount.

940 (I) For taxable years commencing on or after January 1, 2009, in the
941 case of any such taxpayer who files under the federal income tax for
942 such taxable year as an unmarried individual whose Connecticut
943 adjusted gross income exceeds sixty-four thousand five hundred
944 dollars, the amount of the credit [that exceeds one hundred dollars]
945 shall be reduced by ten per cent for each ten thousand dollars, or
946 fraction thereof, by which the taxpayer's Connecticut adjusted gross
947 income exceeds said amount.

948 (2) In the case of any such taxpayer who files under the federal
949 income tax for such taxable year as a married individual filing
950 separately whose Connecticut adjusted gross income exceeds fifty
951 thousand two hundred fifty dollars, the amount of the credit [that
952 exceeds one hundred dollars] shall be reduced by ten per cent for each
953 five thousand dollars, or fraction thereof, by which the taxpayer's
954 Connecticut adjusted gross income exceeds said amount.

955 (3) In the case of a taxpayer who files under the federal income tax
956 for such taxable year as a head of household whose Connecticut
957 adjusted gross income exceeds seventy-eight thousand five hundred
958 dollars, the amount of the credit [that exceeds one hundred dollars]
959 shall be reduced by ten per cent for each ten thousand dollars or
960 fraction thereof, by which the taxpayer's Connecticut adjusted gross

961 income exceeds said amount.

962 (4) In the case of a taxpayer who files under federal income tax for
963 such taxable year as married individuals filing jointly whose
964 Connecticut adjusted gross income exceeds one hundred thousand five
965 hundred dollars, the amount of the credit [that exceeds one hundred
966 dollars] shall be reduced by ten per cent for each ten thousand dollars,
967 or fraction thereof, by which the taxpayer's Connecticut adjusted gross
968 income exceeds said amount.

969 Sec. 26. Subdivision (1) of section 12-408 of the general statutes is
970 repealed and the following is substituted in lieu thereof (*Effective from*
971 *passage and applicable to sales occurring on or after March 1, 2003*):

972 (1) For the privilege of making any sales, as defined in subdivision
973 (2) of subsection (a) of section 12-407, at retail, in this state for a
974 consideration, a tax is hereby imposed on all retailers at the rate of six
975 per cent of the gross receipts of any retailer from the sale of all tangible
976 personal property sold at retail or from the rendering of any services
977 constituting a sale in accordance with subdivision (2) of subsection (a)
978 of section 12-407, except, in lieu of said rate of six per cent, (A) at a rate
979 of twelve per cent with respect to each transfer of occupancy, from the
980 total amount of rent received for such occupancy of any room or
981 rooms in a hotel or lodging house for the first period not exceeding
982 thirty consecutive calendar days, (B) with respect to the sale of a motor
983 vehicle to any individual who is a member of the armed forces of the
984 United States and is on full-time active duty in Connecticut and who is
985 considered, under 50 App USC 574, a resident of another state, or to
986 any such individual and the spouse thereof, at a rate of four and
987 one-half per cent of the gross receipts of any retailer from such sales,
988 provided such retailer requires and maintains a declaration by such
989 individual, prescribed as to form by the commissioner and bearing
990 notice to the effect that false statements made in such declaration are
991 punishable, or other evidence, satisfactory to the commissioner,
992 concerning the purchaser's state of residence under 50 App USC 574,
993 (C) (i) with respect to the sales of computer and data processing

994 services occurring on or after July 1, 1997, and prior to July 1, 1998, at
995 the rate of five per cent, on or after July 1, 1998, and prior to July 1,
996 1999, at the rate of four per cent, on or after July 1, 1999, and prior to
997 July 1, 2000, at the rate of three per cent, on or after July 1, 2000, and
998 prior to July 1, 2001, at the rate of two per cent, on or after July 1, 2001,
999 and prior to [July 1, 2004] March 1, 2003, at the rate of one per cent and
1000 on and after [July 1, 2004, such services shall be exempt from such tax]
1001 March 1, 2003, at the rate of three per cent, (ii) with respect to sales of
1002 Internet access services, on and after July 1, 2001, such services shall be
1003 exempt from such tax, (D) with respect to the sales of labor that is
1004 otherwise taxable under subparagraph (C) or (G) of subdivision (2) of
1005 subsection (a) of section 12-407 on existing vessels and repair or
1006 maintenance services on vessels occurring on and after July 1, 1999,
1007 such services shall be exempt from such tax, and (E) with respect to
1008 patient care services for which payment is received by the hospital on
1009 or after July 1, 1999, and prior to July 1, 2001, and with respect to such
1010 services for which payment is received by the hospital on or after July
1011 1, 2003, at the rate of five and three-fourths per cent. The rate of tax
1012 imposed by this chapter shall be applicable to all retail sales upon the
1013 effective date of such rate, except that a new rate which represents an
1014 increase in the rate applicable to the sale shall not apply to any sales
1015 transaction wherein a binding sales contract without an escalator
1016 clause has been entered into prior to the effective date of the new rate
1017 and delivery is made within ninety days after the effective date of the
1018 new rate. For the purposes of payment of the tax imposed under this
1019 section, any retailer of services taxable under subparagraph (I) of
1020 subdivision (2) of subsection (a) of section 12-407, who computes
1021 taxable income, for purposes of taxation under the Internal Revenue
1022 Code of 1986, or any subsequent corresponding internal revenue code
1023 of the United States, as from time to time amended, on an accounting
1024 basis which recognizes only cash or other valuable consideration
1025 actually received as income and who is liable for such tax only due to
1026 the rendering of such services may make payments related to such tax
1027 for the period during which such income is received, without penalty
1028 or interest, without regard to when such service is rendered.

1029 Sec. 27. Subdivision (1) of section 12-411 of the general statutes is
1030 repealed and the following is substituted in lieu thereof (*Effective from*
1031 *passage and applicable to sales occurring on or after March 1, 2003*):

1032 (1) An excise tax is hereby imposed on the storage, acceptance,
1033 consumption or any other use in this state of tangible personal
1034 property purchased from any retailer for storage, acceptance,
1035 consumption or any other use in this state, the acceptance or receipt of
1036 any services constituting a sale in accordance with subdivision (2) of
1037 subsection (a) of section 12-407, purchased from any retailer for
1038 consumption or use in this state, or the storage, acceptance,
1039 consumption or any other use in this state of tangible personal
1040 property which has been manufactured, fabricated, assembled or
1041 processed from materials by a person, either within or without this
1042 state, for storage, acceptance, consumption or any other use by such
1043 person in this state, to be measured by the sales price of materials, at
1044 the rate of six per cent of the sales price of such property or services,
1045 except, in lieu of said rate of six per cent, (A) at a rate of twelve per
1046 cent of the rent paid for occupancy of any room or rooms in a hotel or
1047 lodging house for the first period of not exceeding thirty consecutive
1048 calendar days, (B) with respect to the storage, acceptance, consumption
1049 or use in this state of a motor vehicle purchased from any retailer for
1050 storage, acceptance, consumption or use in this state by any individual
1051 who is a member of the armed forces of the United States and is on
1052 full-time active duty in Connecticut and who is considered, under 50
1053 App USC 574, a resident of another state, or to any such individual
1054 and the spouse of such individual at a rate of four and one-half per
1055 cent of the sales price of such vehicle, provided such retailer requires
1056 and maintains a declaration by such individual, prescribed as to form
1057 by the commissioner and bearing notice to the effect that false
1058 statements made in such declaration are punishable, or other evidence,
1059 satisfactory to the commissioner, concerning the purchaser's state of
1060 residence under 50 App USC 574, (C) with respect to the acceptance or
1061 receipt in this state of labor that is otherwise taxable under
1062 subparagraph (C) or (G) of subdivision (2) of subsection (a) of section

1063 12-407 on existing vessels and repair or maintenance services on
1064 vessels occurring on and after July 1, 1999, such services shall be
1065 exempt from such tax, (D) (i) with respect to the acceptance or receipt
1066 in this state of computer and data processing services purchased from
1067 any retailer for consumption or use in this state occurring on or after
1068 July 1, 1997, and prior to July 1, 1998, at the rate of five per cent of such
1069 services, on or after July 1, 1998, and prior to July 1, 1999, at the rate of
1070 four per cent of such services, on or after July 1, 1999, and prior to July
1071 1, 2000, at the rate of three per cent of such services, on or after July 1,
1072 2000, and prior to July 1, 2001, at the rate of two per cent of such
1073 services, on and after July 1, 2001, and prior to [July 1, 2004] March 1,
1074 2003, at the rate of one per cent of such services and on and after [July
1075 1, 2004, such services shall be exempt from such tax] March 1, 2003, at
1076 the rate of three per cent, and (ii) with respect to the acceptance or
1077 receipt in this state of Internet access services, on or after July 1, 2001,
1078 such services shall be exempt from tax, and (E) with respect to the
1079 acceptance or receipt in this state of patient care services purchased
1080 from any retailer for consumption or use in this state for which
1081 payment is received by the hospital on or after July 1, 1999, and prior
1082 to July 1, 2001, and with respect to acceptance or receipt in this state of
1083 such services for which payment is received by the hospital on or after
1084 July 1, 2003, at the rate of five and three-fourths per cent.

