



Senate

General Assembly

File No. 527

February Session, 2010

Substitute Senate Bill No. 359

Senate, April 13, 2010

The Committee on Appropriations reported through SEN. HARP of the 10th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING REPORTING BY STATE AGENCIES.

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

1 Section 1. (*Effective from passage*) (a) The State Comptroller, or the
2 State Comptroller's designee, in consultation with the director of the
3 legislative Office of Fiscal Analysis, or the director's designee, and the
4 Secretary of the Office of Policy and Management, or the secretary's
5 designee, shall develop a plan to enhance the capacity of the CORE-CT
6 system to categorize state expenditures, contracts, projects and
7 employees by the budgeted state programs with which each is
8 associated. Such plan shall include the means by which (1) state
9 agencies shall enter information for purposes of such categorization
10 into the CORE-CT system and keep the information updated, which
11 may include the use of computer format codes, (2) such data shall be
12 retrievable, and (3) the Secretary of the Office of Policy and
13 Management shall provide to the Office of Fiscal Analysis an electronic
14 version of all data generated by the CORE-CT system that is used to
15 prepare the budget document transmitted to the General Assembly in

16 accordance with section 4-71 of the general statutes. On or before
17 January 1, 2011, the State Comptroller, the director of the legislative
18 Office of Fiscal Analysis and the Secretary of the Office of Policy and
19 Management shall jointly submit a report, in accordance with the
20 provisions of section 11-4a of the general statutes, to the joint standing
21 committee of the General Assembly having cognizance of matters
22 relating to appropriations and the budgets of state agencies, on the
23 plan. Such report shall include a summary of the plan and the
24 estimated date by which the plan will be fully implemented.

25 (b) On or before January 1, 2011, the State Comptroller, or the State
26 Comptroller's designee, the director of the legislative Office of Fiscal
27 Analysis, or the director's designee, and the Secretary of the Office of
28 Policy and Management, or the secretary's designee, shall jointly
29 submit a report, in accordance with the provisions of section 11-4a of
30 the general statutes, to the joint standing committees of the General
31 Assembly having cognizance of matters relating to appropriations and
32 the budgets of state agencies and finance, revenue and bonding on the
33 feasibility of using the CORE-CT system to develop state budgets and
34 to allow the Office of the Comptroller, the legislative Office of Fiscal
35 Analysis and the Office of Policy and Management to monitor
36 implementation of such budgets.

37 Sec. 2. Subsection (r) of section 32-9t of the general statutes is
38 repealed and the following is substituted in lieu thereof (*Effective July*
39 *1, 2010*):

40 (r) (1) Not later than July first in each year that credits allowed by
41 this section are claimed by a taxpayer with respect to an approved
42 investment, the commissioner [may] shall retain such persons as said
43 commissioner may deem appropriate to conduct a study to estimate
44 the state revenue that is being and will be generated by the eligible
45 project in which such investment is made. Such economic impact study
46 shall determine whether the state revenue actually generated by such
47 eligible project is equal to the estimate of state revenue made at the
48 time the investment in such eligible project was approved. If the sum

49 of all state revenue actually generated by such eligible project is less
50 than the amount of the total sum of tax credits claimed with respect to
51 the approved investment in such project on the date of such analysis,
52 the commissioner may determine from the person retained pursuant to
53 this subsection the applicable recapture amount and may revoke the
54 certificate of eligibility issued under subsection (h) of this section. The
55 commissioner may require the taxpayer, the fund manager or
56 community development entity that made such approved investment
57 to reimburse the commissioner for all or any part of the cost of any
58 economic impact study performed under this subsection.

59 (2) On and after July 1, 2010, the commissioner shall, in accordance
60 with the provisions of section 11-4a, provide a copy of any economic
61 impact study produced pursuant to subdivision (1) of this subsection,
62 along with (A) a summary of the key findings of the study, and (B) a
63 summary of the data provided by the taxpayer, to the joint standing
64 committees of the General Assembly having cognizance of matters
65 relating to commerce and finance, revenue and bonding.

