



**House Bill No. 7001**

**December Special Session, Public Act No. 12-1**

**AN ACT CONCERNING DEFICIT MITIGATION FOR THE FISCAL YEAR ENDING JUNE 30, 2013.**

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

Section 1. (*Effective from passage*) The Secretary of the Office of Policy and Management may make reductions in allotments for the fiscal year ending June 30, 2013, in the following accounts of the GENERAL FUND and the SPECIAL TRANSPORTATION FUND, in the following amounts in order to achieve budget savings in said fiscal year:

GENERAL FUND		
AGRICULTURAL EXPERIMENT STATION	Personal Services	268,963
AGRICULTURAL EXPERIMENT STATION	Other Expenses	45,065
AGRICULTURAL EXPERIMENT STATION	Mosquito Control	78,209
AGRICULTURAL EXPERIMENT STATION	Wildlife Disease Prevention	4,479
ATTORNEY GENERAL	Personal Services	64,721
COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES	Personal Services	213,296
DEBT SERVICE - STATE TREASURER	Debt Service	25,000,000
DEPARTMENT OF ADMINISTRATIVE SERVICES	Personal Services	82,582
DEPARTMENT OF ADMINISTRATIVE SERVICES	Other Expenses	1,057,198

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DEPARTMENT OF ADMINISTRATIVE SERVICES	Management Services	200,000
DEPARTMENT OF ADMINISTRATIVE SERVICES	Surety Bonds for State Officials and Employees	4,100
DEPARTMENT OF ADMINISTRATIVE SERVICES	Rents and Moving	200,000
DEPARTMENT OF ADMINISTRATIVE SERVICES	Connecticut Education Network	298,324
DEPARTMENT OF ADMINISTRATIVE SERVICES	State Insurance and Risk Mgmt Operations	350,000
DEPARTMENT OF AGRICULTURE	Other Expenses	33,463
DEPARTMENT OF CHILDREN AND FAMILIES	Personal Services	1,477,901
DEPARTMENT OF CHILDREN AND FAMILIES	Board and Care for Children - Foster	233,022
DEPARTMENT OF CHILDREN AND FAMILIES	Board and Care for Children - Residential	1,007,788
DEPARTMENT OF CHILDREN AND FAMILIES	Individualized Family Supports	191,978
DEPARTMENT OF CONSUMER PROTECTION	Personal Services	30,147
DEPARTMENT OF CORRECTION	Stress Management	1,750
DEPARTMENT OF CORRECTION	Inmate Medical Services	7,200,000
DEPARTMENT OF CORRECTION	Distance Learning	95,000
DEPARTMENT OF CORRECTION	Legal Services To Prisoners	43,530
DEPARTMENT OF CORRECTION	Community Support Services	1,825,819
DEPARTMENT OF DEVELOPMENTAL SERVICES	Personal Services	500,472
DEPARTMENT OF DEVELOPMENTAL SERVICES	Pilot Program for Autism Services	209,000
DEPARTMENT OF DEVELOPMENTAL SERVICES	Community Residential Services	850,000
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Other Expenses	25,000
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Elderly Rental Registry and Counselors	40,027
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Statewide Marketing	2,000,000
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	CT Association for the Performing Arts/ Shubert Theater	3,788

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DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Hartford Urban Arts Grant	3,788
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	New Britain Arts Council	757
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Ivoryton Playhouse	1,500
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Garde Arts Theatre	3,000
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Congregate Facilities Operation Costs	16,417
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Discovery Museum	3,788
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	National Theatre for the Deaf	1,515
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Culture, Tourism, and Arts Grant	20,000
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	CT Trust for Historic Preservation	2,104
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Connecticut Science Center	6,306
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Bushnell Theater	2,500
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Local Theatre Grant	5,000
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Tax Abatement	175,000
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Payment In Lieu Of Taxes	220,400
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Greater Hartford Arts Council	947
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Stamford Center for the Arts	3,788
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Stepping Stones Museum for Children	443
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Maritime Center Authority	5,315
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Amistad Committee for the Freedom Trail	443
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Amistad Vessel	3,788
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	New Haven Festival of Arts and Ideas	7,973
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	New Haven Arts Council	947
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Palace Theater	3,788

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DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Beardsley Zoo	3,544
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Mystic Aquarium	6,202
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Twain/Stowe Homes	957
DEPARTMENT OF EDUCATION	Personal Services	279,083
DEPARTMENT OF EDUCATION	Teachers' Standards Implementation Program	18,363
DEPARTMENT OF EDUCATION	Development of Mastery Exams Grades 4, 6, and 8	952,528
DEPARTMENT OF EDUCATION	Resource Equity Assessments	60,000
DEPARTMENT OF EDUCATION	Longitudinal Data Systems	42,022
DEPARTMENT OF EDUCATION	Sheff Settlement	405,000
DEPARTMENT OF EDUCATION	Science Program for Educational Reform Districts	432,250
DEPARTMENT OF EDUCATION	Commissioner's Network	2,425,000
DEPARTMENT OF EDUCATION	Talent Development	1,000,000
DEPARTMENT OF EDUCATION	American School For The Deaf	17,212
DEPARTMENT OF EDUCATION	Regional Education Services	47,231
DEPARTMENT OF EDUCATION	Education Equalization Grants	2,000,000
DEPARTMENT OF EDUCATION	Interdistrict Cooperation	1,000,000
DEPARTMENT OF EDUCATION	Magnet Schools	2,550,000
DEPARTMENT OF EDUCATION	After School Program	225,000
DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Personal Services	720,000
DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Stress Reduction	1,168
DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Fleet Purchase	213,574
DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Personal Services	113,110
DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Stream Gaging	9,978

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DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Emergency Spill Response	339,944
DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Agreement USGS - Hydrological Study	7,773
DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Agreement USGS- Water Quality Stream Monitoring	10,771
DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Lobster Restoration	188,884
DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES	Personal Services	578,387
DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES	Housing Supports And Services	739,682
DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES	Managed Service System	846,304
DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES	Nursing Home Screening	31,139
DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES	Jail Diversion	150,000
DEPARTMENT OF MOTOR VEHICLES	Personal Services	12,923
DEPARTMENT OF PUBLIC HEALTH	Personal Services	83,862
DEPARTMENT OF PUBLIC HEALTH	Childhood Lead Poisoning	3,392
DEPARTMENT OF PUBLIC HEALTH	Community Health Services	42,500
DEPARTMENT OF PUBLIC HEALTH	X-Ray Screening and Tuberculosis Care	52,121
DEPARTMENT OF REVENUE SERVICES	Personal Services	117,711
DEPARTMENT OF SOCIAL SERVICES	Other Expenses	16,500,000
DEPARTMENT OF SOCIAL SERVICES	Transportation for Employment Independence Program	200,000
DEPARTMENT OF SOCIAL SERVICES	Disproportionate Share-Medical Emergency Assistance	53,697,369
DEPARTMENT OF SOCIAL SERVICES	Teen Pregnancy Prevention	50,000
DEPARTMENT OF SOCIAL SERVICES	Medicaid - Acute Care Services	34,420,000
DEPARTMENT OF SOCIAL SERVICES	Medicaid - Professional Medical Care	5,790,000
DEPARTMENT OF SOCIAL SERVICES	Medicaid - Other Medical Services	4,545,000