1085 Sec. 28. Subdivision (37) of subsection (a) of section 12-407 of the
1086 general statutes is repealed and the following is substituted in lieu
1087 thereof (*Effective March 1, 2003, and applicable to sales occurring on or after*
1088 *March 1, 2003*):

1089 (37) "Services" for purposes of subdivision (2) of this subsection,
1090 means:

1091 (A) Computer and data processing services, including, but not
1092 limited to, time, programming, code writing, modification of existing
1093 programs, feasibility studies and installation and implementation of
1094 software programs and systems even where such services are rendered
1095 in connection with the development, creation or production of canned

1096 or custom software or the license of custom software, and exclusive of
1097 services rendered in connection with the creation, development
1098 hosting or maintenance of all or part of a web site which is part of the
1099 graphical, hypertext portion of the Internet, commonly referred to as
1100 the World Wide Web;

1101 (B) Credit information and reporting services;

1102 (C) Services by employment agencies and agencies providing
1103 personnel services;

1104 (D) Private investigation, protection, patrol work, watchman and
1105 armored car services, exclusive of services of off-duty police officers
1106 and off-duty firefighters;

1107 (E) Painting and lettering services;

1108 (F) Photographic studio services;

1109 (G) Telephone answering services;

1110 (H) Stenographic services;

1111 (I) Services to industrial, commercial or income-producing real
1112 property, including, but not limited to, such services as management,
1113 electrical, plumbing, painting and carpentry and excluding any such
1114 services rendered in the voluntary evaluation, prevention, treatment,
1115 containment or removal of hazardous waste, as defined in section
1116 22a-115, or other contaminants of air, water or soil, provided
1117 income-producing property shall not include property used
1118 exclusively for residential purposes in which the owner resides and
1119 which contains no more than three dwelling units, or a housing facility
1120 for low and moderate income families and persons owned or operated
1121 by a nonprofit housing organization, as defined in subdivision (29) of
1122 section 12-412;

1123 (J) Business analysis, management, management consulting and
1124 public relations services, excluding (i) any environmental consulting

1125 services, (ii) any training services provided by an institution of higher
1126 education licensed or accredited by the Board of Governors of Higher
1127 Education pursuant to section 10a-34, and (iii) on and after January 1,
1128 1994, any business analysis, management, management consulting and
1129 public relations services when such services are rendered in connection
1130 with an aircraft leased or owned by a certificated air carrier or in
1131 connection with an aircraft which has a maximum certificated take-off
1132 weight of six thousand pounds or more;

1133 (K) Services providing "piped-in" music to business or professional
1134 establishments;

1135 (L) Flight instruction and chartering services by a certificated air
1136 carrier on an aircraft, the use of which for such purposes, but for the
1137 provisions of subdivision (4) of section 12-410 and subdivision (12) of
1138 section 12-411, would be deemed a retail sale and a taxable storage or
1139 use, respectively, of such aircraft by such carrier;

1140 (M) Motor vehicle repair services, including any type of repair,
1141 painting or replacement related to the body or any of the operating
1142 parts of a motor vehicle;

1143 (N) Motor vehicle parking, including the provision of space, other
1144 than metered space, in a lot having thirty or more spaces, excluding (i)
1145 space in a seasonal parking lot provided by a person who is exempt
1146 from taxation under this chapter pursuant to subdivision (1), (5) or (8)
1147 of section 12-412, (ii) space in a parking lot owned or leased under the
1148 terms of a lease of not less than ten years' duration and operated by an
1149 employer for the exclusive use of its employees, (iii) valet parking
1150 provided at any airport, and (iv) space in municipally-operated
1151 railroad parking facilities in municipalities located within an area of
1152 the state designated as a severe nonattainment area for ozone under
1153 the federal Clean Air Act or space in a railroad parking facility in a
1154 municipality located within an area of the state designated as a severe
1155 nonattainment area for ozone under the federal Clean Air Act owned
1156 or operated by the state on or after April 1, 2000;

- 1157 (O) Radio or television repair services;
- 1158 (P) Furniture reupholstering and repair services;
- 1159 (Q) Repair services to any electrical or electronic device, including,
1160 but not limited to, equipment used for purposes of refrigeration or
1161 air-conditioning;
- 1162 (R) Lobbying or consulting services for purposes of representing the
1163 interests of a client in relation to the functions of any governmental
1164 entity or instrumentality;
- 1165 (S) Services of the agent of any person in relation to the sale of any
1166 item of tangible personal property for such person, exclusive of the
1167 services of a consignee selling works of art, as defined in subsection (b)
1168 of section 12-376c, or articles of clothing or footwear intended to be
1169 worn on or about the human body other than (i) any special clothing
1170 or footwear primarily designed for athletic activity or protective use
1171 and which is not normally worn except when used for the athletic
1172 activity or protective use for which it was designed, and (ii) jewelry,
1173 handbags, luggage, umbrellas, wallets, watches and similar items
1174 carried on or about the human body but not worn on the body in the
1175 manner characteristic of clothing intended for exemption under
1176 subdivision (47) of section 12-412, as amended by this act, under
1177 consignment, exclusive of services provided by an auctioneer;
- 1178 (T) Locksmith services;
- 1179 (U) Advertising or public relations services, including layout, art
1180 direction, graphic design, mechanical preparation or production
1181 supervision; [, not related to the development of media advertising or
1182 cooperative direct mail advertising;]
- 1183 (V) Landscaping and horticulture services;
- 1184 (W) Window cleaning services;
- 1185 (X) Maintenance services;

- 1186 (Y) Janitorial services;
- 1187 (Z) Exterminating services;
- 1188 (AA) Swimming pool cleaning and maintenance services;
- 1189 (BB) Miscellaneous personal services included in industry group 729
1190 in the Standard Industrial Classification Manual, United States Office
1191 of Management and Budget, 1987 edition, or U.S. industry 532220,
1192 812191, 812199 or 812990 in the North American Industrial
1193 Classification System United States Manual, United States Office of
1194 Management and Budget, 1997 edition, exclusive of (i) services
1195 rendered by massage therapists licensed pursuant to chapter 384a, and
1196 (ii) services rendered by an electrologist licensed pursuant to chapter
1197 388;
- 1198 (CC) Any repair or maintenance service to any item of tangible
1199 personal property including any contract of warranty or service related
1200 to any such item;
- 1201 (DD) Business analysis, management or managing consulting
1202 services rendered by a general partner, or an affiliate thereof, to a
1203 limited partnership, provided (i) the general partner, or an affiliate
1204 thereof, is compensated for the rendition of such services other than
1205 through a distributive share of partnership profits or an annual
1206 percentage of partnership capital or assets established in the limited
1207 partnership's offering statement, and (ii) the general partner, or an
1208 affiliate thereof, offers such services to others, including any other
1209 partnership. As used in this subparagraph "an affiliate of a general
1210 partner" means an entity which is directly or indirectly owned fifty per
1211 cent or more in common with a general partner; [and]
- 1212 (EE) Notwithstanding the provisions of section 12-412, as amended
1213 by this act, except subdivision (87) of said section 12-412, patient care
1214 services, as defined in subdivision (29) of this subsection by a hospital,
1215 except that "sale" and "selling" does not include such patient care
1216 services for which payment is received by the hospital during the

1217 period commencing July 1, 2001, and ending June 30, 2003;

1218 (FF) Health and athletic club services, exclusive of (i) any such
1219 services provided without any additional charge which are included in
1220 any dues or initiation fees paid to any such club, which dues or fees
1221 are subject to tax under section 12-543, and (ii) any such services
1222 provided by a municipality or an organization that is described in
1223 Section 501(c) of the Internal Revenue Code of 1986, or any subsequent
1224 corresponding internal revenue code of the United States, as from time
1225 to time amended.