66 Sec. 3. Section 4-66 of the general statutes is repealed and the
67 following is substituted in lieu thereof (*Effective July 1, 2010*):

68 The Secretary of the Office of Policy and Management shall have the
69 following functions and powers: To keep on file information
70 concerning the state's general accounts; to furnish all accounting
71 statements relating to the financial condition of the state as a whole, to
72 the condition and operation of state funds, to appropriations, to
73 reserves and to costs of operations; to furnish such statements as and
74 when they are required for administrative purposes and, at the end of
75 each fiscal period, to prepare and publish such financial statements
76 and data as will convey to the General Assembly the essential facts as
77 to the financial condition, the revenues and expenditures and the costs
78 of operations of the state government; to furnish to the State
79 Comptroller on or before the twentieth day of each month cumulative
80 monthly statements of revenues and expenditures to the end of the
81 last-completed month together with (1) a statement of estimated

82 revenue by source to the end of the fiscal year, at least in the same
83 detail as appears in the budget act, and (2) a statement of
84 appropriation requirements of the state's General Fund to the end of
85 the fiscal year itemized as far as practicable for each budgeted agency,
86 including estimates of lapsing appropriations, unallocated lapsing
87 balances and unallocated appropriation requirements; to transmit to
88 the Office of Fiscal Analysis, [a copy of] monthly, (A) a copy of
89 position data, [and monthly] which shall include for each state agency
90 the positions vacated and the positions filled during such month, (B) a
91 bond project run, and (C) a report on the availability of federal funds,
92 including those available under the American Recovery and
93 Reinvestment Act of 2009, and the status of applications submitted for
94 such funds; to inquire into the operation of, and make or recommend
95 improvement in, the methods employed in the preparation of the
96 budget and the procedure followed in determining whether the funds
97 expended by the departments, boards, commissions and institutions
98 supported in whole or in part by the state are wisely, judiciously and
99 economically expended and to submit such findings and
100 recommendations to the General Assembly at each regular session,
101 together with drafts of proposed legislation, if any; to examine each
102 department, state college, state hospital, state-aided hospital,
103 reformatory and prison and each other institution or other agency
104 supported in whole or in part by the state, except public schools, for
105 the purpose of determining the effectiveness of its policies,
106 management, internal organization and operating procedures and the
107 character, amount, quality and cost of the service rendered by each
108 such department, institution or agency; to recommend, and to assist
109 any such department, institution or agency to effect, improvements in
110 organization, management methods and procedures and to report its
111 findings and recommendations and submit drafts of proposed
112 legislation, if any, to the General Assembly at each regular session; to
113 consider and devise ways and means whereby comprehensive plans
114 and designs to meet the needs of the several departments and
115 institutions with respect to physical plant and equipment and whereby
116 financial plans and programs for the capital expenditures involved

117 may be made in advance and to make or assist in making such plans;
118 to devise and prescribe the form of operating reports that shall be
119 periodically required from the several departments, boards,
120 commissions, institutions and agencies supported in whole or in part
121 by the state; to require the several departments, boards, commissions,
122 institutions and agencies to make such reports for such periods as said
123 secretary may determine; to verify the correctness of, and to analyze,
124 all such reports and to take such action as may be deemed necessary to
125 remedy unsatisfactory conditions disclosed by such reports.

126 Sec. 4. Subsection (d) of section 12-7b of the general statutes is
127 repealed and the following is substituted in lieu thereof (*Effective July*
128 *1, 2010*):