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DEPARTMENT OF SOCIAL SERVICES	Medicaid - Home and Community-Based Services	500,000
DEPARTMENT OF SOCIAL SERVICES	Medicaid - Other Long Term Care Facilities	500,000
DEPARTMENT OF SOCIAL SERVICES	Medicaid - Administrative Services & Adjustments	9,900,000
DEPARTMENT OF VETERANS' AFFAIRS	Personal Services	37,796
DEPARTMENT OF VETERANS' AFFAIRS	Burial Expenses	360
DIVISION OF CRIMINAL JUSTICE	Medicaid Fraud Control	64,268
DIVISION OF CRIMINAL JUSTICE	Cold Case Unit	64,000
GOVERNOR'S OFFICE	Personal Services	21,000
LABOR DEPARTMENT	Personal Services	286,782
LABOR DEPARTMENT	Other Expenses	21,082
LABOR DEPARTMENT	CETC Workforce	50,000
LABOR DEPARTMENT	Jobs First Employment Services	682,872
LABOR DEPARTMENT	Incumbent Worker Training	50,000
LABOR DEPARTMENT	Film Industry Training Program	350,313
LIEUTENANT GOVERNOR'S OFFICE	Other Expenses	1,623
LIEUTENANT GOVERNOR'S OFFICE	Health Reform and Innovation	49,802
OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Citizens' Election Fund Admin	55,945
OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Elections Enforcement Commission	26,460
OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Office of State Ethics	34,001
OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Freedom of Information Commission	45,004
OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Judicial Review Council	5,248
OFFICE OF HIGHER EDUCATION	Alternate Route to Certification	18,984
OFFICE OF HIGHER EDUCATION	Capitol Scholarship Program	236,117

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OFFICE OF HIGHER EDUCATION	Connecticut Independent College Student Grant	200,000
OFFICE OF POLICY AND MANAGEMENT	Personal Services	22,741
OFFICE OF POLICY AND MANAGEMENT	Innovation Challenge Grant Program	100,000
OFFICE OF POLICY AND MANAGEMENT	Revenue Maximization	608,000
OFFICE OF POLICY AND MANAGEMENT	Criminal Justice Information System	1,370,719
OFFICE OF POLICY AND MANAGEMENT	Regional Planning Agencies	100,000
OFFICE OF THE CHIEF MEDICAL EXAMINER	Medicolegal Investigations	1,441
PROTECTION AND ADVOCACY FOR PERSONS WITH DISABILITIES	Personal Services	110,995
RESERVE FOR SALARY ADJUSTMENTS	Reserve For Salary Adjustments	7,980,000
STATE COMPTROLLER	Personal Services	829,549
STATE COMPTROLLER	Other Expenses	170,901
STATE COMPTROLLER	Governmental Accounting Standards Board	979
STATE COMPTROLLER - FRINGE BENEFITS	State Employees Health Service Cost	6,600,000
STATE DEPT OF REHABILITATION	Personal Services	38,222
STATE LIBRARY	State-Wide Digital Library	104,730
STATE LIBRARY	Interlibrary Loan Delivery Service	13,788
STATE LIBRARY	Legal/Legislative Library Materials	41,400
TEACHERS' RETIREMENT BOARD	Other Expenses	68,281
UNIVERSITY OF CONNECTICUT HEALTH CENTER	Operating Expenses	4,121,609
	General Fund	210,540,125
SPECIAL TRANSPORTATION FUND		
DEPARTMENT OF TRANSPORTATION	Personal Services	337,090

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DEPARTMENT OF TRANSPORTATION	Equipment	489,061
DEPARTMENT OF TRANSPORTATION	Minor Capital Projects	60,361
DEPARTMENT OF TRANSPORTATION	Highway and Bridge Renewal-Equipment	1623058
DEPARTMENT OF TRANSPORTATION	Pay-As-You-Go Transportation Projects	2,999,278
DEPARTMENT OF TRANSPORTATION	Transit Improvement Program	1,905,532
	Special Transportation Fund	7,414,380

Sec. 2. Section 22-81a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The Connecticut Agricultural Experiment Station shall, within available appropriations and in accordance with the provisions of this chapter, conduct surveillance and testing for the existence of mosquitoes carrying the eastern equine encephalitis virus in accordance with a plan developed and agreed upon by the Commissioner of Energy and Environmental Protection, the Commissioner of Public Health and the director of the Connecticut Agricultural Experiment Station. Such plan shall specify procedures to assure that any expenditures for surveillance and testing shall be reasonable and prudent. The director of the Connecticut Agricultural Experiment Station or any person authorized by him to implement the provisions of this section may, at any reasonable time, enter any public or private premises in the performance of his duty.

Sec. 3. Section 17b-242a of the general statutes, as amended by section 13 of public act 12-1 of the June 12 special session, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The Commissioner of Social Services shall establish prior authorization procedures under the Medicaid program for home



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health services, physical therapy, occupational therapy and speech therapy. The Commissioner of Social Services may contract with an entity for administration of any such aspect of prior authorization or may expand the scope of an existing contract with an entity that performs utilization review services on behalf of the department. The commissioner, pursuant to section 17b-10, may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulations, provided the commissioner prints notice of intent to adopt regulations in the Connecticut Law Journal not later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.

Sec. 4. Subsection (d) of section 17b-239 of the 2012 supplement to the general statutes, as amended by section 265 of public act 12-1 of the June 12 special session, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(d) The state shall also pay to such hospitals for each outpatient clinic and emergency room visit a reasonable rate to be established annually by the commissioner for each hospital, such rate to be determined by the reasonable cost of such services. The emergency room visit rates in effect June 30, 1991, shall remain in effect through June 30, 1993, except those which would have been decreased effective July 1, 1991, or July 1, 1992, shall be decreased. Nothing contained in this subsection shall authorize a payment by the state for such services to any hospital in excess of the charges made by such hospital for comparable services to the general public. For those outpatient hospital services paid on the basis of a ratio of cost to charges, the ratios in effect June 30, 1991, shall be reduced effective July 1, 1991, by the most recent annual increase in the consumer price index for medical care. For those outpatient hospital services paid on the basis of

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a ratio of cost to charges, the ratios computed to be effective July 1, 1994, shall be reduced by the most recent annual increase in the consumer price index for medical care. The emergency room visit rates in effect June 30, 1994, shall remain in effect through December 31, 1994. The Commissioner of Social Services shall establish a fee schedule for outpatient hospital services to be effective on and after January 1, 1995, and may annually modify such fee schedule if such modification is needed to ensure that the conversion to an administrative services organization is cost neutral to hospitals in the aggregate and ensures patient access. Utilization [shall not] may be a factor in determining cost neutrality for the fiscal year ending June 30, 2013. Except with respect to the rate periods beginning July 1, 1999, and July 1, 2000, such fee schedule shall be adjusted annually beginning July 1, 1996, to reflect necessary increases in the cost of services. Notwithstanding the provisions of this subsection, the fee schedule for the rate period beginning July 1, 2000, shall be increased by ten and one-half per cent, effective June 1, 2001. Notwithstanding the provisions of this subsection, outpatient rates in effect as of June 30, 2003, shall remain in effect through June 30, 2005. Effective July 1, 2006, subject to available appropriations, the commissioner shall increase outpatient service fees for services that may include clinic, emergency room, magnetic resonance imaging, and computerized axial tomography.

Sec. 5. Subsection (b) of section 17b-239e of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) The commissioner may establish a blended in-patient hospital case rate that includes services provided to all Medicaid recipients and may exclude certain diagnoses as determined by the commissioner if the establishment of such rates is needed to ensure that the conversion to an administrative services organization is cost neutral to hospitals in

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the aggregate and ensures patient access. Utilization [shall not] may be a factor in determining cost neutrality for the fiscal year ending June 30, 2013.

