



House of Representatives

General Assembly

File No. 651

January Session, 2005

Substitute House Bill No. 6672

House of Representatives, May 3, 2005

The Committee on Appropriations reported through REP. MERRILL of the 54th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT MAKING DEFICIENCY APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 2005.

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

1 Section 1. (*Effective from passage*) The following sums are
2 appropriated for the purposes herein specified for the fiscal year
3 ending June 30, 2005:

T1	GENERAL FUND	\$
T2		
T3	ETHICS COMMISSION	
T4	Lobbyist Electronic Filing Program	22,000
T5		
T6	OFFICE OF THE CHILD ADVOCATE	
T7	Other Expenses	70,000
T8		
T9	OFFICE OF POLICY AND MANAGEMENT	
T10	Energy Contingency	10,000,000
T11		

T12	DEPARTMENT OF VETERANS' AFFAIRS	
T13	Other Expenses	1,964,000
T14		
T15	DEPARTMENT OF INFORMATION TECHNOLOGY	
T16	Other Expenses	1,187,000
T17		
T18	DEPARTMENT OF PUBLIC WORKS	
T19	Other Expenses	2,500,000
T20		
T21	DEPARTMENT OF PUBLIC SAFETY	
T22	Personal Services	3,575,000
T23	Other Expenses	2,875,000
T24	AGENCY TOTAL	6,450,000
T25		
T26	DEPARTMENT OF PUBLIC HEALTH	
T27	Personal Services	1,753,500
T28		
T29	DEPARTMENT OF MENTAL RETARDATION	
T30	Other Expenses	1,200,000
T31	Workers' Compensation Claims	1,200,000
T32	Employment Opportunity and Day Services	1,500,000
T33	Community Residential Services	3,700,000
T34	AGENCY TOTAL	7,600,000
T35		
T36	DEPARTMENT OF MENTAL HEALTH AND	
T37	ADDICTION SERVICES	
T38	Personal Services	5,575,000
T39	Other Expenses	200,000
T40	AGENCY TOTAL	5,775,000
T41		
T42	DEPARTMENT OF CORRECTION	
T43	Personal Services	25,800,000
T44	Other Expenses	1,000,000
T45	Inmate Medical	1,700,000
T46	AGENCY TOTAL	28,500,000
T47		
T48	DEPARTMENT OF CHILDREN AND FAMILIES	
T49	Personal Services	2,000,000
T50	Other Expenses	1,000,000
T51	Emergency Needs	2,300,000

T52	Juvenile Justice Outreach Services	575,000
T53	No Nexus Special Education	1,000,000
T54	Board and Care for Children - Residential	1,450,000
T55	Individualized Family Supports	3,500,000
T56	AGENCY TOTAL	11,825,000
T57		
T58	PUBLIC DEFENDER SERVICES COMMISSION	
T59	Special Public Defender - Non-Contractual	800,000
T60	Expert Witnesses	200,000
T61	AGENCY TOTAL	1,000,000
T62		
T63	TOTAL -	78,646,500
T64	GENERAL FUND	
T65		
T66	SPECIAL TRANSPORTATION FUND	
T67		
T68	DEPARTMENT OF TRANSPORTATION	
T69	Personal Services	2,400,000
T70	Other Expenses	3,800,000
T71	Handicapped Access Program	2,600,000
T72	AGENCY TOTAL	8,800,000

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

APP *Joint Favorable Subst.*

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

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 05
Various State Agencies	GF - Cost	\$78.6 Million
Department of Transportation	TF - Cost	\$8.8 Million
Total All Funds		\$87.4 Million

Note: GF=General Fund; TF=Transportation Fund

Municipal Impact: None

Explanation

This bill provides \$87.4 million in FY 05 deficiency appropriations to the agencies indicated below. Appropriations made in FY 05 have an impact upon the degree to which the budget is under the spending cap. Currently, FY 05 appropriations are under the spending cap by \$126.3 million after adjusting for the \$7.5 million appropriation for the HUSKY Plan, Part A benefit extension provided by PA 05-1. Passage of this bill along with the \$59 million in additional FY 05 appropriations provided within sHB 6671 (the Appropriations bill) will result in the FY 05 budget being under the spending cap by \$0.2 million.