129 (d) The Commissioner of Revenue Services shall submit to the
130 legislative Office of Fiscal Analysis a monthly report (1) concerning the
131 sales and use taxes, including [(1)] (A) gross receipts subject to sales
132 tax, stated separately in respect to each category of sales, from sales of
133 any tangible personal property, the leasing or rental of tangible
134 personal property and the rendering of any services subject to said tax,
135 [(2)] (B) total consideration for purchases subject to the use tax, stated
136 separately for each category, in respect to any tangible personal
137 property, the leasing or rental of tangible personal property and the
138 rendering of any services, [(3)] (C) total amount of deductions related
139 to each of the separate provisions for exemption under chapter 219,
140 and [(4)] (D) total amount of tax collected with respect to each of the
141 industrial classifications included in the Standard Industrial
142 Classification Code in current use for purposes of certain statistical
143 data by the Commissioner of Revenue Services, provided the data
144 required in this [subdivision] subparagraph may, at the discretion of
145 said commissioner be submitted, in lieu of the monthly submission as
146 otherwise required in this section, within thirty days following the end
147 of each calendar quarter commencing with the calendar quarter ending
148 June 30, 1992, and (2) showing cash flows for each budgeted agency, as
149 defined in section 4-69, for such month.

150 Sec. 5. Subsection (c) of section 4-77 of the 2010 supplement to the
151 general statutes is repealed and the following is substituted in lieu
152 thereof (*Effective July 1, 2010*):

153 (c) The administrative head of each budgeted agency shall transmit,
154 to the Office of Fiscal Analysis, copies of the agency's monthly (1)
155 financial status report, (2) personnel status report, which shall include
156 the positions vacated and the positions filled in the agency during such
157 month, and (3) nonappropriated moneys status report which shall be
158 an accounting of moneys received or held by the agency that are
159 authorized or received by any manner other than as an appropriation.
160 Such personnel status report shall be transmitted to the Secretary of
161 the Office of Policy and Management. Such accounting of
162 nonappropriated moneys shall include, at a minimum, an assessment
163 of the status of any agency fund or account of such agency receiving or
164 holding such moneys. Such assessments of such funds and accounts
165 shall, at a minimum, account for all expenditures, encumbrances,
166 liabilities, reimbursements and revenues.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2010</i>	32-9t(r)
Sec. 3	<i>July 1, 2010</i>	4-66
Sec. 4	<i>July 1, 2010</i>	12-7b(d)
Sec. 5	<i>July 1, 2010</i>	4-77(c)

APP Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

Section 1 of the bill requires the development of a plan to enhance the capacity of the CORE-CT system to track and report on expenditures, contracts, projects and employees according to budgeted programs. This does not have a fiscal impact.

Section 2 requires the Department of Economic and Community Development (DECD) to retain people to study the revenue generated by economic development projects and requires the distribution of the studies to the Finance Committee. Since these studies are routinely undertaken, the retention requirement is not anticipated to result in a fiscal impact.

Sections 3 and 5 require that monthly vacancy reports and ARRA application information be provided to OFA. This does not result in a fiscal impact.

Section 4 requires the Department of Revenue Services (DRS) to include cash flows for each budgeted agency in its monthly reports. To the degree that the agency can obtain this information from the Office of the State Treasurer (OST) and the Office of the State Comptroller (OSC), this does not result in a fiscal impact.

The Out Years

State Impact: None

Municipal Impact: None

OFA Bill Analysis**sSB 359*****AN ACT CONCERNING REPORTING BY STATE AGENCIES.*****SUMMARY:**

The bill alters and, in certain cases, expands the reporting requirements by the Department of Economic and Community Development (DECD), the Office of Policy and Management (OPM), and the Department of Revenue Services (DRS) to the General Assembly and the Office of Fiscal Analysis (OFA). The bill also requires the Office of the State Comptroller (OSC), OFA, and OPM to develop a plan to enhance the capacity and information capabilities of the CORE-CT statewide accounting system.

The bill also requires the Department of Revenue Services (DRS) to include cash flows information in its monthly reports. While DRS does not currently maintain that information, the Office of the State Treasurer (OST) does. It should be noted that sHB 5535, An Act Concerning A Monthly Report From The State Treasurer Regarding The State's Cash Balance, requires the OST to provide cash flow information to the Finance, Revenue and Bonding Committee and the Office of Fiscal Analysis.

EFFECTIVE DATE: Effective from passage for the CORE-CT enhancement plan; July 1, 2010 for the remaining provisions.

COMMITTEE ACTION

Appropriations Committee

Joint Favorable Substitute

Yea 40 Nay 15 (03/26/2010)