Sec. 6. Subsection (a) of section 17b-242 of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The Department of Social Services shall determine the rates to be paid to home health care agencies and homemaker-home health aide agencies by the state or any town in the state for persons aided or cared for by the state or any such town. For the period from February 1, 1991, to January 31, 1992, inclusive, payment for each service to the state shall be based upon the rate for such service as determined by the Office of Health Care Access, except that for those providers whose Medicaid rates for the year ending January 31, 1991, exceed the median rate, no increase shall be allowed. For those providers whose rates for the year ending January 31, 1991, are below the median rate, increases shall not exceed the lower of the prior rate increased by the most recent annual increase in the consumer price index for urban consumers or the median rate. In no case shall any such rate exceed the eightieth percentile of rates in effect January 31, 1991, nor shall any rate exceed the charge to the general public for similar services. Rates effective February 1, 1992, shall be based upon rates as determined by the Office of Health Care Access, except that increases shall not exceed the prior year's rate increased by the most recent annual increase in the consumer price index for urban consumers and rates effective February 1, 1992, shall remain in effect through June 30, 1993. Rates effective July 1, 1993, shall be based upon rates as determined by the Office of Health Care Access except if the Medicaid rates for any service for the period ending June 30, 1993, exceed the median rate for such service, the increase effective July 1, 1993, shall not exceed one per cent. If the Medicaid rate for any service for the period ending June

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30, 1993, is below the median rate, the increase effective July 1, 1993, shall not exceed the lower of the prior rate increased by one and one-half times the most recent annual increase in the consumer price index for urban consumers or the median rate plus one per cent. The Commissioner of Social Services shall establish a fee schedule for home health services to be effective on and after July 1, 1994. The commissioner may annually modify such fee schedule if such modification is needed to ensure that the conversion to an administrative services organization is cost neutral to home health care agencies and homemaker-home health aide agencies in the aggregate and ensures patient access. Utilization [shall not] may be a factor in determining cost neutrality for the fiscal year ending June 30, 2013. The commissioner shall increase the fee schedule for home health services provided under the Connecticut home-care program for the elderly established under section 17b-342, effective July 1, 2000, by two per cent over the fee schedule for home health services for the previous year. The commissioner may increase any fee payable to a home health care agency or homemaker-home health aide agency upon the application of such an agency evidencing extraordinary costs related to (1) serving persons with AIDS; (2) high-risk maternal and child health care; (3) escort services; or (4) extended hour services. In no case shall any rate or fee exceed the charge to the general public for similar services. A home health care agency or homemaker-home health aide agency which, due to any material change in circumstances, is aggrieved by a rate determined pursuant to this subsection may, within ten days of receipt of written notice of such rate from the Commissioner of Social Services, request in writing a hearing on all items of aggrievement. The commissioner shall, upon the receipt of all documentation necessary to evaluate the request, determine whether there has been such a change in circumstances and shall conduct a hearing if appropriate. The Commissioner of Social Services shall adopt regulations, in accordance with chapter 54, to implement the provisions of this subsection. The commissioner may implement

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policies and procedures to carry out the provisions of this subsection while in the process of adopting regulations, provided notice of intent to adopt the regulations is published in the Connecticut Law Journal within twenty days of implementing the policies and procedures. Such policies and procedures shall be valid for not longer than nine months.

Sec. 7. Subsection (a) of section 17b-261m of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The Commissioner of Social Services may contract with one or more administrative services organizations to provide care coordination, utilization management, disease management, customer service and review of grievances for recipients of assistance under Medicaid, HUSKY Plan, Parts A and B, and the Charter Oak Health Plan. Such organization may also provide network management, credentialing of providers, monitoring of copayments and premiums and other services as required by the commissioner. Subject to approval by applicable federal authority, the Department of Social Services shall utilize the contracted organization's provider network and billing systems in the administration of the program. In order to implement the provisions of this section, the commissioner may establish rates of payment to providers of medical services under this section if the establishment of such rates is required to ensure that any contract entered into with an administrative services organization pursuant to this section is cost neutral to such providers in the aggregate and ensures patient access. Utilization [shall not] may be a factor in determining cost neutrality for the fiscal year ending June 30, 2013.

Sec. 8. (NEW) (*Effective from passage*) (a) Customized wheelchairs shall be covered under the Medicaid program only when a standard wheelchair will not meet an individual's needs as determined by the Department of Social Services. Assessment of the need for a

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customized wheelchair may be performed by a vendor or nursing facility only if specifically requested by the department. Wheelchair repairs and parts replacements may be subject to review and approval by the department. Refurbished wheelchairs, parts and components shall be utilized whenever practicable.

(b) The commissioner, pursuant to section 17b-10 of the general statutes, may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulations, provided the commissioner prints notice of intent to adopt regulations in the Connecticut Law Journal not later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.

Sec. 9. Section 17b-28e of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The Commissioner of Social Services shall amend the Medicaid state plan to include, on and after January 1, 2009, hospice services as optional services covered under the Medicaid program. Said state plan amendment shall supersede any regulations of Connecticut state agencies concerning such optional services. From January 1, 2013, to June 30, 2013, inclusive, hospice services covered under the Medicaid program for individuals who are residents in long-term care facilities shall be paid at a rate that is ninety-five per cent of the facility's per diem rate.

(b) Effective July 1, 2013, the Commissioner of Social Services shall amend the Medicaid state plan to include foreign language interpreter services provided to any beneficiary with limited English proficiency as a covered service under the Medicaid program. Not later than July 1, 2013, the commissioner shall develop and implement the use of

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medical billing codes for foreign language interpreter services.

(c) Effective July 1, 2013, the Department of Social Services shall report, in accordance with the provisions of section 11-4a, semi-annually, to the Council on Medical Assistance Program Oversight on the foreign language interpreter services provided to recipients of benefits under the program.

(d) Not later than October 1, 2011, the Commissioner of Social Services shall amend the Medicaid state plan to include podiatry as an optional service under the Medicaid program.

(e) The Commissioner of Social Services shall amend the Medicaid state plan to provide that chiropractic services shall be covered under the Medicaid program only to the extent required by federal law.

Sec. 10. (NEW) (*Effective from passage*) (a) On or before February 1, 2013, and on January first annually thereafter, each federally qualified health center shall file with the Department of Social Services the following documents for the previous state fiscal year: (1) Medicaid cost report; (2) audited financial statements; and (3) any additional information reasonably required by the department.

(b) Each federally qualified health center shall provide to the Department of Social Services a copy of its original scope of project, as approved by the federal Health Resources and Services Administration, and all subsequently approved amendments to its original scope of project. Each federally qualified health center shall notify the department, in writing, of all approvals for additional amendments to its scope of project, and provide to the department a copy of such amended scope of project, not later than thirty days after such approvals.

(c) If there is an increase or a decrease in the scope of services furnished by a federally qualified health center, the federally qualified

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health center shall notify the Department of Social Services, in writing, of any such increase or decrease not later than thirty days after such increase or decrease and provide any additional information reasonably requested by the department not later than thirty days after the request.

(d) The Commissioner of Social Services may impose a civil penalty of five hundred dollars per day on any federally qualified health center that fails to provide any information required pursuant to this section not later than thirty days after the date such information is due.

(e) The department may adjust a federally qualified health center's encounter rate based upon an increase or decrease in the scope of services furnished by the federally qualified health center, in accordance with 42 USC 1396a(bb)(3)(B), following receipt of the written notification described in subsection (c) of this section or based upon the department's review of documents filed in accordance with subsections (a) and (b) of this section.

(f) The Commissioner of Social Services shall implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulations, provided the commissioner prints notice of intent to adopt regulations in the Connecticut Law Journal not later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.

Sec. 11. Subsection (k) of section 10-264l of the 2012 supplement to the general statutes, as amended by section 19 of public act 12-120, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(k) For the fiscal year ending June 30, 2009, any tuition charged to a



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local or regional board of education by a regional educational service center operating an interdistrict magnet school shall be in an amount equal to at least seventy-five per cent of the difference between (1) the average per pupil expenditure of the magnet school for the prior fiscal year, and (2) the amount of any per pupil state subsidy calculated under subsection (c) of this section plus any revenue from other sources calculated on a per pupil basis. For the fiscal year ending June 30, 2010, any tuition charged to a local or regional board of education by a regional educational service center operating an interdistrict magnet school for any student enrolled in such interdistrict magnet school shall be in an amount equal to at least ninety per cent of the difference between (A) the average per pupil expenditure of the magnet school for the prior fiscal year, and (B) the amount of any per pupil state subsidy calculated under subsection (c) of this section plus any revenue from other sources calculated on a per pupil basis. For the fiscal year ending June 30, 2011, and each fiscal year thereafter, any tuition charged to a local or regional board of education by a regional educational service center operating an interdistrict magnet school or any tuition charged by the Hartford school district operating the Great Path Academy on behalf of Manchester Community College for any student enrolled in a preschool program or in kindergarten to grade twelve, inclusive, in such interdistrict magnet school shall be in an amount equal to the difference between (i) the average per pupil expenditure of the magnet school for the prior fiscal year, and (ii) the amount of any per pupil state subsidy calculated under subsection (c) of this section plus any revenue from other sources calculated on a per pupil basis. If any such board of education fails to pay such tuition, the commissioner may withhold from such board's town or towns a sum payable under section 10-262i in an amount not to exceed the amount of the unpaid tuition to the magnet school and pay such money to the fiscal agent for the magnet school as a supplementary grant for the operation of the interdistrict magnet school program. In no case shall the sum of such tuitions exceed the difference between (I) the total

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expenditures of the magnet school for the prior fiscal year, and (II) the total per pupil state subsidy calculated under subsection (c) of this section plus any revenue from other sources. The commissioner may conduct a comprehensive financial review of the operating budget of a magnet school to verify such tuition rate.

