General Assembly

January Session, 2015

LCO No. 9360

Amendment

Offered by:
REP. KLARIDES, 114th Dist.
REP. CANDELORA, 86th Dist.
REP. MINER, 66th Dist.
REP. HOYDICK, 120th Dist.
REP. O'NEILL, 69th Dist.

To: House Bill No. 7061 File No. 0 Cal. No. 0

(As Amended by House Amendment Schedule "A")

"AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNium ENDING JUNE 30, 2017, AND MAKING APPROPRIATIONS THEREFOR, AND OTHER PROVISIONS RELATED TO REVENUE, DEFICIENCY APPROPRIATIONS AND TAX FAIRNESS AND ECONOMIC DEVELOPMENT."

1 Strike section 35 in its entirety and renumber the remaining sections and internal references accordingly

2 After the last section, add the following and renumber sections and internal references accordingly:

3 "Sec. 501. (NEW) (Effective July 1, 2015) For the purpose of determining the increase in general budget expenditures that may be authorized for the fiscal year ending June 30, 2016, and each fiscal year

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thereafter, general budget expenditures shall include, but not be limited to, all funds appropriated for the Medicaid program, including federal funds appropriated through the budgetary process for the Medicaid program.

Sec. 502. (NEW) (Effective July 1, 2015) For the purpose of determining the increase in general budget expenditures that may be authorized for the fiscal year ending June 30, 2016, and each fiscal year thereafter, general budget expenditures shall include those types of expenditures that have been included in such determination prior to July 1, 2015, and no type of expenditure that has been so included may be excluded from such determination without a vote by three-fifths of the members of each house of the General Assembly.

Sec. 503. Section 2-33a of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

The General Assembly shall not authorize an increase in general budget expenditures for any fiscal year above the amount of general budget expenditures authorized for the previous fiscal year by a percentage which exceeds the greater of the percentage increase in personal income or the percentage increase in inflation, unless the Governor declares an emergency or the existence of extraordinary circumstances and at least three-fifths of the members of each house of the General Assembly vote to exceed such limit for the purposes of such emergency or extraordinary circumstances. Any such declaration shall specify the nature of such emergency or circumstances and may provide that such proposed additional expenditures shall not be considered general budget expenditures for the current fiscal year for the purposes of determining general budget expenditures for the ensuing fiscal year and any act of the General Assembly authorizing such expenditures may contain such provision. As used in this section, "increase in personal income" means the average of the annual increase in personal income in the state for each of the preceding five years, according to United States Bureau of Economic Analysis data; "increase in inflation" means the increase in the consumer price index
for urban consumers during the preceding twelve-month period ending
June thirtieth of the fiscal year preceding the fiscal year to
which the budget relates, according to United States Bureau of Labor
Statistics data; and "general budget expenditures" means expenditures
from appropriated funds authorized by public or special act of the
General Assembly, provided [(1)] general budget expenditures shall
not include expenditures for payment of the principal of and interest
on bonds, notes or other evidences of indebtedness [J] or expenditures
pursuant to section 4-30a [, or current or increased expenditures for
statutory grants to distressed municipalities, provided such grants are
in effect on July 1, 1991, and (2) expenditures for the implementation of
federal mandates or court orders shall not be considered general
budget expenditures for the first fiscal year in which such
expenditures are authorized, but shall be considered general budget
expenditures for such year for the purposes of determining general
budget expenditures for the ensuing fiscal year. As used in this section,
"federal mandates" means those programs or services in which the
state must participate, or in which the state participated on July 1,
1991, and in which the state must meet federal entitlement and
eligibility criteria in order to receive federal reimbursement, provided
expenditures for program or service components which are optional
under federal law or regulation shall be considered general budget
expenditures.] If the allowable increase in general budget expenditures
that may be authorized for any fiscal year is exceeded, such excess
amount shall not be considered general budget expenditures for the
purpose of calculating the allowable increase in general budget
expenditures that may be authorized for any subsequent fiscal year."

This act shall take effect as follows and shall amend the following
sections:

<table>
<thead>
<tr>
<th>Sec. 501</th>
<th>July 1, 2015</th>
<th>New section</th>
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<td>Sec. 503</td>
<td>from passage</td>
<td>2-33a</td>
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