1226 Sec. 29. Subdivision (47) of section 12-412 of the general statutes is
1227 repealed and the following is substituted in lieu thereof (*Effective*
1228 *March 1, 2003, and applicable to sales occurring on or after March 1, 2003*):

1229 (47) Sales of any article of clothing or footwear intended to be worn
1230 on or about the human body the cost of which to the purchaser is less
1231 than [seventy-five] fifty dollars. For purposes of this subdivision
1232 clothing or footwear shall not include (A) any special clothing or
1233 footwear primarily designed for athletic activity or protective use that
1234 is not normally worn except when used for the athletic activity or
1235 protective use for which it was designed, and (B) jewelry, handbags,
1236 luggage, umbrellas, wallets, watches and similar items carried on or
1237 about the human body but not worn on the body in the manner
1238 characteristic of clothing intended for exemption under this
1239 subdivision.

1240 Sec. 30. Section 12-642 of the general statutes is repealed and the
1241 following is substituted in lieu thereof (*Effective from passage and*
1242 *applicable to calendar years commencing on or after January 1, 2003*):

1243 (a) (1) With respect to calendar years (1) commencing prior to January
1244 1, 2001, the tax imposed by section 12-640 for the calendar year shall be
1245 at a rate of the taxable gifts made by the donor during the calendar
1246 year set forth in the following schedule:

T472	Amount of Taxable Gifts	Rate of Tax
T473	Not over \$25,000	1%
T474	Over \$25,000	\$250, plus 2% of the excess
T475	but not over \$50,000	over \$25,000
T476	Over \$50,000	\$750, plus 3% of the excess
T477	but not over \$75,000	over \$50,000
T478	Over \$75,000	\$1,500, plus 4% of the excess
T479	but not over \$100,000	over \$75,000
T480	Over \$100,000	\$2,500, plus 5% of the excess
T481	but not over \$200,000	over \$100,000
T482	Over \$200,000	\$7,500, plus 6% of the excess
T483		over \$200,000

1247 (2) With respect to the calendar years commencing January 1, 2001,
 1248 January 1, 2002, [and] January 1, 2003, and January 1, 2004, the tax
 1249 imposed by section 12-640 for each such calendar year shall be at a rate
 1250 of the taxable gifts made by the donor during the calendar year set
 1251 forth in the following schedule:

T484	Amount of Taxable Gifts	Rate of Tax
T485	Over \$25,000	\$250, plus 2% of the excess
T486	but not over \$50,000	over \$25,000
T487	Over \$50,000	\$750, plus 3% of the excess
T488	but not over \$75,000	over \$50,000
T489	Over \$75,000	\$1,500, plus 4% of the excess
T490	but not over \$100,000	over \$75,000
T491	Over \$100,000	\$2,500, plus 5% of the excess
T492	but not over \$675,000	over \$100,000
T493	Over \$675,000	\$31,250, plus 6% of the excess
T494		over \$675,000

1252 (3) With respect to the calendar year commencing January 1, [2004]

1253 2005, the tax imposed by section 12-640 for the calendar year shall be at
 1254 a rate of the taxable gifts made by the donor during the calendar year
 1255 set forth in the following schedule:

T495	Amount of Taxable Gifts	Rate of Tax
T496	Over \$50,000	\$750, plus 3% of the excess
T497	but not over \$75,000	over \$50,000
T498	Over \$75,000	\$1,500, plus 4% of the excess
T499	but not over \$100,000	over \$75,000
T500	Over \$100,000	\$2,500, plus 5% of the excess
T501	but not over \$700,000	over \$100,000
T502	Over \$700,000	\$32,500, plus 6% of the excess
T503		over \$700,000

1256 (4) With respect to the calendar year commencing January 1, [2005]
 1257 2006, the tax imposed by section 12-640 for the calendar year shall be at
 1258 a rate of the taxable gifts made by the donor during the calendar year
 1259 set forth in the following schedule:

T504	Amount of Taxable Gifts	Rate of Tax
T505	Over \$75,000	\$1,500, plus 4% of the excess
T506	but not over \$100,000	over \$75,000
T507	Over \$100,000	\$2,500, plus 5% of the excess
T508	but not over \$700,000	over \$100,000
T509	Over \$700,000	\$32,500, plus 6% of the excess
T510		over \$700,000

1260 (5) With respect to the calendar year commencing January 1, [2006]
 1261 2007, the tax imposed by section 12-640 for the calendar year shall be at
 1262 a rate of the taxable gifts made by the donor during the calendar year

1263 set forth in the following schedule:

T511	Amount of Taxable Gifts	Rate of Tax
T512	Over \$100,000	\$2,500, plus 5% of the excess
T513	but not over \$850,000	over \$100,000
T514	Over \$850,000	\$40,000, plus 6% of the excess
T515		over \$850,000

1264 (6) With respect to the calendar year commencing January 1, [2007]
 1265 2008, the tax imposed by section 12-640 for the calendar year shall be at
 1266 a rate of the taxable gifts made by the donor during the calendar year
 1267 set forth in the following schedule:

T516	Amount of Taxable Gifts	Rate of Tax
T517	Over \$950,000	\$45,000, plus 6% of the excess
T518		over \$950,000

1268 (7) With respect to the calendar year commencing January 1, [2008]
 1269 2009, and each calendar year thereafter, the tax imposed by section 12-
 1270 640 for the calendar year shall be at a rate of the taxable gifts made by
 1271 the donor during the calendar year set forth in the following schedule:

T519	Amount of Taxable Gifts	Rate of Tax
T520	Over \$1,000,000	\$47,500, plus 6% of the excess
T521		over \$1,000,000

1272 (b) The tax imposed by section 12-640 shall be paid by the donor. If
 1273 the gift tax is not paid when due the donee of any gift shall be

1274 personally liable for the tax to the extent of the value of the gift.

1275 Sec. 31. Section 12-296 of the general statutes is repealed and the
1276 following is substituted in lieu thereof (*Effective from passage and*
1277 *applicable to sales occurring on or after March 1, 2003*):

1278 A tax is imposed on all cigarettes held in this state by any person for
1279 sale, said tax to be at the rate of [fifty-five] seventy-five and one-half
1280 mills for each cigarette and the payment thereof shall be for the
1281 account of the purchaser or consumer of such cigarettes and shall be
1282 evidenced by the affixing of stamps to the packages containing the
1283 cigarettes as provided in this chapter.

1284 Sec. 32. Section 12-316 of the general statutes is repealed and the
1285 following is substituted in lieu thereof (*Effective from passage and*
1286 *applicable to sales occurring on or after March 1, 2003*):

1287 A tax is hereby imposed at the rate of [fifty-five] seventy-five and
1288 one-half mills for each cigarette upon the storage or use within this
1289 state of any unstamped cigarettes in the possession of any person other
1290 than a licensed distributor or dealer, or a carrier for transit from
1291 without this state to a licensed distributor or dealer within this state.
1292 Any person, including distributors, dealers, carriers, warehousemen
1293 and consumers, last having possession of unstamped cigarettes in this
1294 state shall be liable for the tax on such cigarettes if such cigarettes are
1295 unaccounted for in transit, storage or otherwise, and in such event a
1296 presumption shall exist for the purpose of taxation that such cigarettes
1297 were used and consumed in Connecticut.

1298 Sec. 33. (NEW) (*Effective from passage*) (a) An excise tax is hereby
1299 imposed upon each distributor, as defined in section 12-285 of the
1300 general statutes, licensed under the provisions of chapter 214 of the
1301 general statutes and each dealer, as defined in said section 12-285,
1302 licensed under the provisions of said chapter 214 in the amount of
1303 twenty mills per cigarette, as defined in said section 12-285, in such
1304 distributor's or such dealer's inventory as of the close of business on
1305 February 28, 2003, or, if the business closes after eleven fifty-nine p.m.

1306 on such date, at eleven fifty-nine p.m. on such date.