Sec. 12. Subsection (o) of section 10-264*l* of the 2012 supplement to the general statutes, as amended by section 20 of public act 12-120, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(o) For the school years commencing July 1, 2009, to July 1, 2012, inclusive, the Hartford school district shall not charge tuition for any student enrolled in a preschool program or in kindergarten to grade twelve, inclusive, in an interdistrict magnet school operated by such school district, except the Hartford school district may charge tuition for any student enrolled in the Great Path Academy.

Sec. 13. Section 10-264o of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

Notwithstanding any provision of this chapter, interdistrict magnet schools that begin operations on or after July 1, 2008, pursuant to the 2008 stipulation and order for Milo Sheff, et al. v. William A. O'Neill, et al., as determined by the Commissioner of Education, may operate without district participation agreements and enroll students from any district through a lottery designated by the commissioner. For the fiscal year ending June 30, 2009, any tuition charged to a local or regional board of education by a regional educational service center operating such an interdistrict magnet school shall be in an amount equal to at least seventy-five per cent of the difference between the estimated per pupil cost less the state magnet grant pursuant to subsection (c) of section 10-264*l* and any revenue from other sources as

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determined by the interdistrict magnet school operator. For the fiscal year ending June 30, 2010, any tuition charged to a local or regional board of education by a regional educational service center operating an interdistrict magnet school for any student enrolled in such interdistrict magnet school shall be in an amount equal to at least ninety per cent of the difference between (1) the average per pupil expenditure of the magnet school for the prior fiscal year, and (2) the amount of any per pupil state subsidy calculated under subsection (c) of section 10-264l plus any revenue from other sources calculated on a per pupil basis. For the fiscal year ending June 30, 2011, and each fiscal year thereafter, any tuition charged to a local or regional board of education by a regional educational service center operating an interdistrict magnet school for any student enrolled in a preschool program or in kindergarten to grade twelve, inclusive, in such interdistrict magnet school shall be in an amount equal to the difference between (A) the average per pupil expenditure of the magnet school for the prior fiscal year, and (B) the amount of any per pupil state subsidy calculated under subsection (c) of section 10-264l plus any revenue from other sources calculated on a per pupil basis. If any such board of education fails to pay such tuition, the commissioner may withhold from such board's town or towns a sum payable under section 10-262i in an amount not to exceed the amount of the unpaid tuition to the magnet school and pay such money to the fiscal agent for the magnet school as a supplementary grant for the operation of the interdistrict magnet school program. In no case shall the sum of such tuitions exceed the difference between (i) the total expenditures of the magnet school for the prior fiscal year, and (ii) the total per pupil state subsidy calculated under subsection (c) of section 10-264l plus any revenue from other sources. The commissioner may conduct a comprehensive review of the operating budget of a magnet school to verify such tuition rate.

Sec. 14. (*Effective from passage*) Notwithstanding the provisions of

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subsection (f) of section 4-89 of the general statutes, the sum of \$236,117 appropriated in section 67 of public act 11-61, as amended by section 1 of public act 12-104 and section 1 of public act 12-1 of the June 12 special session, to the Office of Higher Education, for Capitol Scholarship Program, for the fiscal year ending June 30, 2013, shall be credited to the resources of the General Fund for the fiscal year ending June 30, 2013.

Sec. 15. (*Effective from passage*) Notwithstanding the provisions of section 4-66k of the general statutes, the sum of \$7,500,000 shall be transferred from the regional performance incentive account and credited to the resources of the General Fund for the fiscal year ending June 30, 2013.

Sec. 16. (*Effective from passage*) The sum of \$1,200,000 shall be transferred from the State Banking Fund, established under section 36a-65 of the general statutes, and credited to the resources of the General Fund for the fiscal year ending June 30, 2013.

Sec. 17. (*Effective from passage*) The sum of \$450,000 shall be transferred from the Workers' Compensation Administration Fund, established under section 31-344a of the general statutes, and credited to the resources of the General Fund for the fiscal year ending June 30, 2013.

Sec. 18. (*Effective from passage*) The sum of \$2,300,000 shall be transferred from the Consumer Counsel and Public Utility Control Fund, established under section 16-48a of the general statutes, and credited to the resources of the General Fund for the fiscal year ending June 30, 2013.

Sec. 19. (*Effective from passage*) The sum of \$500,000 shall be transferred from the Insurance Fund, established under section 38a-52a of the general statutes, and credited to the resources of the General

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Fund for the fiscal year ending June 30, 2013.

Sec. 20. (*Effective from passage*) Any balance remaining in the boating account administered by the Department of Energy and Environmental Protection shall be transferred from said account and credited to the resources of the General Fund for the fiscal year ending June 30, 2013.

Sec. 21. (*Effective from passage*) Any balance remaining in the fuel oil conservation account administered by the office of the State Comptroller shall be transferred from said account and credited to the resources of the General Fund for the fiscal year ending June 30, 2013.

Sec. 22. Subsection (a) of section 17b-280 of the 2012 supplement to the general statutes, as amended by section 18 of public act 12-1 of the June 12 special session, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The state shall reimburse for all legend drugs provided under medical assistance programs administered by the Department of Social Services at the lower of (1) the rate established by the Centers for Medicare and Medicaid Services as the federal acquisition cost, (2) the average wholesale price minus sixteen per cent, or (3) an equivalent percentage as established under the Medicaid state plan. Notwithstanding the provisions of this section, contingent upon federal approval, on and after October 1, 2012, for independent pharmacies, the state shall reimburse for such legend drugs at the lower of (A) the rate established by the Centers for Medicare and Medicaid Services as the federal acquisition cost, (B) the average wholesale price minus ~~[fourteen]~~ fifteen per cent, or (C) an equivalent percentage as established under the Medicaid state plan. The state shall pay a professional fee of ~~[two dollars]~~ one dollar and seventy cents to licensed pharmacies for each prescription dispensed to a recipient of benefits under a medical assistance program administered

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by the Department of Social Services in accordance with federal regulations. On and after September 4, 1991, payment for legend and nonlegend drugs provided to Medicaid recipients shall be based upon the actual package size dispensed. Effective October 1, 1991, reimbursement for over-the-counter drugs for such recipients shall be limited to those over-the-counter drugs and products published in the Connecticut Formulary, or the cross reference list, issued by the commissioner. The cost of all over-the-counter drugs and products provided to residents of nursing facilities, chronic disease hospitals, and intermediate care facilities for the mentally retarded shall be included in the facilities' per diem rate. Notwithstanding the provisions of this subsection, no dispensing fee shall be issued for a prescription drug dispensed to a ConnPACE or Medicaid recipient who is a Medicare Part D beneficiary when the prescription drug is a Medicare Part D drug, as defined in Public Law 108-173, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

Sec. 23. Section 13b-61c of the 2012 supplement to the general statutes, as amended by section 20 of public act 12-104, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For the fiscal year ending June 30, 2010, the Comptroller shall transfer the sum of seventy-one million two hundred thousand dollars from the resources of the General Fund to the Special Transportation Fund.

(b) For the fiscal year ending June 30, 2011, the Comptroller shall transfer the sum of one hundred seven million five hundred fifty thousand dollars from the resources of the General Fund to the Special Transportation Fund.

