



Senate Bill No. 1162

Public Act No. 09-214

AN ACT REQUIRING CONSENSUS REVENUE ESTIMATES.

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

Section 1. Section 2-36b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) No later than November thirtieth each year, the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and finance, revenue and bonding shall meet with the Secretary of the Office of Policy and Management, the director of the legislative Office of Fiscal Analysis, and such other persons as they deem appropriate, to consider the items submitted pursuant to subsection (b) of this section.

(b) On or before November fifteenth, annually, the Secretary of the Office of Policy and Management and the director of the legislative Office of Fiscal Analysis shall each submit the following to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and finance, revenue and bonding: (1) [An] A consensus estimate of state revenues [] developed in accordance with subsection (a) of section 2 of this act, an estimate of expenditures and ending balance for each fund, for the current biennium and the next ensuing three fiscal

Senate Bill No. 1162

years, and the assumptions on which such estimates are based; (2) the projected tax credits to be used in the current biennium and the next ensuing three fiscal years, and the assumptions on which such projections are based; (3) a summary of any estimated deficiencies in the current fiscal year, the reasons for such deficiencies, and the assumptions upon which such estimates are based; (4) the projected balance in the Budget Reserve Fund at the end of each uncompleted fiscal year of the current biennium and the next ensuing three fiscal years; (5) the projected bond authorizations, allocations and issuances in each of the next ensuing five fiscal years and their impact on the debt service of the major funds of the state; (6) an analysis of revenue and expenditure trends and of the major cost drivers affecting state spending, including identification of any areas of concern and efforts undertaken to address such areas, including, but not limited to, efforts to obtain federal funds; and (7) an analysis of possible uses of surplus funds, including, but not limited to, the Budget Reserve Fund, debt retirement and funding of pension liabilities.

Sec. 2. (NEW) (*Effective from passage*) (a) Not later than October fifteenth annually, the Secretary of the Office of Policy and Management and the director of the legislative Office of Fiscal Analysis shall issue the consensus revenue estimate for the current biennium and the next ensuing three fiscal years. If no agreement on a revenue estimate is reached by October fifteenth, (1) the Secretary of the Office of Policy and Management and the director of the Office of Fiscal Analysis shall each issue an estimate of state revenues for the current biennium and the next ensuing three fiscal years, and (2) the Comptroller shall, not later than October twenty-fifth, issue the consensus revenue estimate for the current biennium and the next ensuing three fiscal years. In issuing the consensus revenue estimate required by this subsection, the Comptroller shall consider such revenue estimates provided by the Office of Policy and Management and the legislative Office of Fiscal Analysis, and shall issue the

Senate Bill No. 1162

consensus revenue estimate based on such revenue estimates, in an amount that is equal to or between such revenue estimates.

(b) Not later than January fifteenth annually and April thirtieth annually, the Secretary of the Office of Policy and Management and the director of the legislative Office of Fiscal Analysis shall issue revisions to the consensus revenue estimate developed pursuant to subsection (a) of this section, or a statement that no revisions are necessary. If no agreement on revisions to the consensus revenue estimate is reached by the required date, (1) the Secretary of the Office of Policy and Management and the director of the Office of Fiscal Analysis shall each issue a revised estimate of state revenues for the current biennium and the next ensuing three fiscal years, and (2) the Comptroller shall, not later than five days after the failure to issue revisions to the consensus revenue estimate, issue the revised consensus revenue estimate. In issuing the revised consensus revenue estimate required by this subsection, the Comptroller shall consider such revised revenue estimates provided by the Office of Policy and Management and the legislative Office of Fiscal Analysis, and shall issue the revised consensus revenue estimate based on such revised revenue estimates, in an amount that is equal to or between such revised revenue estimates.

(c) If (1) a revised consensus revenue estimate pursuant to subsection (b) of this section is issued in January or April of any fiscal year, (2) such revised consensus revenue estimate has changed from the previous consensus revenue estimate or revised consensus revenue estimate to forecast a deficit or an increase in a deficit either of which is greater than one per cent of the total of General Fund appropriations for the current year, (3) a budget for the prospective fiscal year has not become law, and (4) the General Assembly is in session, then the General Assembly and the Governor shall take such action as provided in subsection (d) of this section.

Senate Bill No. 1162

(d) (1) The joint standing committees of the General Assembly having cognizance of matters relating to appropriations and finance, revenue and bonding shall, on or before the tenth business day after a revised consensus revenue estimate is issued in April pursuant to subsection (c) of this section, prepare and vote on adjusted appropriation and revenue plans, if necessary to address such revised consensus revenue estimate.