1307 (b) Each such licensed distributor and dealer shall, not later than
1308 April 1, 2003, file with the Commissioner of Revenue Services, on
1309 forms prescribed by said commissioner, a report which shall show the
1310 number of cigarettes in inventory as of the close of business on
1311 February 28, 2003, or, if the business closes after eleven fifty-nine p.m.
1312 on such date, at eleven fifty-nine p.m. on such date, upon which
1313 inventory the tax under subsection (a) of this section shall be imposed.
1314 Failure to file such report when due shall be sufficient reason to revoke
1315 the license of the distributor or dealer, as the case may be, and shall be
1316 treated as a failure to file a report required to be filed under the
1317 provisions of chapter 214 of the general statutes. The filing of an
1318 incorrect report shall be treated as the filing of an incorrect report
1319 under the provisions of chapter 214 of the general statutes.

1320 Sec. 34. Subsection (b) of section 12-214 of the general statutes is
1321 repealed and the following is substituted in lieu thereof (*Effective from*
1322 *passage and applicable to income years commencing on or after January 1,*
1323 *2003*):

1324 (b) (1) With respect to income years commencing on or after January
1325 1, 1989, and prior to January 1, 1992, any company subject to the tax
1326 imposed in accordance with subsection (a) of this section shall pay, for
1327 each such income year, an additional tax in an amount equal to twenty
1328 per cent of the tax calculated under said subsection (a) for such income
1329 year, without reduction of the tax so calculated by the amount of any
1330 credit against such tax. The additional amount of tax determined
1331 under this subsection for any income year shall constitute a part of the
1332 tax imposed by the provisions of said subsection (a) and shall become
1333 due and be paid, collected and enforced as provided in this chapter.

1334 (2) With respect to income years commencing on or after January 1,
1335 1992, and prior to January 1, 1993, any company subject to the tax
1336 imposed in accordance with subsection (a) of this section shall pay, for
1337 each such income year, an additional tax in an amount equal to ten per

1338 cent of the tax calculated under said subsection (a) for such income
1339 year, without reduction of the tax so calculated by the amount of any
1340 credit against such tax. The additional amount of tax determined
1341 under this subsection for any income year shall constitute a part of the
1342 tax imposed by the provisions of said subsection (a) and shall become
1343 due and be paid, collected and enforced as provided in this chapter.

1344 (3) With respect to income years commencing on or after January 1,
1345 2003, and prior to January 1, 2004, any company subject to the tax
1346 imposed in accordance with subsection (a) of this section shall pay, for
1347 each such income year, an additional tax in an amount equal to twenty
1348 per cent of the tax calculated under said subsection (a) for such income
1349 year, without reduction of the tax so calculated by the amount of any
1350 credit against such tax. The additional amount of tax determined
1351 under this subsection for any income year shall constitute a part of the
1352 tax imposed by the provisions of said subsection (a) and shall become
1353 due and be paid, collected and enforced as provided in this chapter.

1354 (4) With respect to income years commencing on or after January 1,
1355 2004, and prior to January 1, 2005, any company subject to the tax
1356 imposed in accordance with subsection (a) of this section shall pay, for
1357 each such income year, an additional tax in an amount equal to ten per
1358 cent of the tax calculated under said subsection (a) for such income
1359 year, without reduction of the tax so calculated by the amount of any
1360 credit against such tax. The additional amount of tax determined
1361 under this subsection for any income year shall constitute a part of the
1362 tax imposed by the provisions of said subsection (a) and shall become
1363 due and be paid, collected and enforced as provided in this chapter.

1364 Sec. 35. Subsection (b) of section 12-284b of the general statutes is
1365 repealed and the following is substituted in lieu thereof (*Effective from*
1366 *passage and applicable to taxable years commencing on or after January 1,*
1367 *2003*):

1368 (b) Each limited liability company, limited liability partnership,
1369 limited partnership and S corporation shall annually, on or before the

1370 fifteenth day of the fourth month following the close of its taxable year,
1371 pay to the Commissioner of Revenue Services a tax in the amount of
1372 two hundred fifty dollars. With respect to taxable years commencing
1373 on or after January 1, 2003, and prior to January 1, 2004, any company
1374 subject to the tax imposed in accordance with this subsection shall pay,
1375 for each such taxable year, an additional tax in an amount equal to
1376 twenty per cent of the tax imposed under this subsection for such
1377 taxable year. With respect to taxable years commencing on or after
1378 January 1, 2004, and prior to January 1, 2005, any company subject to
1379 the tax imposed in accordance with this subsection shall pay, for each
1380 such taxable year, an additional tax in an amount equal to ten per cent
1381 of the tax imposed under this subsection for such taxable year. The
1382 additional amount of tax for taxable years commencing on or after
1383 January 1, 2003, and prior to January 1, 2005, shall constitute a part of
1384 the tax imposed by the provisions of this subsection and shall become
1385 due and be paid, collected and enforced as provided by in this section.

1386 Sec. 36. Subsection (b) of section 12-219 of the general statutes is
1387 repealed and the following is substituted in lieu thereof (*Effective from*
1388 *passage and applicable to income years commencing on or after January 1,*
1389 *2003*):

1390 (b) (1) With respect to income years commencing on or after January
1391 1, 1989, and prior to January 1, 1992, the additional tax imposed on any
1392 company and calculated in accordance with subsection (a) of this
1393 section shall, for each such income year, except when the tax so
1394 calculated is equal to two hundred fifty dollars, be increased by adding
1395 thereto an amount equal to twenty per cent of the additional tax so
1396 calculated for such income year, without reduction of the additional
1397 tax so calculated by the amount of any credit against such tax. The
1398 increased amount of tax payable by any company under this section,
1399 as determined in accordance with this subsection, shall become due
1400 and be paid, collected and enforced as provided in this chapter.

1401 (2) With respect to income years commencing on or after January 1,
1402 1992, and prior to January 1, 1993, the additional tax imposed on any

1403 company and calculated in accordance with subsection (a) of this
1404 section shall, for each such income year, except when the tax so
1405 calculated is equal to two hundred fifty dollars, be increased by adding
1406 thereto an amount equal to ten per cent of the additional tax so
1407 calculated for such income year, without reduction of the tax so
1408 calculated by the amount of any credit against such tax. The increased
1409 amount of tax payable by any company under this section, as
1410 determined in accordance with this subsection, shall become due and
1411 be paid, collected and enforced as provided in this chapter.

1412 (3) With respect to income years commencing on or after January 1,
1413 2003, and prior to January 1, 2004, the additional tax imposed on any
1414 company and calculated in accordance with subsection (a) of this
1415 section shall, for each such income year, be increased by adding
1416 thereto an amount equal to twenty per cent of the additional tax so
1417 calculated for such income year, without reduction of the tax so
1418 calculated by the amount of any credit against such tax. The increased
1419 amount of tax payable by any company under this section, as
1420 determined in accordance with this subsection, shall become due and
1421 be paid, collected and enforced as provided in this chapter.

1422 (4) With respect to income years commencing on or after January 1,
1423 2004, and prior to January 1, 2005, the additional tax imposed on any
1424 company and calculated in accordance with subsection (a) of this
1425 section shall, for each such income year, be increased by adding
1426 thereto an amount equal to ten per cent of the additional tax so
1427 calculated for such income year, without reduction of the tax so
1428 calculated by the amount of any credit against such tax. The increased
1429 amount of tax payable by any company under this section, as
1430 determined in accordance with this subsection, shall become due and
1431 be paid, collected and enforced as provided in this chapter.

1432 Sec. 37. (NEW) (*Effective from passage*) Notwithstanding the
1433 provisions of section 12-242d of the general statutes, any taxpayer
1434 required to make an estimated payment in June, 2003, for the tax due
1435 under chapter 208 of the general statutes shall make such payment in

1436 an amount which is adjusted for any change in the amount of tax due
1437 for the current income year including any additional tax imposed
1438 under sections 12-214 or 12-219 of the general statutes, as amended by
1439 this act.

1440 Sec. 38. (*Effective from passage*) Notwithstanding the provisions of
1441 section 13b-61a of the general statutes, for the fiscal year ending June
1442 30, 2003, no funds received by the state from the tax imposed under
1443 section 12-587 of the general statutes on the gross earnings from the
1444 sales of petroleum products attributable to sales of motor vehicle fuel
1445 shall be transferred to the Special Transportation Fund.