(c) For the fiscal year ending June 30, 2012, the Comptroller shall transfer the sum of eighty-one million five hundred fifty thousand dollars from the resources of the General Fund to the Special

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Transportation Fund.

(d) For the fiscal year ending June 30, 2013, the Comptroller shall transfer the sum of [one hundred two million six hundred fifty-nine] ninety-five million two hundred forty-five thousand dollars from the resources of the General Fund to the Special Transportation Fund.

(e) For the fiscal year ending June 30, 2014, and annually thereafter, the Comptroller shall transfer the sum of one hundred seventy-two million eight hundred thousand dollars from the resources of the General Fund to the Special Transportation Fund.

Sec. 24. Subsection (c) of section 17a-114 of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(c) Notwithstanding the requirements of subsection (b) of this section, the commissioner may place a child with a relative who is not licensed, a nonrelative, if such child's sibling who is related to the caregiver is also placed with such caregiver or with a special study foster parent, [for a period of up to ninety days] when such placement is in the best interests of the child, provided a satisfactory home visit is conducted, a basic assessment of the family is completed and such relative, nonrelative or special study foster parent attests that such relative, nonrelative or special study foster parent and any adult living within the household has not been convicted of a crime or arrested for a felony against a person, for injury or risk of injury to or impairing the morals of a child, or for the possession, use or sale of a controlled substance. Any such relative, nonrelative or special study foster parent who accepts placement of a child [in excess of such ninety-day period] shall be subject to licensure by the commissioner, [except that any such relative who, prior to July 1, 2001, had been certified by the commissioner to provide care for a related child may continue to maintain such certification if such relative continues to meet the

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regulatory requirements and the child remains in such relative's care] pursuant to regulations adopted by the commissioner in accordance with the provisions of chapter 54 to implement the provisions of this section. The commissioner may grant a waiver from such [procedure or standard] regulations, including any standard regarding separate bedrooms or room-sharing arrangements, for a child placed with a relative, on a case-by-case basis, if such placement is otherwise in the best interests of such child, provided no procedure or standard that is safety-related may be so waived. [The reason for any waiver granted pursuant to this section shall be documented in writing. The commissioner shall adopt regulations, in accordance with the provisions of chapter 54, to establish certification procedures and standards for a caregiver under this section.] The commissioner shall document, in writing, the reason for granting any waiver from such regulations. For purposes of this subsection, "sibling" includes a stepbrother, stepsister, half-brother or half-sister.

Sec. 25. (NEW) (*Effective from passage*) (a) The Commissioner of Social Services shall only authorize payment for the mode of transportation service that is medically necessary for a recipient of assistance under a medical assistance program administered by the Department of Social Services. Notwithstanding the provisions of chapters 319v and 368d of the general statutes, a recipient who requires nonemergency transportation and must be transported in a prone position but who does not require medical services during transport may be transported in a stretcher van. The commissioner shall establish rates for nonemergency transportation provided by stretcher van.

(b) Notwithstanding the provisions of chapter 368d of the general statutes, the Commissioner of Transportation, in consultation with the Commissioner of Public Health, shall adopt regulations, in accordance with chapter 54 of the general statutes, to establish oversight of



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stretcher vans as a livery service for which a permit is required. Such regulations shall prescribe safety standards for stretcher vans, including, but not limited to, a requirement that an attendant, in addition to the driver, accompany any person transported in a stretcher van.

Sec. 26. Subsection (a) of section 19a-180 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) No person shall operate any ambulance service, rescue service or management service [or otherwise transport in a motor vehicle a patient on a stretcher] without either a license or a certificate issued by the commissioner. No person shall operate a commercial ambulance service or commercial rescue service or a management service without a license issued by the commissioner. A certificate shall be issued to any volunteer or municipal ambulance service which shows proof satisfactory to the commissioner that it meets the minimum standards of the commissioner in the areas of training, equipment and personnel. No license or certificate shall be issued to any volunteer, municipal or commercial ambulance service, rescue service or management service, as defined in subdivision (19) of section 19a-175, unless it meets the requirements of subsection (e) of section 14-100a. Applicants for a license shall use the forms prescribed by the commissioner and shall submit such application to the commissioner accompanied by an annual fee of two hundred dollars. In considering requests for approval of permits for new or expanded emergency medical services in any region, the commissioner shall consult with the Office of Emergency Medical Services and the emergency medical services council of such region and shall hold a public hearing to determine the necessity for such services. Written notice of such hearing shall be given to current providers in the geographic region where such new or expanded services would be implemented, provided, any volunteer

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ambulance service which elects not to levy charges for services rendered under this chapter shall be exempt from the provisions concerning requests for approval of permits for new or expanded emergency medical services set forth in this subsection. A primary service area responder that operates in the service area identified in the application shall, upon request, be granted intervenor status with opportunity for cross-examination. Each applicant for licensure shall furnish proof of financial responsibility which the commissioner deems sufficient to satisfy any claim. The commissioner may adopt regulations, in accordance with the provisions of chapter 54, to establish satisfactory kinds of coverage and limits of insurance for each applicant for either licensure or certification. Until such regulations are adopted, the following shall be the required limits for licensure: (1) For damages by reason of personal injury to, or the death of, one person on account of any accident, at least five hundred thousand dollars, and more than one person on account of any accident, at least one million dollars, (2) for damage to property at least fifty thousand dollars, and (3) for malpractice in the care of one passenger at least two hundred fifty thousand dollars, and for more than one passenger at least five hundred thousand dollars. In lieu of the limits set forth in subdivisions (1) to (3), inclusive, of this subsection, a single limit of liability shall be allowed as follows: (A) For damages by reason of personal injury to, or death of, one or more persons and damage to property, at least one million dollars; and (B) for malpractice in the care of one or more passengers, at least five hundred thousand dollars. A certificate of such proof shall be filed with the commissioner. Upon determination by the commissioner that an applicant is financially responsible, properly certified and otherwise qualified to operate a commercial ambulance service, rescue service or management service, the commissioner shall issue the appropriate license effective for one year to such applicant. If the commissioner determines that an applicant for either a certificate or license is not so qualified, the commissioner shall notify such applicant of the denial of the application with a statement of the

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reasons for such denial. Such applicant shall have thirty days to request a hearing on the denial of the application.

Sec. 27. (*Effective from passage*) Notwithstanding the provisions of section 14-50b of the general statutes, the sum of \$4,700,000 shall be transferred from the school bus seat belt account established in said section 14-50b and credited to the resources of the General Fund for the fiscal year ending June 30, 2013.

Sec. 28. (*Effective from passage*) Notwithstanding subsection (b) of section 16-331bb of the general statutes, the amount to be deposited into the municipal video competition trust account established in section 16-331bb of the general statutes shall not exceed \$1,500,000 for the fiscal year ending June 30, 2013.

Sec. 29. (*Effective from passage*) Notwithstanding the provisions of section 16-331cc of the general statutes, the sum of \$3,600,000 shall be transferred from the public, educational and governmental programming and education technology investment account and credited to the resources of the General Fund for the fiscal year ending June 30, 2013.

Sec. 30. (*Effective from passage*) The sum of \$2,000,000 shall be transferred from the Biomedical Research Trust Fund and credited to the resources of the General Fund for the fiscal year ending June 30, 2013.

Sec. 31. Subdivision (1) of subsection (d) of section 10-66ee of the 2012 supplement to the general statutes, as amended by section 29 of public act 12-116 and section 19 of public act 12-2 of the June 12 special session, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(d) (1) For the purposes of equalization aid grants pursuant to section 10-262h, the state shall pay in accordance with this subsection,

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to the town in which a state charter school is located for each student enrolled in such school, for the fiscal year ending June 30, 2013, ten thousand [five] two hundred dollars, for the fiscal year ending June 30, 2014, eleven thousand dollars, and for the fiscal year ending June 30, 2015, and each fiscal year thereafter, eleven thousand five hundred dollars. Such payments shall be made as follows: Twenty-five per cent of the amount not later than July fifteenth and September first based on estimated student enrollment on May first, and twenty-five per cent of the amount not later than January first and the remaining amount not later than April fifteenth, each based on student enrollment on October first. Notwithstanding the provisions of this subdivision, the payment of the remaining amount made not later than April 15, 2013, shall be within available appropriations and may be adjusted for each student on a pro rata basis.