General Fund Deficiencies

Ethics Commission	\$22,000
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The Ethics Commission has a projected net deficiency of \$22,000, which represents 2.5% of its FY 05 appropriation of \$871,078. The \$22,000 net deficiency results from a shortfall in the Lobbyist Electronic Filing System account. The lobbyist registration, reporting, and the statement of financial interest disclosure modules need to be upgraded which will require a contractual agreement with the Department of Information Technology (DOIT). The funds are needed to pay DOIT for hosting, database support, application maintenance for troubleshooting, and development costs for these online applications. The \$22,000 deficiency results from this upgrade. The potential for funding to support additional staffing has been postponed by the Governor pending possible reorganization of the agency.

Office of Child Advocate	\$70,000
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The Office of Child Advocate has a projected net deficiency of \$70,000, which represents 11.4% of its FY 05 appropriation of \$612,470.

The \$70,000 net deficiency results from 4 contracts with 2 vendors that were unanticipated prior to FY 05. These contracts were entered into to provide technical assistance and consultation with the agency's caseload since the agency no longer has a staff attorney.

Office of Policy and Management - Energy Contingency	\$10,000,000
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The Office of Policy Management has a projected net deficiency of \$10 million in an Energy Contingency account which was not

budgeted in FY 05. In FY 04 General Fund expenditures for all energy costs (electricity, natural gas, motor vehicle and fuel oil) was \$50.9 million. The FY 05 appropriation for agency energy costs does not include an inflationary increase, thus any additional requirements will result in a deficiency between \$4.1 million and \$11.2 million, as oil and natural gas prices have risen significantly. The actual level of deficiency is contingent on the rate of increase of these costs, particularly among natural gas and district heating, which is anticipated to increase between 6% and 38%.

Department of Veterans' Affairs	\$1,964,000
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The Department of Veterans' Affairs has a projected net deficiency of \$1.96 million, which represents 7% of its General Fund FY 05 appropriation of \$27.9 million. This does assume that \$150,000 in Personal Services is made available via FAC transfer to Other Expenses.

The Other Expenses (OE) deficiency of \$1.96 million results from FY 05 estimated expenditures of \$8.2 million. A shortfall is anticipated due to increased costs in various operating expenses benefiting veterans (including food/beverage, pharmaceuticals and medical supplies) in addition to the department experiencing various changes that have impacted the OE account. The department also operates the Institutional General Welfare Fund (IGWF) which is established in statute to benefit veterans or the Veterans' Home and is available for use by the department with funds received from patient billing and estate collections. The IGWF funds are used to pay for costs benefiting veterans at the facility, similar to the OE account (IGWF FY 05 estimated expenditures of \$2.5 million). To the extent that additional Personal Services account funding is made available via FAC transfer and/or additional operating costs are funded from the IGWF, then a reduction in the OE deficiency would result.

Department of Information Technology	\$1,187,000
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The Department of Information Technology has a projected net deficiency of \$1.2 million in Other Expenses, which represents 3.7% of its General Fund FY 05 appropriation of \$32.4 million.

The deficiency is attributable to higher than anticipated costs for Business Office Support Systems (BOSS) and Automated Personnel Systems (APS).

Department of Public Works	\$2,500,000
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The Department of Public Works has a projected net deficiency of \$2.5 million, which represents 6% of its FY 05 appropriation of \$41.6 million.

The \$2.5 million net deficiency, which is in the Management Services account, results from the carry forward of \$1.29 million in unpaid expenses from FY 04 and a projected FY 05 shortfall of \$1.24 million. The FY 04 carry forward is composed of \$0.2 million for repairs and maintenance, \$0.23 million for security services, \$0.2 million for snow removal services, and \$0.66 million in bills for services rendered in June 2004. The FY 05 shortfall consists of \$0.6 million for security costs, \$0.3 million for snow removal and \$0.3 million for fair wage provisions for cleaning service workers.

Department of Public Safety	\$6,450,000
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The Department of Public Safety has a projected net deficiency of \$6.45 million, which represents 4.9% of its FY 05 appropriation of \$130.7 million.