1446 Sec. 39. Section 3-114g of the general statutes is repealed and the
1447 following is substituted in lieu thereof (*Effective from passage*):

1448 At the end of each fiscal year, commencing with the fiscal year
1449 ending on June 30, 1990, the Comptroller is authorized to record as
1450 revenue for such fiscal year, the amount of revenue related to the tax
1451 imposed under chapter 208 for such fiscal year which is received by
1452 the Commissioner of Revenue Services or is delivered by United States
1453 mail to said commissioner in an envelope bearing a United States post
1454 office cancellation mark no later than (1) the [last day of July] fifteenth
1455 day of August immediately following the end of such fiscal year, or (2)
1456 if such [last day of July] fifteenth day of August is a Saturday, Sunday
1457 or legal holiday, as defined in section 12-39a, the next succeeding day
1458 which is not a Saturday, Sunday or legal holiday.

1459 Sec. 40. Section 3-114h of the general statutes is repealed and the
1460 following is substituted in lieu thereof (*Effective from passage*):

1461 At the end of each fiscal year commencing with the fiscal year
1462 ending on June 30, 1992, the Comptroller is authorized to record as
1463 revenue for such fiscal year the amount of tax that is required to be
1464 [deducted and withheld from employee wages and to be paid over]
1465 paid to the Commissioner of Revenue Services under [section 12-707]
1466 chapter 229 and that is received by the Commissioner of Revenue
1467 Services or is delivered by United States mail to said commissioner in

1468 an envelope bearing a United States post office cancellation mark no
1469 later than (1) the last day of July immediately following the end of
1470 such fiscal year, or (2) if such last day of July is a Saturday, Sunday or
1471 legal holiday, as defined in section 12-39a, the next succeeding day
1472 which is not a Saturday, Sunday or legal holiday.

1473 Sec. 41. (NEW) (*Effective from passage*) At the end of each fiscal year
1474 commencing with the fiscal year ending on June 30, 2003, the
1475 Comptroller is authorized to record as revenue for such fiscal year the
1476 amount of tax that is required to be paid to the Commissioner of
1477 Revenue Services under section 12-494 of the general statutes, as
1478 amended by this act, and that is received by the Commissioner of
1479 Revenue Services or is delivered by United States mail to said
1480 commissioner in an envelope bearing a United States post office
1481 cancellation mark no later than (1) the last day of July immediately
1482 following the end of such fiscal year, or (2) if such last day of July is a
1483 Saturday, Sunday or legal holiday, as defined in section 12-39a, the
1484 next succeeding day which is not a Saturday, Sunday or legal holiday.

1485 Sec. 42. Section 12-494 of the general statutes is repealed and the
1486 following is substituted in lieu thereof (*Effective March 1, 2003*):

1487 (a) There is imposed a tax on each deed, instrument or writing,
1488 whereby any lands, tenements or other realty is granted, assigned,
1489 transferred or otherwise conveyed to, or vested in, the purchaser, or
1490 any other person by his direction, when the consideration for the
1491 interest or property conveyed equals or exceeds two thousand dollars,
1492 (1) subject to the provisions of subsection (b) of this section, at the rate
1493 of three-fourths of one per cent of the consideration for the interest in
1494 real property conveyed by such deed, instrument or writing, and on
1495 and after July 1, 2004, at the rate of five-tenths of one per cent of the
1496 consideration for the interest in real property conveyed by such deed,
1497 instrument or writing, the revenue from which shall be remitted by the
1498 town clerk of the municipality in which such tax is paid, not later than
1499 ten days following receipt thereof, to the Commissioner of Revenue
1500 Services for deposit to the credit of the state General Fund, and (2) at

1501 the rate of one-fourth of one per cent of the consideration for the
1502 interest in real property conveyed by such deed, instrument or writing,
1503 and on and after July 1, 2004, at the rate of eleven one-hundredths of
1504 one per cent of the consideration for the interest in real property
1505 conveyed by such deed, instrument or writing, [which amount]
1506 provided the amount imposed under this subdivision shall become
1507 part of the general revenue of the municipality in accordance with
1508 section 12-499.

1509 (b) The rate of tax imposed under subdivision (1) of subsection (a) of
1510 this section shall, in lieu of the rate under said subdivision (1), be
1511 imposed on certain conveyances as follows: (1) In the case of any
1512 conveyance of real property which at the time of such conveyance is
1513 used for any purpose other than residential use, except unimproved
1514 land, the tax under said subdivision (1) shall be imposed at the rate of
1515 one and one-fourth per cent of the consideration for the interest in real
1516 property conveyed by such deed, instrument or writing, and on and
1517 after July 1, 2004, at the rate of one per cent of the consideration for the
1518 interest in real property conveyed; and (2) in the case of any
1519 conveyance in which the real property conveyed is a residential estate,
1520 including a primary dwelling and any auxiliary housing or structures,
1521 for which the consideration in such conveyance is eight hundred
1522 thousand dollars or more, the tax under said subdivision (1) shall be
1523 imposed (A) at the rate of three-fourths of one per cent of the
1524 consideration for the interest in real property conveyed by such deed,
1525 instrument or writing, and on and after July 1, 2004, at the rate of one-
1526 half of one per cent on that portion of such consideration up to and
1527 including the amount of eight hundred thousand dollars, and (B) at the
1528 rate of one and one-fourth per cent of the consideration for the interest
1529 in real property conveyed by such deed, instrument or writing, and on
1530 and after July 1, 2004, at the rate of one per cent on that portion of such
1531 consideration in excess of eight hundred thousand dollars; and (3) in
1532 the case of any conveyance in which real property on which mortgage
1533 payments have been delinquent for not less than six months is
1534 conveyed to a financial institution or its subsidiary which holds such a

1535 delinquent mortgage on such property, the tax under said subdivision
1536 (1) shall be imposed at the rate of three-fourths of one per cent of the
1537 consideration for the interest in real property conveyed by such deed,
1538 instrument or writing, and on and after July 1, 2004, at the rate of one-
1539 half of one per cent of the consideration for the interest in real property
1540 conveyed.

1541 (c) In addition to the tax imposed under subsection (a) of this
1542 section, any targeted investment community, as defined in section 32-
1543 222, or any municipality in which properties designated as
1544 manufacturing plants under section 32-75c are located, may, on or after
1545 March 1, 2003, but prior to July 1, 2004, impose an additional tax on
1546 each deed, instrument or writing, whereby any lands, tenements or
1547 other realty is granted, assigned, transferred or otherwise conveyed to,
1548 or vested in, the purchaser, or any other person by his direction, when
1549 the consideration for the interest or property conveyed equals or
1550 exceeds two thousand dollars, which additional tax shall be at the rate
1551 of one-fourth of one per cent of the consideration for the interest in real
1552 property conveyed by such deed, instrument or writing. The revenue
1553 from such additional tax shall become part of the general revenue of
1554 the municipality in accordance with section 12-499.

1555 Sec. 43. Subsections (d) and (e) of section 12-344 of the general
1556 statutes are repealed and the following is substituted in lieu thereof
1557 (*Effective from passage and applicable to transfers from estates of decedents*
1558 *who die on or after January 1, 2003*):

1559 (d) The tax under this section applicable to the net taxable estate of
1560 any transferor, whose death occurs on or after January 1, 1999, passing
1561 to a class B beneficiary shall be imposed as follows: (1) If the death of
1562 the transferor occurs on or after January 1, 1999, but prior to January 1,
1563 2000, at the rate of (A) six per cent on the amount in excess of two
1564 hundred thousand dollars in value to and including two hundred fifty
1565 thousand dollars, (B) seven per cent on the amount in excess of two
1566 hundred fifty thousand dollars in value to and including four hundred
1567 thousand dollars, (C) eight per cent on the amount in excess of four

1568 hundred thousand dollars in value to and including six hundred
1569 thousand dollars, (D) nine per cent on the amount in excess of six
1570 hundred thousand dollars in value to and including one million
1571 dollars, and (E) ten per cent on the amount in excess of one million
1572 dollars in value, (2) if the death of the transferor occurs on or after
1573 January 1, 2000, but prior to January 1, 2001, at the rate of (A) eight per
1574 cent on the amount in excess of four hundred thousand dollars in
1575 value to and including six hundred thousand dollars, (B) nine per cent
1576 on the amount in excess of six hundred thousand dollars in value to
1577 and including one million dollars, and (C) ten per cent on the amount
1578 in excess of one million dollars in value, (3) if the death of the
1579 transferor occurs on or after January 1, 2001, but prior to January 1,
1580 [2003] 2005, at the rate of (A) nine per cent on the amount in excess of
1581 six hundred thousand dollars in value to and including one million
1582 dollars, and (B) ten per cent on the amount in excess of one million
1583 dollars in value, (4) if the death of the transferor occurs on or after
1584 January 1, [2003] 2005, but prior to January 1, [2004] 2006, at the rate of
1585 eight per cent on the amount in excess of one million five hundred
1586 thousand dollars in value, and (5) if the death of the transferor occurs
1587 on or after January 1, [2004] 2006, the net taxable estate passing to a
1588 class B beneficiary shall not be subject to tax under this chapter.