Sec. 32. Section 5-213 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

[(a) Notwithstanding the provisions of section 5-212, each employee in the state service who has completed not less than ten years of state service and who is not included in any collective bargaining unit, except those employees whose compensation is prescribed by statute, shall receive semiannual lump-sum longevity payments based on service completed as of the first day of April and the first day of October of each year, as follows:

(1) An employee who has completed ten or more years but less than fifteen years of state service shall receive seventy-five dollars or an amount determined in accordance with the longevity rate schedule established for his class of position by the Commissioner of Administrative Services, whichever is greater, except that a managerial employee shall receive an amount determined in accordance with the longevity rate schedule established for his class of position by said commissioner;

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(2) An employee who has completed fifteen or more years but less than twenty years of state service shall receive one hundred fifty dollars or an amount determined in accordance with the longevity rate schedule established for his class of position by the Commissioner of Administrative Services, whichever is greater, except that a managerial employee shall receive an amount determined in accordance with the longevity rate schedule established for his class of position by said commissioner;

(3) An employee who has completed twenty or more years but less than twenty-five years of state service shall receive two hundred twenty-five dollars or an amount determined in accordance with the longevity rate schedule established for the employee's class of position by the Commissioner of Administrative Services, whichever is greater, except that a managerial employee shall receive an amount determined in accordance with the longevity rate schedule established for the employee's class of position by said commissioner;

(4) An employee who has completed twenty-five or more years of state service shall receive three hundred dollars or an amount determined in accordance with the longevity rate schedule established for his class of position by the Commissioner of Administrative Services, whichever is greater, except that a managerial employee shall receive an amount determined in accordance with the longevity rate schedule established for his class of position by said commissioner.

(b) The semiannual longevity lump-sum payments shall be made on the last regular pay day in April and October of each year, except that a retired employee shall receive, in the month immediately following retirement, a prorated payment based on the proportion of the six-month period served prior to the effective date of his retirement.

(c) Part-time, seasonal or intermittent state service shall be credited as state service for the purposes of this section when such part-time,

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seasonal or intermittent service, accumulated, totals the calendar years herein above specified.

(d) The term of employment in state service shall be construed to include, in the case of an employee of the radiological maintenance and calibration facility, the term of his service from the date upon which he began work at said facility under individual contract with the Commissioner of Emergency Services and Public Protection, upon receipt of data satisfactory to the Commissioner of Administrative Services showing the time such employee worked for said facility. All records of the state which show the length of service in the employment of the state of any employee of said facility shall be maintained to show the length of such service and the total time of state service.]

(a) Notwithstanding the provisions of section 5-212, each employee in the state service who has completed not less than ten years of state service and who is not included in any collective bargaining unit, except those employees whose compensation is prescribed by statute, shall receive a lump-sum longevity payment on the last regular pay day of April 2013, based on service completed as of the first day of September 2011, determined in accordance with the longevity rate schedule established for the employee's class of position by the Commissioner of Administrative Services, except that a retired employee who retired between October 1, 2012, and March 31, 2013, inclusive, shall receive, in the month immediately following retirement, a prorated payment based on the proportion of the six-month period served prior to the effective date of the employee's retirement.

(b) No longevity payment shall be made to any employee in the state service who is not included in any collective bargaining unit, except those employees whose compensation is prescribed by statute, for service completed on or after April 1, 2013.

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Sec. 33. (*Effective from passage*) Notwithstanding the provisions of subsection (p) of section 5-200 of the general statutes, the Commissioner of Administrative Services and the Secretary of the Office of Policy and Management shall eliminate longevity payments for classified and unclassified officers and employees of the executive branch, the constituent units of higher education and the Board of Regents for Higher Education who are not included in any collective bargaining unit for service completed on or after April 1, 2013.

Sec. 34. (*Effective from passage*) Notwithstanding the provisions of section 51-12 of the general statutes, the Chief Court Administrator or the judges of the Supreme Court shall eliminate longevity payments for employees of the Judicial Department who are not included in any collective bargaining unit for service completed on or after April 1, 2013.

Sec. 35. (*Effective from passage*) Notwithstanding any provision of the general statutes, the Joint Committee on Legislative Management shall eliminate longevity payments for employees of the legislative branch for service completed on or after April 1, 2013.

Sec. 36. (*Effective from passage*) Notwithstanding the provisions of section 51-279 of the general statutes, the Division of Criminal Justice shall eliminate longevity payments for employees of the division who are not included in any collective bargaining unit for service completed on or after April 1, 2013.

Sec. 37. (NEW) (*Effective from passage*) Effective the first pay period after July 1, 2013, the annual salary of any employee in state service who is not included in any collective bargaining unit, except those employees whose compensation is prescribed by statute, who received a longevity payment in April 2011, shall be increased by the annualized amount of the longevity payment paid on the last regular pay day of April 2013.

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Sec. 38. (*Effective from passage*) Notwithstanding the provisions of subsection (e) of section 4-89 and section 10-395a of the general statutes, the sum of \$2,000,000 appropriated in section 67 of public act 11-61, as amended by section 1 of public act 12-104 and section 1 of public act 12-1 of the June 12 special session, for the fiscal year ending June 30, 2013, to the Department of Economic and Community Development for Statewide Marketing, shall be credited to the resources of the General Fund for the fiscal year ending June 30, 2013.

Sec. 39. (*Effective from passage*) (a) The Secretary of the Office of Policy and Management may recommend reductions in executive branch expenditures for the fiscal year ending June 30, 2013, in order to reduce such expenditures by \$2,500,000 during said fiscal year.

(b) The Secretary of the Office of Policy and Management may recommend reductions in executive branch Personal Services expenditures for the fiscal year ending June 30, 2013, in order to reduce such expenditures by \$1,500,000 during said fiscal year.

(c) The Secretary of the Office of Policy and Management may recommend reductions in legislative branch expenditures for the fiscal year ending June 30, 2013, in order to reduce such expenditures by \$2,000,000 during said fiscal year. Notwithstanding the provisions of subsection (e) of section 4-85 of the general statutes, such reductions shall be achieved as determined by the president pro tempore and majority leader of the Senate, the speaker and majority leader of the House of Representatives, the minority leader of the Senate and the minority leader of the House of Representatives.

(d) The Secretary of the Office of Policy and Management may recommend reductions in Judicial Department expenditures for the fiscal year ending June 30, 2013, in order to reduce such expenditures by \$5,000,000 during said fiscal year. Notwithstanding the provisions of subsection (e) of section 4-85 of the general statutes, such reductions



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shall be achieved as determined by the Chief Justice and Chief Public Defender.

Sec. 40. (*Effective from passage*) Notwithstanding the provisions of subdivision (3) of subsection (c) of section 4-28e of the general statutes, for the fiscal year ending June 30, 2013, there shall be no disbursement from the Tobacco Settlement Fund to the Stem Cell Research Fund, and the sum of ten million dollars shall be disbursed from the Tobacco Settlement Fund to the General Fund.

Sec. 41. (*Effective January 1, 2013*) (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate ten million dollars.

(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Public Health for the Stem Cell Research Fund established by section 19a-32e of the general statutes, to provide grants-in-aid to eligible institutions to conduct embryonic or human adult stem cell research.

(c) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby, which are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section, and temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of said bonds shall be

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authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization which is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Said bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 42. Subsection (a) of section 12-211a of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) (1) Notwithstanding any provision of the general statutes, and except as otherwise provided in subdivision [(3)] (4) of this subsection or in subsection (b) of this section, the amount of tax credit or credits otherwise allowable against the tax imposed under this chapter for any calendar year shall not exceed seventy per cent of the amount of tax due from such taxpayer under this chapter with respect to such calendar year of the taxpayer prior to the application of such credit or credits.

