



General Assembly

February Session, 2014

Governor's Bill No. 5032

LCO No. 384



Referred to Committee on APPROPRIATIONS

Introduced by:

REP. SHARKEY, 88th Dist.
REP. ARESIMOWICZ, 30th Dist.
SEN. WILLIAMS, 29th Dist.
SEN. LOONEY, 11th Dist.

***AN ACT CONCERNING THE EXPENDITURE CAP AND REDUCING
LONG-TERM LIABILITIES.***

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 Section 2-33a of the general statutes is repealed and the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 from passage*):

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 (1) "increase in personal income" means the average of the annual
19 increase in personal income in the state for each of the preceding five
20 years, according to United States Bureau of Economic Analysis data;
21 (2) "increase in inflation" means the increase in the consumer price
22 index for urban consumers during the preceding twelve-month period,
23 according to United States Bureau of Labor Statistics data; [and] (3)
24 "general budget expenditures" means expenditures from appropriated
25 funds authorized by public or special act of the General Assembly,
26 provided [(1)] (A) general budget expenditures shall not include
27 expenditures for payment of the principal of and interest on bonds,
28 notes or other evidences of indebtedness, expenditures pursuant to
29 section 4-30a, or current or increased expenditures for statutory grants
30 to distressed municipalities, provided such grants are in effect on July
31 1, 1991, and [(2)] (B) expenditures for the implementation of federal
32 mandates or court orders shall not be considered general budget
33 expenditures for the first fiscal year in which such expenditures are
34 authorized, but shall be considered general budget expenditures for
35 such year for the purposes of determining general budget
36 expenditures for the ensuing fiscal year; [. As used in this section,] (4)
37 "federal mandates" means those programs or services in which the
38 state must participate, or in which the state participated on July 1,
39 1991, and in which the state must meet federal entitlement and
40 eligibility criteria in order to receive federal reimbursement, provided
41 expenditures for program or service components which are optional
42 under federal law or regulation shall be considered general budget
43 expenditures; and (5) "evidences of indebtedness" shall include
44 expenditures above the annual required contribution of the teachers'
45 retirement system and expenditures above the annual required
46 contribution for the state employees retirement system.

47 Sec. 2. (*Effective from passage*) The sum of \$100,000,000 is
48 appropriated from the resources of the General Fund to State-
49 Comptroller - Fringe Benefits, for the State Employees Retirement
50 Contributions account, for the fiscal year ending June 30, 2014. Such
51 funds shall be an additional payment to the annual required
52 contribution stated in the actuarial valuation.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	2-33a
Sec. 2	<i>from passage</i>	New section

APP *Joint Favorable*