1589 (e) The tax under this section applicable to the net taxable estate of
1590 any transferor, whose death occurs on or after January 1, 2001, passing
1591 to a class C beneficiary shall be imposed as follows: (1) If the death of
1592 the transferor occurs on or after January 1, 2001, but prior to January 1,
1593 [2003] 2005, at the rate of (A) ten per cent on the amount in excess of
1594 two hundred thousand dollars in value to and including two hundred
1595 fifty thousand dollars, (B) eleven per cent on the amount in excess of
1596 two hundred fifty thousand dollars in value to and including four
1597 hundred thousand dollars, (C) twelve per cent on the amount in excess
1598 of four hundred thousand dollars in value to and including six
1599 hundred thousand dollars, (D) thirteen per cent on the amount in
1600 excess of six hundred thousand dollars in value to and including one
1601 million dollars, and (E) fourteen per cent on the amount in excess of

1602 one million dollars in value, (2) if the death of the transferor occurs on
1603 or after January 1, [2003] 2005, but prior to January 1, [2004] 2006, at
1604 the rate of (A) twelve per cent on the amount in excess of four hundred
1605 thousand dollars in value to and including six hundred thousand
1606 dollars, (B) thirteen per cent on the amount in excess of six hundred
1607 thousand dollars in value to and including one million dollars, and (C)
1608 fourteen per cent on the amount in excess of one million dollars in
1609 value, (3) if the death of the transferor occurs on or after January 1,
1610 [2004] 2006, but prior to January 1, [2005] 2007, at the rate of (A)
1611 thirteen per cent on the amount in excess of six hundred thousand
1612 dollars in value to and including one million dollars, and (B) fourteen
1613 per cent on the amount in excess of one million dollars in value, (4) if
1614 the death of the transferor occurs on or after January 1, [2005] 2007, but
1615 prior to January 1, [2006] 2008, at the rate of fourteen per cent on the
1616 amount in excess of one million five hundred thousand dollars in
1617 value, and (5) if the death of the transferor occurs on or after January 1,
1618 [2006] 2008, the net taxable estate passing to a class C beneficiary shall
1619 not be subject to tax under this chapter.

1620 Sec. 44. (*Effective from passage*) Notwithstanding the provisions of
1621 section 32-305 of the general statutes, for the fiscal years ending June
1622 30, 2003, June 30, 2004, and June 30, 2005, the Commissioner of
1623 Revenue Services shall retain in the General Fund one million dollars
1624 from the aggregate amount to be allocated to the tourism districts
1625 under said section 32-305 and shall reduce the allocation to each
1626 district proportionately provided the amounts allocated pursuant to
1627 subparagraphs (A) to (E), inclusive, of subdivision (1) of subsection (b)
1628 of said section 32-305 shall continue to be so allocated in accordance
1629 with said subdivision (1) regardless of any limitations imposed by this
1630 section.

1631 Sec. 45. Subsection (a) of section 51-81b of the general statutes is
1632 repealed and the following is substituted in lieu thereof (*Effective from*
1633 *passage*):

1634 (a) Any person who has been admitted as an attorney by the judges

1635 of the Superior Court shall annually on or before January fifteenth file
1636 an annual return prescribed or furnished by the Commissioner of
1637 Revenue Services. If any such person was engaged in the practice of
1638 law in the year preceding the year in which an occupational tax is due
1639 hereunder, such person, unless exempted under this section, shall
1640 annually on or before January fifteenth pay to the Commissioner of
1641 Revenue Services a tax in the amount of four hundred fifty dollars.
1642 Any person who has been admitted as an attorney pro hac vice in
1643 accordance with the rules of court shall file such return and pay such
1644 tax as provided in this subsection with respect to any year in which
1645 such person was admitted pro hac vice and engaged in the practice of
1646 law in this state.

1647 Sec. 46. Section 52-259 of the general statutes is repealed and the
1648 following is substituted in lieu thereof (*Effective from passage*):

1649 There shall be paid to the clerks for entering each appeal or writ of
1650 error to the Supreme Court, or entering each appeal to the Appellate
1651 Court, as the case may be, two hundred fifty dollars, and for each civil
1652 cause in the Superior Court, [one hundred eighty-five] two hundred
1653 twenty dollars; except (1) [seventy-five] one hundred twenty dollars
1654 for entering each case in the Superior Court in which the sole claim for
1655 relief is damages and the amount, legal interest or property in demand
1656 is less than two thousand five hundred dollars and for summary
1657 process, landlord and tenant and paternity actions, and (2) there shall
1658 be no entry fee for making an application to the Superior Court for
1659 relief under section 46b-15 or for making an application to modify or
1660 extend an order issued pursuant to section 46b-15. If the amount, legal
1661 interest or property in demand by the plaintiff is alleged to be less than
1662 two thousand five hundred dollars, a new entry fee of seventy-five
1663 dollars shall be charged if the plaintiff amends his complaint to state
1664 that such demand is not less than two thousand five hundred dollars.
1665 The fee for the entry of a small claims case shall be thirty-five dollars. If
1666 a motion is filed to transfer a small claims case to the regular docket,
1667 the moving party shall pay a fee of seventy-five dollars. There shall be
1668 paid to the clerk of the Superior Court by any party who requests that

1669 a matter be designated as a complex litigation case the sum of two
1670 hundred fifty dollars, to be paid at the time the request is filed. There
1671 shall be paid to the clerk of the Superior Court by any party who
1672 requests a finding of fact by a judge of such court to be used on appeal
1673 the sum of twenty-five dollars, to be paid at the time the request is
1674 filed. There shall be paid to the clerk of the Superior Court a fee of
1675 seventy-five dollars for a petition for certification to the Supreme
1676 Court and Appellate Court. Such clerks shall also receive for receiving
1677 and filing an assessment of damages by appraisers of land taken for
1678 public use or the appointment of a commissioner of the Superior
1679 Court, two dollars; for recording the commission and oath of a notary
1680 public or certifying under seal to the official character of any
1681 magistrate, ten dollars; for certifying under seal, two dollars; for
1682 exemplifying, twenty dollars; for making all necessary records and
1683 certificates of naturalization, the fees allowed under the provisions of
1684 the United States statutes for such services; and for making copies, one
1685 dollar a page. There shall be paid to the clerk of the Superior Court for
1686 a copy of a judgment file a fee of [~~fifteen~~] twenty-five dollars, inclusive
1687 of the fees for certification and copying, for a certified copy and a fee of
1688 [~~ten~~] fifteen dollars, inclusive of the fee for copying, for a copy which is
1689 not certified; for a copy of a certificate of judgment in a foreclosure
1690 action, as provided by the rules of practice and procedure, [~~twenty~~]
1691 twenty-five dollars, inclusive of the fees for certification and copying.
1692 There shall be paid to the clerk of the court a fee of [~~fifty~~] one hundred
1693 dollars at the time any application for a prejudgment remedy is filed.
1694 A fee of twenty dollars for any check issued to the court in payment of
1695 any fee which is returned as uncollectible by the bank on which it is
1696 drawn may be imposed. The tax imposed under chapter 219 shall not
1697 be imposed upon any fee charged under the provisions of this section.

1698 Sec. 47. Subsection (a) of section 52-259a of the general statutes is
1699 repealed and the following is substituted in lieu thereof (*Effective from*
1700 *passage*):

1701 (a) Any member of the Division of Criminal Justice or the Division
1702 of Public Defender Services, any employee of the Judicial Department,

1703 acting in the performance of such employee's duties, the Attorney
1704 General, an assistant attorney general, the Consumer Counsel, any
1705 attorney employed by the Office of Consumer Counsel within the
1706 Department of Public Utility Control, the Department of Revenue
1707 Services, the Commission on Human Rights and Opportunities, the
1708 Freedom of Information Commission, the Board of Labor Relations,
1709 the Office of Protection and Advocacy for Persons with Disabilities,
1710 [or] the Office of the Victim Advocate or the Department of Social
1711 Services, or any attorney appointed by the court to assist any of them
1712 or to act for any of them in a special case or cases, while acting in such
1713 attorney's official capacity or in the capacity for which such attorney
1714 was appointed, shall not be required to pay the fees specified in
1715 sections 52-258, 52-259, as amended by this act, 52-259c, as amended by
1716 this act, and 52-259d, subsection (a) of section 52-356a, as amended by
1717 this act, subsection (a) of section 52-361a, as amended by this act,
1718 section 52-367a, as amended by this act, subsection (b) of section 52-
1719 367b, as amended by this act, and subsection (n) of section 46b-231.