The \$6.45 million net deficiency occurs in two areas: Personal Services (\$3.575 million) and Other Expenses (\$2.875 million).

The shortfall in Personal Services results from a partial inability to meet a \$4 million reduction that was included in the revised FY 05 budget. This reduction related to collections for reimbursements for troopers assigned to certain facilities (such as Bradley Airport). In past years, the agency, for budgeting purposes, was allowed to retain about \$6 million of the \$12 million collected for trooper reimbursements. As part of the Revised FY 05 Budget, the agency's retention of these reimbursements was reduced by \$4 million while total reimbursements received dropped by \$2 million for an effective budgetary loss of \$6 million.

The agency could have absorbed these reductions but was given the approval to conduct a trooper training class of 70 (the agency lost 57 troopers due to early retirement) and to refill 40 civilian positions (the agency lost 59 civilian positions due to layoff). The cost of these refills is about \$3.4 million.

In addition being unable to meet the \$4 million reduction, the shortfall in Personal Services results from an estimated additional fifteen positions for the newly created Department of Emergency Management and Homeland Security. The cost of the new positions is currently estimated at \$225,000.

The shortfall in Other Expenses relates to a range of higher than expected cost areas and the carry forward of FY 04 bills into FY 05 including: motor vehicle fuel (including a 20% per gallon cost increase over last year), motor vehicle maintenance, IT hardware and data contract costs, electricity, and oil/natural gas/propane and aircraft fuel costs.

In addition to these items, the replacement of body armor was not sufficiently budgeted. The body armor issued to all Troopers must be replaced every five years. Due to a disproportionate number being issued in FY 99 and a new training class estimated to graduate 56 Troopers, 585 need to be purchased. The average number of replacements over the last two years was 149. The cost of the body armor is estimated to be up to \$325,000.

Department of Public Health	\$1,753,500
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The Department of Public Health has a projected net deficiency of \$1.75 million, which represents 2.6% of its FY 05 appropriation of \$69.1 million.

The PS account has a deficiency due to FAC 05-14, which transferred \$1.75 from PS to various grant accounts to:

(a) cover shortfalls attributable to bills incurred in FY 04 being paid in the current fiscal year due to delays in processing payments through the CORE-CT accounting system, (an equivalent amount lapsed under these same accounts on June 30, 2004), and

(b) adequately fund grants under the Local and District Departments of Health account, which supports per capita subsidy payments to health districts, full time health departments, and part time health departments. A deficiency had been attributable to (a) an unanticipated population increase, (b) the formation of a new health district, (c) the merger of a full time health department into an adjacent health district, and (d) the conversion of two town health departments from part time to full time health status. Statutorily authorized per capita subsidies for health districts exceed those for full time health departments. Part time health departments are eligible for the lowest per capita subsidy.

Department of Mental Retardation	\$7,600,000
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The Department of Mental Retardation has a projected net deficiency of \$7.6 million, which represents 1% of its FY 05 appropriation of \$741.8 million. The deficiency is the result of a projected shortfall in four accounts: Other Expenses (\$1.2 million), Workers' Compensation (\$1.2 million), Employment Opportunities and Day Services (\$1.48 million) and the Community Residential

Services (\$3.7 million).

Other Expenses - The Other Expenses (OE) shortfall of \$1.2 million results in estimated expenditures for FY 05 of \$22.3 million (same level as expended in FY 04). To the extent that the Other Expenses holdback (\$624,896), Spend Management holdback (\$296,113) and the FY 04 carryforward funding of \$639,313 are released and made available, then a surplus of \$271,063 would result in OE.

Workers' Compensation - As a result of the Workers' Compensation shortfall (\$1.2 million), the FY 05 estimated expenditures of \$13.6 million reflects a 1.6% reduction from FY 04 expenditures.

