



General Assembly

February Session, 2012

Governor's Bill No. 21

LCO No. 500

*00500 _____ *

Referred to Committee on Appropriations

Introduced by:

SEN. WILLIAMS, 29th Dist.

SEN. LOONEY, 11th Dist.

REP. DONOVAN, 84th Dist.

REP. SHARKEY, 88th Dist.

AN ACT DEFINING THE EXPENDITURE CAP.

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

1 Section 1. Section 2-33a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2013*):

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

14 considered general budget expenditures for the current fiscal year for
15 the purposes of determining general budget expenditures for the
16 ensuing fiscal year and any act of the General Assembly authorizing
17 such expenditures may contain such provision. As used in this section,
18 "increase in personal income" means the average of the annual increase
19 in personal income in the state for each of the preceding five years,
20 according to United States Bureau of Economic Analysis data;
21 "increase in inflation" means the increase in the consumer price index
22 for urban consumers during the preceding twelve-month period,
23 according to United States Bureau of Labor Statistics data; and "general
24 budget expenditures" means expenditures from appropriated funds
25 authorized by public or special act of the General Assembly, provided
26 (1) general budget expenditures shall not include expenditures (A) for
27 payment of the principal of and interest on bonds, notes or other
28 evidences of indebtedness, [expenditures] (B) pursuant to section 4-
29 30a, or current or increased expenditures for statutory grants to
30 distressed municipalities, provided such grants are in effect on July 1,
31 1991, (C) above the required annual contribution determined by
32 actuaries for the State Employees Retirement System for the purpose of
33 reducing the unfunded liability of said system, (D) above the required
34 annual contributions pursuant to section 10-183z for the purpose of
35 reducing the unfunded liability of the teachers' retirement system, (E)
36 above the current annual cost for retiree health benefits to reduce the
37 unfunded liability for Other Post Employment Benefits, and (F) for the
38 annual deferred charge required for the implementation of subsection
39 (b) of section 3-115b, and (2) expenditures for the implementation of
40 federal mandates or court orders shall not be considered general
41 budget expenditures for the first fiscal year in which such
42 expenditures are authorized, but shall be considered general budget
43 expenditures for such year for the purposes of determining general
44 budget expenditures for the ensuing fiscal year. As used in this section,
45 "federal mandates" means those programs or services in which the
46 state must participate, or in which the state participated on July 1,
47 1991, and in which the state must meet federal entitlement and

48 eligibility criteria in order to receive federal reimbursement, provided
49 expenditures for program or service components which are optional
50 under federal law or regulation shall be considered general budget
51 expenditures.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2013	2-33a

Statement of Purpose:

To implement the Governor's budget recommendations.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]