(2) For [purposes of this subsection] the calendar year ending December 31, 2011, "type one tax credits" means tax credits allowable under section 12-217jj, 12-217kk or 12-217ll; "type two tax credits" means tax credits allowable under section 38a-88a; "type three tax credits" means tax credits that are not type one tax credits or type two tax credits; "thirty per cent threshold" means thirty per cent of the amount of tax due from a taxpayer under this chapter prior to the

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application of tax credit; "fifty-five per cent threshold" means fifty-five per cent of the amount of tax due from a taxpayer under this chapter prior to the application of tax credits; and "seventy per cent threshold" means seventy per cent of the amount of tax due from a taxpayer under this chapter prior to the application of tax credits.

(3) For the calendar year ending December 31, 2012, "type one tax credits" means the tax credit allowable under section 12-217ll; "type two tax credits" means tax credits allowable under section 38a-88a; "type three tax credits" means tax credits that are not type one tax credits or type two tax credits; "thirty per cent threshold" means thirty per cent of the amount of tax due from a taxpayer under this chapter prior to the application of tax credit; "fifty-five per cent threshold" means fifty-five per cent of the amount of tax due from a taxpayer under this chapter prior to the application of tax credits; and "seventy per cent threshold" means seventy per cent of the amount of tax due from a taxpayer under this chapter prior to the application of tax credits.

~~[(3)]~~ (4) For calendar years commencing on or after January 1, 2011, and prior to January 1, 2013, and subject to the provisions of subdivisions (2) and (3) of this subsection, the amount of tax credit or credits otherwise allowable against the tax imposed under this chapter shall not exceed:

(A) If the tax credit or credits being claimed by a taxpayer are type three tax credits only, thirty per cent of the amount of tax due from such taxpayer under this chapter with respect to said calendar years of the taxpayer prior to the application of such credit or credits.

(B) If the tax credit or credits being claimed by a taxpayer are type one tax credits and type three tax credits, but not type two tax credits, fifty-five per cent of the amount of tax due from such taxpayer under this chapter with respect to said calendar years of the taxpayer prior to

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the application of such credit or credits, provided (i) type three tax credits shall be claimed before type one tax credits are claimed, (ii) the type three tax credits being claimed may not exceed the thirty per cent threshold, and (iii) the sum of the type one tax credits and the type three tax credits being claimed may not exceed the fifty-five per cent threshold.

(C) If the tax credit or credits being claimed by a taxpayer are type two tax credits and type three tax credits, but not type one tax credits, seventy per cent of the amount of tax due from such taxpayer under this chapter with respect to said calendar years of the taxpayer prior to the application of such credit or credits, provided (i) type three tax credits shall be claimed before type two tax credits are claimed, (ii) the type three tax credits being claimed may not exceed the thirty per cent threshold, and (iii) the sum of the type two tax credits and the type three tax credits being claimed may not exceed the seventy per cent threshold.

(D) If the tax credit or credits being claimed by a taxpayer are type one tax credits, type two tax credits and type three tax credits, seventy per cent of the amount of tax due from such taxpayer under this chapter with respect to said calendar years of the taxpayer prior to the application of such credits, provided (i) type three tax credits shall be claimed before type one tax credits or type two tax credits are claimed, and the type one tax credits shall be claimed before the type two tax credits are claimed, (ii) the type three tax credits being claimed may not exceed the thirty per cent threshold, (iii) the sum of the type one tax credits and the type three tax credits being claimed may not exceed the fifty-five per cent threshold, and (iv) the sum of the type one tax credits, the type two tax credits and the type three tax credits being claimed may not exceed the seventy per cent threshold.

(E) If the tax credit or credits being claimed by a taxpayer are type one tax credits and type two tax credits only, but not type three tax

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credits, seventy per cent of the amount of tax due from such taxpayer under this chapter with respect to said calendar years of the taxpayer prior to the application of such credits, provided (i) the type one tax credits shall be claimed before type two tax credits are claimed, (ii) the type one tax credits being claimed may not exceed the fifty-five per cent threshold, and (iii) the sum of the type one tax credits and the type two tax credits being claimed may not exceed the seventy per cent threshold.

Sec. 43. (*Effective from passage*) Notwithstanding the provisions of subsection (a) of section 12-204c of the general statutes, for the calendar year commencing on January 1, 2012, and ending December 31, 2012, no addition to tax shall be imposed under said subsection (a) of section 12-204c to the extent such underpayment was created or increased by the amendment to subsection (a) of section 12-211a of the general statutes made by section 42 of this act.

Sec. 44. (*Effective from passage*) Notwithstanding the provisions of section 4-66aa of the general statutes, the sum of \$2,000,000 shall be transferred from the community investment account and credited to the resources of the General Fund for the fiscal year ending June 30, 2013, and the remaining funds in said account shall be distributed in accordance with subsection (a) of said section 4-66aa.

Sec. 45. (*Effective from passage*) Notwithstanding the provisions of subdivision (1) of section 10-15 and section 10-16 of the general statutes, the State Board of Education shall authorize, upon request of the board of education for the town of Newtown, the shortening of the school year ending June 30, 2013.

Sec. 46. (NEW) (*Effective from passage*) Members who represent the state on the Health Care Cost Containment Committee, defined in section 3-123aaa of the general statutes, in consultation with the Comptroller, shall propose that the committee review prescription

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claims data for the state employee and retiree plans established in accordance with section 5-259 of the general statutes to increase the utilization of generic prescriptions in accordance with the State Employees Bargaining Agent Coalition agreements.

Sec. 47. Section 7-536 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in sections 7-535 to 7-538, inclusive:

(1) "Adjusted equalized net grand list per capita" means the adjusted equalized net grand list per capita determined for each town pursuant to section 10-261;

(2) "Density" means the population of a municipality divided by the number of square miles of the municipality;

(3) "Grant anticipation note" means a note issued in anticipation of the receipt of project grants to the municipality from moneys in the Local Capital Improvement Fund;

(4) "Local capital improvement project" means a municipal capital expenditure project for any of the following purposes: (A) Road construction, renovation, repair or resurfacing, (B) sidewalk and pavement improvements, (C) construction, renovation, enlargement or repair of sewage treatment plants and sanitary or storm, water or sewer lines, including separation of lines, (D) public building construction other than schools, including renovation, repair, code compliance, energy conservation and fire safety projects, (E) construction, renovation, enlargement or repair of dams, bridges and flood control projects, (F) construction, renovation, enlargement or repair of water treatment or filtration plants and water mains, (G) construction, renovation or enlargement of solid waste facilities, (H) improvements to public parks, (I) the preparation and revision of local capital improvement plans projected for a period of not less than five

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years and so prepared as to show the general description, need and estimated cost of each individual capital improvement, (J) improvements to emergency communications systems and building security systems, including for schools, (K) public housing projects, including renovations and improvements and energy conservation and the development of additional housing, (L) renovations to or construction of veterans' memorial monuments, (M) thermal imaging systems, (N) bulky waste and landfill projects, (O) the preparation and revision of municipal plans of conservation and development adopted pursuant to section 8-23, provided such plans are endorsed by the legislative body of the municipality not more than one hundred eighty days after adoption by the commission, (P) acquisition of automatic external defibrillators, (Q) floodplain management and hazard mitigation activities, (R) on-board oil refining systems consisting of a filtration canister and evaporation canister that remove solid and liquid contaminants from lubricating oil, and (S) activities related to the planning of a municipal broadband network, provided the speed of the network will be not less than three hundred eight-four thousand bits per second. "Local capital improvement project" means only capital expenditures and includes repairs incident to reconstruction and renovation but does not include ordinary repairs and maintenance of an ongoing nature and "floodplain management" and "hazard mitigation" shall have the same meaning as in section 25-68j;

(5) "Municipality" means any town, city, borough, consolidated town and city or consolidated town and borough;

(6) "Population" means the number of people according to the most recent federal decennial census, except in intervening years between such censuses when it shall mean the number according to the most recent estimate of the Department of Public Health; and

(7) "Secretary" means the Secretary of the Office of Policy and Management.