Employment Opportunities and Day Services - The \$1.48 million deficiency is the result of increased demand on day programs by the number of Ageouts and High School graduates. The ageouts include individuals that age out of existing services with the Department of Children and Families or the local educational authorities (LEA's). The high school graduates include individuals who are living at home with their families and graduate from the school systems and are in need of a day program. Due to insufficient funding provided to meet the placement schedule and an increase in the number of ageouts and high school graduates than originally planned, a net deficiency of \$1.48 million is projected. There are a total of 76 additional day programs (33 ageouts and 43 high school grads) than originally projected. It is anticipated that \$1.3 million of the federal SSBG (Social Services Block Grant) carry forward funding will be utilized along with the \$1.48 million deficiency funding to fully support these day programs.

Community Residential Services - A \$3.7 million shortfall is anticipated in the Community Residential Services account due to two factors: 1) \$1.8 million in residential services for ageouts due to increased number of ageouts (15 additional residential placements) than projected and insufficient funding to meet the placement schedule of the ageouts; and 2) \$1.9 million for unmet residential needs due to the FY 04 conversions of publicly operated Community Living

Arrangements (CLA's, otherwise known as group homes) to private contracts. The FY 04 Conversion project was started during FY 04 due to the changes in staffing from the ERIP (early retirement incentive plan) and regional consolidation. Privately operated CLA's are funded from the Community Residential Services account. The total contracted amount in FY 05 as a result of the FY 04 conversions is \$10.8 million, of which \$3.6 million is to be funded from an FAC action (transfer of \$3.6 million to the Community Residential account from the Personal Services and Early Intervention accounts). Further, the department anticipates that in order to meet the total contractual amount, a \$1.9 million shortfall in this account will result. This assumes that existing FY 05 dollars, of approximately \$5.3 million, are utilized in this account to fund part of the conversion contracts. Of the \$5.3 million, \$2.2 million is anticipated to be available due to not implementing the new FY 05 conversion project (that was budgeted in the FY 05 Midterm Budget Adjustments). The remaining \$3.1 million (of the \$5.3 million) to be used for the FY 04 conversion contracts is made available by the department from other existing funding previously not budgeted for the conversion contracts. Reflected in the table below is the funding applied to the \$10.8 million FY 04 conversion contracts.

FY 04 Conversions - Contracts for FY 05 (in millions)	
FY 05 Total Value of Contracts	\$10.8
Apply April FAC transfer	(\$3.6)
Apply existing \$ within residential account	(\$5.3)
Balance Deficiency Request	(\$1.9)

It should be noted that the FY 05 Midterm Budget Adjustments did not include any new dollars or transfers among accounts to implement the FY 04 Conversions (only a transfer to DSS for room & board costs). It was anticipated that a future FAC action during FY 05 would cover the costs of the FY 04 conversion contracts.

Department of Mental Health and Addiction Services	\$5,775,000
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The Department of Mental Health and Addiction Services has a projected net deficiency of \$5.8 million, which represents 1.3% of its FY 05 appropriation of \$449.1 million.

The \$5.8 million net deficiency is primarily due to expenditures in the Other Expenses and Personal Services (PS) accounts. Other Expenses has a projected deficiency due mainly to increased repair, utility and maintenance costs at Connecticut Valley and Cedarcrest Hospitals. The PS account has a \$3.1 million deficiency due to FAC 05-10, which transferred funds for cash flow purposes from PS to the Behavioral Health Medications and Professional Services accounts. A \$1.5 million deficiency had been projected in the Behavioral Health Medications account due to continued increases in drug costs. A \$2.3 million deficiency had been projected in the Professional Services account due to the utilization of temporary agency nurses at Connecticut Valley Hospital. This expenditure is necessary due to a general shortage of nurses in the state that has led to difficulties in filling permanent nursing positions. These deficiencies are partially offset by projected surpluses in General Assistance Managed Care and Adult Medicaid Rehabilitation Option accounts.

Department of Correction	\$28,500,000
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The Department of Correction is projecting a net deficiency of \$28.5 million, which represents 5.2% of its FY 05 appropriation of \$548.5 million. This assumes that a Personal Services holdback of \$2,851,199, an Other Expenses holdback of \$1,818,782 and a Spend Management holdback of \$1,768,687 will be released. The deficiency has grown significantly since October 2004 (October: \$12 million; November: \$13.5 million; December: \$18.5 million; January: \$23.3 million; March: \$28.5 million).