1720 Sec. 48. Subsection (a) of section 52-259c of the general statutes is
1721 repealed and the following is substituted in lieu thereof (*Effective from*
1722 *passage*):

1723 (a) There shall be paid to the clerk of the Superior Court upon the
1724 filing of any motion to open, set aside, modify or extend any civil
1725 judgment rendered in Superior Court a fee of thirty-five dollars for any
1726 housing matter, a fee of twenty-five dollars for any small claims matter
1727 and a fee of seventy dollars for any other matter, except no fee shall be
1728 paid upon the filing of any motion to open, set aside, modify or extend
1729 judgments in [small claims and] juvenile matters or orders issued
1730 pursuant to section 46b-15. Such fee may be waived by the court.

1731 Sec. 49. Subdivision (1) of subsection (a) of section 52-356a of the
1732 general statutes is repealed and the following is substituted in lieu
1733 thereof (*Effective from passage*):

1734 (1) On application of a judgment creditor or his attorney, stating

1735 that a judgment remains unsatisfied and the amount due thereon, and
1736 subject to the expiration of any stay of enforcement and expiration of
1737 any right of appeal, the clerk of the court in which the money
1738 judgment was rendered shall issue an execution pursuant to this
1739 section against the nonexempt personal property of the judgment
1740 debtor other than debts due from a banking institution or earnings.
1741 The application shall be accompanied by a fee of [twenty] thirty-five
1742 dollars payable to the clerk of the court for the administrative costs of
1743 complying with the provisions of this section which fee may be
1744 recoverable by the judgment creditor as a taxable cost of the action. In
1745 the case of a consumer judgment, the application shall indicate
1746 whether, pursuant to an installment payment order under subsection
1747 (b) of section 52-356d, the court has entered a stay of execution and, if
1748 such a stay was entered, shall contain a statement of the judgment
1749 creditor or his attorney as to the debtor's default on payments. The
1750 execution shall be directed to any levying officer.

1751 Sec. 50. Subsection (a) of section 52-361a of the general statutes is
1752 repealed and the following is substituted in lieu thereof (*Effective from*
1753 *passage*):

1754 (a) If a judgment debtor fails to comply with an installment
1755 payment order, the judgment creditor may apply to the court for a
1756 wage execution. The application shall contain the judgment creditor's
1757 or his attorney's statement setting forth the particulars of the
1758 installment payment order and of the judgment debtor's failure to
1759 comply. The application shall be accompanied by a fee of [twenty]
1760 thirty-five dollars payable to the clerk of the court for the
1761 administrative costs of complying with the provisions of this section
1762 which fee may be recoverable by the judgment creditor as a taxable
1763 cost of the action.

1764 Sec. 51. Section 52-367a of the general statutes is repealed and the
1765 following is substituted in lieu thereof (*Effective from passage*):

1766 As used in this section and section 52-367b, as amended by this act,

1767 the term "banking institution" means any bank, savings bank, savings
1768 and loan association or credit union organized, chartered or licensed
1769 under the laws of this state or the United States and having its main
1770 office in this state, or any similar out-of-state institution having a
1771 branch office in this state. Execution may be granted pursuant to this
1772 section against any debts due from any banking institution to a
1773 judgment debtor which is not a natural person. If execution is desired
1774 against any such debt, the plaintiff requesting the execution shall [so
1775 notify] make application to the clerk [, and the] of the court. The
1776 application shall be accompanied by a fee of thirty-five dollars payable
1777 to the clerk of the court for the administrative costs of complying with
1778 the provisions of this section which fee may be recoverable by the
1779 judgment creditor as a taxable cost of the action. The clerk shall issue
1780 such execution containing a direction that the officer serving the same
1781 shall make demand (1) upon the main office of any banking institution
1782 having its main office within the county of such officer, or (2) if such
1783 main office is not within such officer's county and such banking
1784 institution has one or more branch offices within such county, upon an
1785 employee of such a branch office, such employee and branch office
1786 having been designated by the banking institution in accordance with
1787 regulations adopted by the Commissioner of Banking, in accordance
1788 with chapter 54, for the payment of any debt due to the judgment
1789 debtor, and, after having made such demand, shall serve a true and
1790 attested copy thereof, with his actions thereon endorsed, with the
1791 banking institution officer upon whom such demand is made. If any
1792 such banking institution upon which such execution is served and
1793 upon which such demand is made is indebted to the judgment debtor,
1794 it shall pay to such officer, in the manner and at the time hereinafter
1795 described, the amount of such indebtedness not exceeding the amount
1796 due on such execution, to be received and applied on such execution
1797 by such officer. Such banking institution shall act upon such execution
1798 according to section 42a-4-303 before its midnight deadline, as defined
1799 in section 42a-4-104. If such banking institution fails or refuses to pay
1800 over to such officer the amount of such debt, not exceeding the amount
1801 due on such execution, such banking institution shall be liable in an

1802 action therefor to the judgment creditor named in such execution, and
1803 the amount so recovered by such judgment creditor shall be applied
1804 toward the payment of the amount due on such execution.

1805 Sec. 52. Subsection (b) of section 52-367b of the general statutes is
1806 repealed and the following is substituted in lieu thereof (*Effective from*
1807 *passage*):

1808 (b) If execution is desired against any such debt, the plaintiff
1809 requesting the execution shall [notify] make application to the clerk of
1810 the court. The application shall be accompanied by a fee of thirty-five
1811 dollars payable to the clerk of the court for the administrative costs of
1812 complying with the provisions of this section which fee may be
1813 recoverable by the judgment creditor as a taxable cost of the action. In
1814 a IV-D case, the request for execution shall be accompanied by an
1815 affidavit signed by the serving officer attesting to an overdue support
1816 amount of five hundred dollars or more which accrued after the entry
1817 of an initial family support judgment. If the papers are in order, the
1818 clerk shall issue such execution containing a direction that the officer
1819 serving such execution shall, within seven days from the receipt by the
1820 serving officer of such execution, make demand (1) upon the main
1821 office of any banking institution having its main office within the
1822 county of the serving officer, or (2) if such main office is not within the
1823 serving officer's county and such banking institution has one or more
1824 branch offices within such county, upon an employee of such a branch
1825 office, such employee and branch office having been designated by the
1826 banking institution in accordance with regulations adopted by the
1827 Commissioner of Banking, in accordance with chapter 54, for payment
1828 of any such nonexempt debt due to the judgment debtor and, after
1829 having made such demand, shall serve a true and attested copy of the
1830 execution, together with the affidavit and exemption claim form
1831 prescribed by subsection (k) of this section, with the serving officer's
1832 actions endorsed thereon, with the banking institution officer upon
1833 whom such demand is made. If the officer serving such execution has
1834 made an initial demand pursuant to this subsection within such seven-
1835 day period, the serving officer may make additional demands upon

1836 the main office of other banking institutions or employees of other
1837 branch offices pursuant to subdivision (1) or (2) of this subsection,
1838 provided any such additional demand is made not later than forty-five
1839 days from the receipt by the serving officer of such execution.

1840 Sec. 53. Section 53a-39c of the general statutes is repealed and the
1841 following is substituted in lieu thereof (*Effective July 1, 2003*):

1842 (a) There is established, within available appropriations, a
1843 community service labor program for persons charged with a violation
1844 of section 21a-267 or 21a-279 who have not previously been convicted
1845 of a violation of section 21a-267, 21a-277, 21a-278 or 21a-279. Upon
1846 application by any such person for participation in such program the
1847 court may grant such application and (1) if such person has not
1848 previously been placed in the community service labor program, the
1849 court may either suspend prosecution and place such person in such
1850 program or, upon a plea of guilty without trial where a term of
1851 imprisonment is part of a stated plea agreement, suspend any sentence
1852 of imprisonment and make participation in such program a condition
1853 of probation or conditional discharge in accordance with section
1854 53a-30; or (2) if such person has previously been placed in such
1855 program, the court may, upon a plea of guilty without trial where a
1856 term of imprisonment is part of a stated plea agreement, suspend any
1857 sentence of imprisonment and make participation in such program a
1858 condition of probation or conditional discharge in accordance with
1859 said section 53a-30. No person may be placed in such program who
1860 has twice previously been placed in such program.