(2) The Governor shall provide the General Assembly with a budget document, prepared in accordance with the requirements of section 4-74 of the general statutes, as amended by this act, if necessary to address the most recent consensus revenue estimate or revised consensus revenue estimate issued pursuant to subsection (b) or (c) of this section. The budget document required by this subdivision shall be issued not later than twenty-five calendar days after a revised consensus revenue estimate is issued in January, and not later than ten calendar days after a revised consensus revenue estimate is issued in April.

Sec. 3. (*Effective from passage*) (a) If no budget for the biennium beginning July 1, 2009, and ending June 30, 2011, has become law by the effective date of this section, then not later than five days after the effective date of this section, the Secretary of the Office of Policy and Management and the director of the legislative Office of Fiscal Analysis shall issue the consensus revenue estimate for said biennium. If no agreement on a revenue estimate can be reached by such fifth day, (1) the Secretary of the Office of Policy and Management and the director of the legislative Office of Fiscal Analysis shall each issue a revised estimate of state revenues, and (2) the Comptroller shall, immediately thereafter, issue the consensus revenue estimate for said biennium. In issuing the consensus revenue estimate required by this subsection, the Comptroller shall consider such revenue estimates provided by the Office of Policy and Management and the legislative

Senate Bill No. 1162

Office of Fiscal Analysis, and shall issue the consensus revenue estimate based on such revenue estimates, in an amount that is equal to or between such revenue estimates.

(b) If no budget for the biennium beginning July 1, 2009, and ending June 30, 2011, has become law by the effective date of this section, then not later than ten days after the effective date of this section, the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and finance, revenue and bonding, shall prepare and vote on adjusted appropriation and revenue plans, if necessary to address the consensus revenue estimate prepared pursuant to subsection (a) of this section, and the Governor shall provide a budget document, prepared in accordance with the requirements of section 4-74 of the general statutes, as amended by this act, if necessary to address to such consensus revenue estimate.

Sec. 4. Section 2-35 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) All bills carrying or requiring appropriations and favorably reported by any other committee, except for payment of claims against the state, shall, before passage, be referred to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, unless such reference is dispensed with by a vote of at least two-thirds of each house of the General Assembly. Resolutions paying the contingent expenses of the Senate and House of Representatives shall be referred to said committee. Said committee may originate and report any bill which it deems necessary and shall, in each odd-numbered year, report such appropriation bills as it deems necessary for carrying on the departments of the state government and for providing for such institutions or persons as are proper subjects for state aid under the provisions of the statutes, for the ensuing biennium. In each even-numbered year, the committee shall originate and report at least one

Senate Bill No. 1162

bill which adjusts expenditures for the ensuing fiscal year in such manner as it deems appropriate. Each appropriation bill shall specify the particular purpose for which appropriation is made and shall be itemized as far as practicable. The state budget act may contain any legislation necessary to implement its appropriations provisions, provided no other general legislation shall be made a part of such act.

(b) The state budget act passed by the legislature for funding the expenses of operations of the state government in the ensuing biennium shall contain a statement of estimated revenue, based upon the most recent consensus revenue estimate or the revised consensus revenue estimate issued pursuant to section 2 of this act, itemized by major source, for each appropriated fund. The statement of estimated revenue applicable to each such fund shall include, for any fiscal year, an estimate of total revenue with respect to such fund, which amount shall be reduced by (1) an estimate of total refunds of taxes to be paid from such revenue in accordance with the authorization in section 12-39f, and (2) an estimate of total refunds of payments to be paid from such revenue in accordance with the provisions of section 4-37. Such statement of estimated revenue, including the estimated refunds of taxes to be offset against such revenue, shall be supplied by the joint standing committee of the General Assembly having cognizance of matters relating to state finance, revenue and bonding. The total estimated revenue for each fund, as adjusted in accordance with this section, shall not be less than the total net appropriations made from each fund. On or before July first of each fiscal year said committee shall, if any revisions in such estimates are required by virtue of legislative amendments to the revenue measures proposed by said committee, changes in conditions or receipt of new information since the original estimate was supplied, meet and revise such estimates and, through its cochairpersons, report to the Comptroller any such revisions.

Senate Bill No. 1162

Sec. 5. Section 4-74 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

Part III of the budget document shall be based upon the consensus revenue estimate or revised consensus revenue estimate issued pursuant to section 2 of this act, and shall consist of a draft or drafts of appropriation and revenue bills to carry out the recommendations of the Governor to be included in parts I and II of the budget document. Such appropriation bills shall indicate the funds, general or special, from which such appropriations shall be paid, but such appropriations need not be in greater detail than to indicate the total appropriation to be made to each budgeted agency and each independently organized division thereof for each major function or program, equipment, land and buildings and improvements.

Vetoed June 4, 2009