The deficiency is occurring in three areas: Personal Services, Other

Expenses and Inmate Medical Services totaling \$36.7 million. This shortfall is offset by \$5.2 million in surplus funds in Workers Compensation, Parole Staffing and Operations and Community Programs, however, \$3.5 million of these funds (the surplus in Community Support Services and Workers' Compensation) are scheduled to be carried forward to FY 06 under the Governor's budget in order to reduce FY 06 funding requirements. The table below illustrates the deficits/surpluses in each account.

	Est. Exp. FY 05	Adj. Approp. FY 05	Surplus/ (Deficit) FY 05
Full-Time Salaries	296,112,616	284,456,052	-11,656,564
Part-Time Salaries	2,440,554	2,258,472	-182,082
Overtime	58,569,428	41,266,322	-17,303,106
Other PS (Longevity, Meals, Shift Diff)	17,909,148	16,748,768	-1,160,380
PS Total	375,031,746	344,729,614	-30,302,132
Other Expenses	68,093,145	63,488,949	-4,604,196
Worker's Compensation	22,925,355	24,925,355	2,000,000
Inmate Medical Services	83,310,867	81,563,821	-1,747,046
Parole Staffing and Operations	5,193,982	6,893,982	1,700,000
Community Support Services	21,068,397	22,568,397	1,500,000
Total	575,876,446	544,170,118	-31,453,374
PS Holdback Release			2,851,199
OE Holdbacks Release			3,587,469
Carryforward FY 05 Workers' Compensation Lapse to FY 06			-2,000,000
Carryforward FY 05 Community Support Services Lapse to FY 06			-1,500,000
Net Deficiency			-28,514,706

Note: Accounts without surpluses or deficits are not included above

Factors involved in the deficiency include:

- Overtime is up 24% over FY 04 levels of \$47.3 million.
- Original 03-05 biennial budget included a reduction of 348 positions in FY 05 to reflect a target of 2,000 inmates to be transferred out of state. As a result, classes for new

correction officers were cancelled. In addition, a hiring freeze was implemented. This has contributed to a high vacancy rate.

- OE deficiency primarily consists of higher than budgeted costs in Gasoline and Utilities (\$2.2 million) and in inmate food/beverage costs (\$2.1 million).
- Agency was funded for 310 halfway house beds. Of these, 215 have been contracted for and \$1.5 million in community programs will be unspent and carried forward to FY 06. On 2/4/05, 155 inmates were eligible for immediate halfway house placement.
- \$1.7 million of the PS deficiency relates to funding 47 parole field positions and five administrative parole staff (52 total) for which funding was provided in the Parole Staffing account. An FAC is anticipated to transfer the surplus from Parole Staffing to PS. An associated but currently unknown amount of OE costs will also be FAC'd.
- Use of sick time is up 1.7 days/officer over last year at 16.5 days/officer (\$1.8 million).
- Various additional collective bargaining costs have contributed to the deficiency:
 - Majors/Captains/Counselors pay plan increase (\$697,000)
 - Shift Commander stipends of \$26/day approved (\$200,000)
 - Change in work schedule interest arbitration award (\$2.2 million)
 - Correctional Supervisors Award grants overtime at time and one-half to all Lieutenants over a certain

salary level (\$807,000)

- The shortfall in Inmate Medical Services arises from overtime usage and utilization of nursing pools to cover vacancies. In addition, expenses for one patient with a serious illness at UCONN Health Center account for \$1.3 million of the deficiency. Medical costs per inmate are averaging \$4,600 annually.
- Transportation Unit overtime usage is up (Governor asked Commissioner to investigate in November). Medical transports of prisoners have increased an average of 109 hours/wk. Non-medical transports have increased by 435 hours/wk. The cost is estimated at \$900,000.
- Consolidation of mental health services at Garner CC required additional staff posts (\$3.9 million).
- Off-site training was provided to meet legal requirements for suicide prevention, diversity, sexual harassment (\$766,000).

