



General Assembly

January Session, 2007

Raised Bill No. 1441

LCO No. 5763

* SB01441FINAPP040907 *

Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

AN ACT CONCERNING THE MAXIMIZATION OF FEDERAL FUNDS.

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

1 Section 1. (NEW) (*Effective July 1, 2007*) (a) For purposes of this
2 section, "state agency" means each department, board, commission,
3 institution or other agency of the state.

4 (b) On or before September 1, 2007, and annually thereafter, each
5 state agency shall report to the Secretary of the Office of Policy and
6 Management on (1) the availability of federal funds to support the
7 state programs for which such agency is responsible, (2) the use by
8 such agency of federal funds, (3) any impediments to the use of such
9 funds, and (4) recommendations for ways in which the amount of such
10 funds may be increased.

11 (c) The Secretary of the Office of Policy and Management, in
12 consultation with the legislative Office of Fiscal Analysis, shall
13 undertake a study of revenues received by the state from the federal
14 government, consider ways in which such revenues may be increased,
15 and develop a plan to ensure that such revenues are maximized. Said
16 secretary shall submit a report, in accordance with section 11-4a of the

17 general statutes, on or before February 1, 2008, and annually thereafter,
18 summarizing the findings of such study, a description of such plan
19 and updating such plan as necessary.

20 Sec. 2. Section 2-33a of the general statutes is repealed and the
21 following is substituted in lieu thereof (*Effective July 1, 2007*):

22 The General Assembly shall not authorize an increase in general
23 budget expenditures for any fiscal year above the amount of general
24 budget expenditures authorized for the previous fiscal year by a
25 percentage which exceeds the greater of the percentage increase in
26 personal income or the percentage increase in inflation, unless the
27 Governor declares an emergency or the existence of extraordinary
28 circumstances and at least three-fifths of the members of each house of
29 the General Assembly vote to exceed such limit for the purposes of
30 such emergency or extraordinary circumstances. Any such declaration
31 shall specify the nature of such emergency or circumstances and may
32 provide that such proposed additional expenditures shall not be
33 considered general budget expenditures for the current fiscal year for
34 the purposes of determining general budget expenditures for the
35 ensuing fiscal year and any act of the General Assembly authorizing
36 such expenditures may contain such provision. As used in this section,
37 "increase in personal income" means the average of the annual increase
38 in personal income in the state for each of the preceding five years,
39 according to United States Bureau of Economic Analysis data;
40 "increase in inflation" means the increase in the consumer price index
41 for urban consumers during the preceding twelve-month period,
42 according to United States Bureau of Labor Statistics data; and "general
43 budget expenditures" means expenditures from appropriated funds
44 authorized by public or special act of the General Assembly, provided
45 (1) general budget expenditures shall not include expenditures for
46 payment of the principal of and interest on bonds, notes or other
47 evidences of indebtedness, expenditures pursuant to section 4-30a, [or]
48 current or increased expenditures for statutory grants to distressed
49 municipalities, provided such grants are in effect on July 1, 1991, or

50 expenditures made with funds received from the federal government,
51 and (2) expenditures for the implementation of federal mandates or
52 court orders shall not be considered general budget expenditures for
53 the first fiscal year in which such expenditures are authorized, but
54 shall be considered general budget expenditures for such year for the
55 purposes of determining general budget expenditures for the ensuing
56 fiscal year. As used in this section, "federal mandates" means those
57 programs or services in which the state must participate, or in which
58 the state participated on July 1, 1991, and in which the state must meet
59 federal entitlement and eligibility criteria in order to receive federal
60 reimbursement, provided expenditures for program or service
61 components which are optional under federal law or regulation shall
62 be considered general budget expenditures.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007</i>	New section
Sec. 2	<i>July 1, 2007</i>	2-33a

FIN

Joint Favorable C/R

APP