1861 (b) Any person who enters such program shall pay to the court a
1862 participation fee of two hundred five dollars, except that no person
1863 may be excluded from such program for inability to pay such fee,
1864 provided (1) such person files with the court an affidavit of indigency
1865 or inability to pay, (2) such indigency is confirmed by the Court
1866 Support Services Division, and (3) the court enters a finding thereof.
1867 All program fees collected shall be deposited into the alternative
1868 incarceration program account.

1869 [(b)] (c) Any person for whom prosecution is suspended and who is
1870 placed in the community service labor program pursuant to subsection
1871 (a) of this section shall agree to the tolling of the statute of limitations
1872 with respect to such crime and to a waiver of such person's right to a
1873 speedy trial. A pretrial community service labor program established
1874 under this section for persons for whom prosecution is suspended
1875 shall include a drug education component. If such person satisfactorily
1876 completes the program of community service labor to which such
1877 person was assigned, such person may apply for dismissal of the
1878 charges against such person and the court, on reviewing the record of
1879 such person's participation in such program and on finding such
1880 satisfactory completion, shall dismiss the charges. If the program
1881 provider certifies to the court that such person did not successfully
1882 complete the program of community service labor to which such
1883 person was assigned or is no longer amenable to participation in such
1884 program, the court shall enter a plea of not guilty for such person and
1885 immediately place the case on the trial list.

1886 [(c)] (d) The period of participation in a community service labor
1887 program shall be a minimum of fourteen days for a first violation and
1888 thirty days for a second violation involving a plea of guilty and
1889 conviction.

1890 Sec. 54. (NEW) (*Effective from passage*) On and after the effective date
1891 of this section, the amount of any fee or tax received by the state which
1892 is attributable to the establishment of a new fee or tax or the increase of
1893 an existing fee or tax pursuant to the provisions of sections 51-81b, 52-
1894 259, 52-259c, 52-356a, 52-361a, 52-367a and 52-367b of the general
1895 statutes, as amended by this act, not to exceed an aggregate of one
1896 million five hundred thousand dollars in the fiscal year ending June
1897 30, 2003, and not to exceed four million nine hundred thousand dollars
1898 in each fiscal year thereafter, shall be credited to the Other Expense
1899 account of the Judicial Department. The Judicial Department shall
1900 certify to the Treasurer, with respect to each such fee or tax received on
1901 and after the effective date of this act, the amount of such fee or tax
1902 which shall be credited to the General Fund and the amount of such

1903 fee or tax which shall be credited to said account.

1904 Sec. 55. Subsection (c) of 17b-274 of the general statutes is repealed
1905 and the following is substituted in lieu thereof (*Effective from passage*):

1906 (c) The Commissioner of Social Services shall implement a
1907 procedure by which a pharmacist shall obtain approval from an
1908 independent pharmacy consultant acting on behalf of the Department
1909 of Social Services, under an administrative services only contract,
1910 whenever the pharmacist dispenses a brand name drug product to a
1911 Medicaid, state-administered general assistance, general assistance or
1912 ConnPACE recipient and a chemically equivalent generic drug
1913 product substitution is available at a lower cost, provided such
1914 procedure shall not require approval for other than initial
1915 prescriptions for such drug product. If such approval is not granted or
1916 denied within two hours of receipt by the commissioner of the request
1917 for approval, it shall be deemed granted. Notwithstanding any
1918 provision of this section, a pharmacist shall not dispense any initial
1919 maintenance drug prescription for which there is a chemically
1920 equivalent generic substitution that is for less than fifteen days without
1921 the department's granting of prior authorization, provided prior
1922 authorization shall not otherwise be required for atypical antipsychotic
1923 drugs if the individual is currently taking such drug at the time the
1924 pharmacist receives the prescription. The pharmacist may appeal a
1925 denial of reimbursement to the department based on the failure of
1926 such pharmacist to substitute a generic drug product in accordance
1927 with this section.

1928 Sec. 56. (*Effective from passage*) Notwithstanding the provisions of
1929 subdivisions (72) and (74) of section 12-81 of the general statutes, with
1930 respect to property approved for exemption under said provisions for
1931 assessment years commencing October 1, 2002, and October 1, 2003,
1932 the exemption shall be for an amount equal to seventy-five per cent of
1933 such property's valuation for purposes of assessment. The balance of
1934 twenty-five per cent of such property's valuation shall be subject to
1935 taxation as provided in chapter 203 of the general statutes. Any

1936 assessor or board of assessors who approved any claim for such
 1937 exemption for the assessment year commencing October 1, 2002, shall
 1938 revise their records accordingly and shall give notice to the owner of
 1939 any such property of the tax due under this section.

1940 Sec. 57. (*Effective from passage*) Sections 12-399 and 17b-106a of the
 1941 general statutes are repealed.

1942 Sec. 58. (*Effective March 1, 2003*) Subdivisions (6) and (90) of section
 1943 12-412 of the general statutes are repealed."

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>
Sec. 3	<i>from passage</i>
Sec. 4	<i>from passage</i>
Sec. 5	<i>from passage</i>
Sec. 6	<i>from passage</i>
Sec. 7	<i>from passage</i>
Sec. 8	<i>from passage</i>
Sec. 9	<i>from passage</i>
Sec. 10	<i>from passage</i>
Sec. 11	<i>from passage</i>
Sec. 12	<i>from passage</i>
Sec. 13	<i>July 1, 2003</i>
Sec. 14	<i>from passage</i>
Sec. 15	<i>from passage</i>
Sec. 16	<i>from passage</i>
Sec. 17	<i>from passage</i>
Sec. 18	<i>from passage</i>
Sec. 19	<i>from passage</i>
Sec. 20	<i>from passage</i>
Sec. 21	<i>from passage</i>
Sec. 22	<i>from passage and applicable to taxable years commencing on or after January 1, 2003</i>
Sec. 23	<i>from passage</i>
Sec. 24	<i>from passage</i>
Sec. 25	<i>from passage and applicable to taxable years commencing on or after January 1, 2003</i>

Sec. 26	<i>from passage and applicable to sales occurring on or after March 1, 2003</i>
Sec. 27	<i>from passage and applicable to sales occurring on or after March 1, 2003</i>
Sec. 28	<i>March 1, 2003, and applicable to sales occurring on or after March 1, 2003</i>
Sec. 29	<i>March 1, 2003, and applicable to sales occurring on or after March 1, 2003</i>
Sec. 30	<i>from passage and applicable to calendar years commencing on or after January 1, 2003</i>
Sec. 31	<i>from passage and applicable to sales occurring on or after March 1, 2003</i>
Sec. 32	<i>from passage and applicable to sales occurring on or after March 1, 2003</i>
Sec. 33	<i>from passage</i>
Sec. 34	<i>from passage and applicable to income years commencing on or after January 1, 2003</i>
Sec. 35	<i>from passage and applicable to taxable years commencing on or after January 1, 2003</i>
Sec. 36	<i>from passage and applicable to income years commencing on or after January 1, 2003</i>
Sec. 37	<i>from passage</i>
Sec. 38	<i>from passage</i>
Sec. 39	<i>from passage</i>
Sec. 40	<i>from passage</i>
Sec. 41	<i>from passage</i>
Sec. 42	<i>March 1, 2003</i>
Sec. 43	<i>from passage and applicable to transfers from estates of decedents who die on or after January 1, 2003</i>
Sec. 44	<i>from passage</i>
Sec. 45	<i>from passage</i>
Sec. 46	<i>from passage</i>
Sec. 47	<i>from passage</i>
Sec. 48	<i>from passage</i>
Sec. 49	<i>from passage</i>
Sec. 50	<i>from passage</i>
Sec. 51	<i>from passage</i>
Sec. 52	<i>from passage</i>
Sec. 53	<i>July 1, 2003</i>
Sec. 54	<i>from passage</i>
Sec. 55	<i>from passage</i>

Sec. 56	<i>from passage</i>
Sec. 57	<i>from passage</i>
Sec. 58	<i>March 1, 2003</i>