Department of Children and Families	\$11,825,000
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The Department of Children and Families has a projected net deficiency of \$11.8 million, which represents 1.8% of its FY 05 appropriation of \$642.6 million. This assumes that a \$0.35 million lapse in the Board and Care for Children - Adoption account, a \$1.4 million lapse in the Board and Care for Children - Foster account and a \$0.3 million lapse in the Family Support Services account are made available via FAC transfer.

Contributing to the \$13.8 million gross deficiency (prior to FAC transfer of \$2 million) are shortfalls of:

- \$2 million (0.9% of the original budget) in Personal Services, primarily attributable to unexpected costs associated with

supporting 40 durational social workers needed to allow the agency to maintain compliance with caseload standards set forth under an agreement with the federal court. Funding for this purpose was not included within the revised FY 05 budget act.

- \$1 million (2.6% of the original budget) in Other Expenses, primarily attributable to costs incurred to support the 40 additional positions discussed above, higher than anticipated cellular and long distance phone charges and unbudgeted costs associated with improvements and alterations to the Connecticut Juvenile Training School (CJTS) in Middletown.

The CJTS improvements, at a cost of \$464,550, are one component of an overall facility upgrade intended to improve service delivery to its residents. On October 29, 2004, the Bond Commission approved a request for authorization of \$609,000 to support various capital projects at the facility. These funds will be supplemented by \$155,000 from the Capital Equipment Purchase Fund, bringing the total funding dedicated to upgrading the Training School to \$1,228,550.

Items to be supported with General Fund dollars include:

<i>In bedrooms:</i>	
Provide desk and chair units	\$ 120,050
Provide additional storage units	94,500
Install cork boards	10,000
Install new carpeting	25,000
<i>In other areas:</i>	
Install carpeting in dayrooms of living units	42,000
Establish a reading room on each of nine living units/purchase furniture and reading materials	45,000
Install staging system and safety apparatus for creating wall murals	15,000
Outfit unit in now closed high security building (Building 2) to be an alternative school	25,000
Create an art studio in Building 2	25,000
Establish a computer lab on each of nine living units	63,000
Total	\$ 464,550

- \$2.3 million (240.7% of the original budget) in the Emergency Needs account, and \$3.5 million (49.1% of the original budget) in the Individualized Family Supports accounts,

attributable primarily to payments in excess of budgeted amounts for emergency needs and discretionary/flexible funds.

Per department policy, child protective services workers may request the authorization of discretionary/flexible funds to obtain needed services and/or goods when such services or goods (a) are intended to enhance family preservation and reunification, (b) are individualized, (c) are time limited, and (d) do not supplant existing services to prevent out-of-home placement and facilitate reunification.

An October 7, 2003 stipulated agreement between the parties to the Juan F. Consent Decree required the department “to establish a discretionary funds pool of \$1 million for meeting emergency needs of class members pending DCF’s completion of a comprehensive needs assessment using a methodology approved by the (DCF Court) Monitor.”¹ The revised FY 05 Appropriations Act included \$950,000 for this same purpose under a newly created Emergency Needs account. An additional \$4.6 million was appropriated under the Individualized Family Supports account to support discretionary/flexible fund payments, bringing the total available for this service type to approximately \$5.6 million.

As of February 2005, actual expenditures under the Emergency Needs account were approximately \$2.3 million, while discretionary/flexible fund expenses under the Individualized Family Supports account were slightly more than \$5.3 million (for a combined total of about \$7.6 million). Combined year-end expenditures of \$11.4 million are projected.

The DCF Court Monitor’s Office recently issued findings

¹ The needs assessment was submitted to the DCF Court Monitor on October 28, 2004.

regarding these discretionary funds. One hundred (100) of 1,089 payments made from April to September 2004 were sampled. They ranged in value from \$24 to \$4,200 (average of \$556).

