



General Assembly

January Session, 2009

Raised Bill No. 461

LCO No. 1005

* SB00461INSAPP020509 *

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

AN ACT EXEMPTING THE INSURANCE FUND FROM THE SPENDING CAP.

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

1 Section 1. Section 2-33a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2009*):

3 The General Assembly shall not authorize an increase in general
4 budget expenditures for any fiscal year above the amount of general
5 budget expenditures authorized for the previous fiscal year by a
6 percentage which exceeds the greater of the percentage increase in
7 personal income or the percentage increase in inflation, unless the
8 Governor declares an emergency or the existence of extraordinary
9 circumstances and at least three-fifths of the members of each house of
10 the General Assembly vote to exceed such limit for the purposes of
11 such emergency or extraordinary circumstances. Any such declaration
12 shall specify the nature of such emergency or circumstances and may
13 provide that such proposed additional expenditures shall not be
14 considered general budget expenditures for the current fiscal year for
15 the purposes of determining general budget expenditures for the
16 ensuing fiscal year and any act of the General Assembly authorizing

17 such expenditures may contain such provision. As used in this section,
18 "increase in personal income" means the average of the annual increase
19 in personal income in the state for each of the preceding five years,
20 according to United States Bureau of Economic Analysis data;
21 "increase in inflation" means the increase in the consumer price index
22 for urban consumers during the preceding twelve-month period,
23 according to United States Bureau of Labor Statistics data; and "general
24 budget expenditures" means expenditures from appropriated funds
25 authorized by public or special act of the General Assembly, provided
26 (1) general budget expenditures shall not include expenditures for
27 payment of the principal of and interest on bonds, notes or other
28 evidences of indebtedness, expenditures pursuant to section 4-30a, [or]
29 current or increased expenditures for statutory grants to distressed
30 municipalities, provided such grants are in effect on July 1, 1991, or the
31 Insurance Fund established pursuant to section 38a-52a, and (2)
32 expenditures for the implementation of federal mandates or court
33 orders shall not be considered general budget expenditures for the first
34 fiscal year in which such expenditures are authorized, but shall be
35 considered general budget expenditures for such year for the purposes
36 of determining general budget expenditures for the ensuing fiscal year.
37 As used in this section, "federal mandates" means those programs or
38 services in which the state must participate, or in which the state
39 participated on July 1, 1991, and in which the state must meet federal
40 entitlement and eligibility criteria in order to receive federal
41 reimbursement, provided expenditures for program or service
42 components which are optional under federal law or regulation shall
43 be considered general budget expenditures.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2009</i>	2-33a

INS

Joint Favorable C/R

APP