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(b) On February first of each year, not more than the amount as authorized by the General Assembly for the fiscal year from the resources of the Local Capital Improvement Fund shall be allocated to the Secretary of the Office of Policy and Management, who shall allocate an amount to each municipality in the state in accordance with the provisions of subsection (c) of this section. The secretary shall credit all such allocated moneys to a local capital improvement account for each municipality and make local improvement project grants from such accounts to such municipalities pursuant to the provisions of this section. The secretary shall maintain records indicating, for each municipality's account, the amount credited to the account each year, the amount paid out in local capital improvement project grants and charged to the account and the balance available for additional local capital improvement project grants.

(c) Each allocation under subsection (b) of this section shall be made to municipalities in accordance with the following formula: (1) Thirty per cent of the amount shall be allocated pro rata on the basis of the ratio of the total number of miles of improved and unimproved highways in each town to the total number of miles of improved and unimproved highways in all towns in the state, as determined under sections 13a-175b and 13a-175d; (2) twenty-five per cent of the amount shall be allotted pro rata on the basis of the following ratio: The density of each town multiplied by the population of such town shall be the numerator of the fraction. The resulting products for all the towns shall be added together, and the sum shall be the denominator of the fraction; (3) twenty-five per cent of the amount shall be allotted on the basis of the following ratio: The population of each town multiplied by the inverse of the adjusted equalized net grand list per capita of such town shall be the numerator of the fraction, and the resulting products for all the towns shall be added together and the sum shall be the denominator of the fraction; (4) twenty per cent of the amount shall be allotted pro rata on the basis of the ratio of the population of each town



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to the population of the state. Any city or borough not consolidated with the town in which it is located and any town containing such a city or borough shall share the allocation to such town on the basis of the following ratio: The total taxes levied in the previous fiscal year by such town, city or borough shall be the numerator of the fraction. The total taxes levied by the town and all cities or boroughs located within such town shall be added together, and the sum shall be the denominator of the fraction. Any such city or borough may, by vote of its legislative body, direct the Secretary of the Office of Policy and Management to reallocate all or a portion of the share of such city or borough to the town in which it is located.

(d) On March first of each year the Secretary of the Office of Policy and Management shall indicate to each municipality the amount allocated to the municipality under subsections (b) and (c) of this section in accordance with section 4-71a.

(e) Each municipality may apply to the secretary for project authorization and expense reimbursement of local capital improvement projects.

(f) The secretary shall approve or disapprove each completed application for a local capital improvement project grant authorization not later than forty-five days after receipt of such application on a form prescribed by the secretary. Such application shall include a certification by the municipality that: (1) The project for which grant assistance is requested is a local capital improvement project; (2) the project is consistent with the local capital improvement plan adopted by the municipality; and (3) the grant proceeds shall not be used to satisfy a local matching requirement for any state assistance program other than the local bridge program established under sections 13a-175p to 13a-175u, inclusive. The municipality shall provide any other certification required by the secretary. The secretary shall authorize such grant if, in the secretary's opinion, the project meets the

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requirements set forth in this section and any other requirement imposed by the secretary and payment of such grant would not cause the local capital improvement account of the municipality, established under subsection (b) of this section, to be overdrawn. If a municipality fails to request payment within seven years of such authorization for a project, the secretary shall make no payment for such project unless the municipality requests and receives a waiver for such project on such terms and conditions as the secretary deems appropriate. On or before five years after the date of any such authorization and on or before six years after the date of any such authorization, the secretary shall notify, in writing, any municipality for which any such authorization has been made which notice shall indicate the time which has elapsed since such authorization and the date after which the secretary may not make payments for an authorized project.

(g) Each municipality may apply to the secretary for expense reimbursement at the time it submits a local capital improvement project authorization request or any time after such authorization request has been approved by the secretary. The application for expense reimbursement shall be submitted on a form prescribed by the secretary and shall contain identification of the expenses for which reimbursement is sought and certification from the municipality that: (1) Expenditures for the project conform to the provisions of subdivision (4) of subsection (a) of this section and the municipality is entitled to the reimbursement requested in the application; and (2) the municipality agrees to maintain detailed accounting records of the project reflecting the expenditures for which reimbursement has been requested and to make such records available to its independent auditor and the state. The municipality shall provide any other certification required by the secretary. Not later than five business days after such certification, the Comptroller shall draw his or her order on the Treasurer, who shall pay the grant to the municipality.

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(h) Each municipality receiving a local capital improvement project grant under this section shall retain detailed accounting records of all expenses incurred relative to the local capital improvement project for which a grant is received for a period of not less than three years following the completion of such project. If the secretary determines that such records are not maintained or a review of such records indicates that such grant, or any portion thereof, was used for a purpose other than its intended purpose, the secretary shall provide written notification to the chief executive officer of the municipality of such finding. Upon issuing a finding under this section, the secretary may require the municipality to promptly pay to the state an amount equal to the amount of the grant or he may cause the amount of any future grant made under this section to be reduced by such amount.

(i) On and after January 1, 2001, no municipality shall receive any financial assistance under this section for improvements to information technology systems to manage the century date change effect.

(j) No municipality shall be eligible to receive financial assistance under this section for reimbursement of the cost of preparing a municipal plan of conservation and development, pursuant to section 8-23, more than once in any ten-year calendar period.

Sec. 48. Subsections (f) to (j), inclusive, of section 46b-140 of the 2012 supplement to the general statutes are repealed and the following is substituted in lieu thereof (*Effective from passage and applicable to commitments and orders entered on or after said date*):

(f) If the court further finds that its probation services or other services available to the court are not adequate for such child, the court shall commit such child to the Department of Children and Families in accordance with the provisions of section 46b-141. [Prior to making such commitment, the court shall consult with the department to determine the placement which will be in the best interest of such

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child.]

(g) Any child or youth coming within the jurisdiction of the court, who is found to be mentally ill, may be committed by said court to the Commissioner of Children and Families and, if the court convicts a child as delinquent and finds such child to be mentally deficient, the court may commit such child to an institution for mentally deficient children or youth or delinquents. No such commitment may be ordered or continued for any child who has attained the age of twenty. Whenever it is found that a child convicted as delinquent or adjudged to be a member of a family with service needs would benefit from a work-study program or employment with or without continued school attendance, the court may, as a condition of probation or supervision, authorize such child to be employed for part or full-time at some useful occupation that would be favorable to such child's welfare, and the probation officer shall supervise such employment. For the purposes of this section, the limitations of subsection (a) of section 31-23 on the employment of minors under the age of sixteen years shall not apply for the duration of such probation or supervision.

(h) Whenever the court commits a child to the Department of Children and Families, there shall be delivered with the mittimus a copy of the results of the investigations made as required by section 46b-134. The court may, at any time, require from the department in whose care a child has been placed such report as to such child and such child's treatment.

(i) If the delinquent act for which the child is committed to the Department of Children and Families is a serious juvenile offense, the court may set a minimum period of twelve months during which the child shall be placed in a residential facility operated by or under contract with said department, as determined by the Commissioner of Children and Families. No such commitment may be ordered or continued for any child who has attained the age of twenty. The setting

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of such minimum period shall be in the form of an order of the court included in the mittimus. For good cause shown in the form of an affidavit annexed thereto, the Department of Children and Families, the parent or guardian of the child or the child may petition the court for modification of any such order.

(j) Except as otherwise provided in this section, the court may order that a child be (1) committed to the Department of Children and Families and, after consultation with said department, the court may order that the child be placed directly in a residential facility within this state and under contract with said department, or (2) committed to the Commissioner of Children and Families for placement by the commissioner, in said commissioner's discretion, (A) with respect to the juvenile offenders determined by the Department of Children and Families to be the highest risk, in the Connecticut Juvenile Training School, if the juvenile offender is a male, or in another state facility, presumptively for a minimum period of twelve months, or (B) in a private residential or day treatment facility within or outside this state, or (C) on parole. No such commitment may be ordered or continued for any child who has attained the age of twenty. The commissioner shall use a risk and needs assessment classification system to ensure that male children who are in the highest risk level will be placed in the Connecticut Juvenile Training School.

Approved December 21, 2012