The number of payments by service type is shown in the following table:

<u>SERVICE/GOOD</u>	<u># OF PAYMENTS</u>
camp/recreational program	18
security deposit	12
heating/electricity bill	10
Undefined	7
Clothing	6
rent to avoid eviction	6
Counseling	6
beds/furniture	5
Daycare	4
therapeutic mentor and education	4
medical or dental need	3
licensing related fees and supervised visitation	3
emergency shelter	2
phone bill/utility	2
one-to-one services	2
Food	1
Transportation	1
baby room necessities	1
court ordered payment to maternal grandmother	1
drivers license examination	1
employment assistance	1
graduation expense	1
in-home supports	1
Prom	1
Respite	1
Total	100

- \$0.6 million (17.4% of the original budget) in the Juvenile Justice Outreach Services account, due to unbudgeted costs of \$376,068 for additional outreach and tracking services for male juvenile justice clients and \$200,000 for additional juvenile justice evaluations.

- \$1 million (13.4% of the original budget) in the No Nexus Special Education account, to reflect updated costs and caseload trends.
- \$3.5 million (2.3% of the original budget) in the Board and Care for Children – Residential account. Of this, \$3.1 million is associated with costs in excess of budgeted for services provided in collaboration with the Department of Mental Retardation.

Additionally, a \$1 million shortfall is attributable to the development of two new group homes. Partial year funding will be provided to Family and Children’s Aid, Inc. (Danbury) for a 6-bed group home for children 6 – 12 years of age with serious emotional and psychiatric disturbance who have had lengthy stays at Riverview Hospital (or other psychiatric inpatient units) due to the lack of appropriate treatment and placement options. Additionally, Community Health Resources has been selected to develop a 6-bed group home for adolescent girls 14-18 years of age who are stepping down from DCF-operated residential facilities (Connecticut Children’s Place, High Meadows). Funding for these two group homes was not included within PA 04-216. Their annualized cost is estimated at \$2 million. Also, \$0.8 million in unanticipated costs are associated with the development of five unbudgeted group homes.

These costs are partially offset by approximately \$0.2 million in unobligated funds that were carried forward from FY 04 and \$1.2 million in savings due to a reduction in residential placements and payments.

Public Defender Services Commission	\$1,000,000
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The Public Defender Services Commission has a projected net

deficiency of \$1 million, which represents 2.9% of its FY 05 appropriation of \$33.9 million.

The \$1,000,000 net deficiency results from anticipated shortfalls in the non-contractual Special Public Defenders (SPDs) and Expert Witnesses accounts. Greater than expected case assignments² and billed hours³ in the current fiscal year, in addition to \$131,000 in FY 04 obligations carried forward into the current fiscal year, contribute to an estimated, FY 05 gross deficiency of \$800,000 in the non-contractual SPDs account. The projected FY 05 gross deficiency in the agency's Expert Witnesses account is \$200,000, and is related to costs for services of psychiatric and forensic professionals. This figure also includes \$34,000 in FY 04 obligations carried over into the current fiscal year.

General Fund Deficiency Totals	\$78,646,500
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Transportation Fund Deficiency

Department of Transportation	\$8,800,000
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The Department of Transportation has a projected net deficiency of \$8.8 million, which represents 2.4% of its FY 05 appropriation of \$372.1 million.

² Primarily attributable to appeals and habeas corpus matters that are assigned to special public defenders due to conflicts of interest, court scheduling orders or overall compliance with the Public Defender Service Commission's caseload goals developed pursuant to a 1999 agreement in the *Rowland v. Rivera* class-action lawsuit.

³ Appeals cases, including habeas corpus, are hourly-intensive. In addition, the assignment of various murder trials and death penalty cases, which also require a relatively high number of hours to litigate, has contributed to the deficiency in the non-contractual special public defenders account (which compensates contracted attorneys on an hourly basis).

The \$3.8 million of the \$8.8 million net deficiency is attributable to implementation of CORE-CT (Other Expenses); \$2.4 million of the net deficiency is attributable to Personnel Services overtime expenses and other contract costs related to the March 2005 snowstorm. The remaining \$2.6 million deficiency is attributable to increased costs associated with the operation of the Handicapped Access Program.

OFA Bill Analysis

sHB 6672

AN ACT MAKING DEFICIENCY APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 2005.

SUMMARY:

This bill appropriates funds in FY 05 to various state agencies to cover deficiencies. Please refer to the fiscal note for a more detailed explanation.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Appropriations Committee

Joint Favorable Substitute

Yea 43 Nay 4