



General Assembly

January Session, 2019

Amendment

LCO No. 10657



Offered by:

REP. KLARIDES, 114th Dist.
REP. CANDELORA, 86th Dist.
REP. O'DEA, 125th Dist.
REP. O'NEILL, 69th Dist.

REP. KOKORUDA, 101st Dist.
REP. ZUPKUS, 89th Dist.
REP. DAVIS C., 57th Dist.
REP. LAVIELLE, 143rd Dist.

To: House Bill No. 7424

File No.

Cal. No.

"AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE THIRTIETH, 2021, AND MAKING APPROPRIATIONS THEREFOR, AND IMPLEMENTING PROVISIONS OF THE BUDGET."

1 In line T469, strike "15,400,000" and substitute "11,262,000" in lieu
2 thereof

3 In line T469, strike "16,000,000" and substitute "11,862,000" in lieu
4 thereof

5 In line T470, adjust AGENCY TOTAL accordingly

6 In line T612, adjust NET - GENERAL FUND accordingly

7 In line T1294, strike the two instances of "9,221,035" and insert

8 "5,221,035" in lieu thereof

9 In line T1383, adjust TOTALS accordingly

10 Strike sections 82 to 86, inclusive, and 88 to 90, inclusive, in their
11 entirety and renumber the remaining sections and internal references
12 accordingly

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

15 "Sec. 501. (NEW) (*Effective from passage*) (a) Notwithstanding the
16 provisions of chapter 167a of the general statutes and any actuarial
17 assumptions adopted by the Teachers' Retirement Board pursuant to
18 said chapter, on and after the effective date of this section, the credited
19 interest percentage for member accounts shall be not more than four
20 per cent per annum and the return assumption shall be six and nine-
21 tenths per cent per annum.

22 (b) The Teachers' Retirement Board shall, on or before July 1, 2019,
23 and notwithstanding the provisions of subsection (a) of section 10-183z
24 of the general statutes: (1) Request a revised actuarial valuation for the
25 fiscal years ending June 30, 2020, and June 30, 2021, based on changes
26 to the credited interest percentage for member accounts and the return
27 assumption pursuant to subsection (a) of this section and death
28 benefits calculated pursuant to subsection (h) of section 10-183g of the
29 general statutes; and (2) certify to the General Assembly for such fiscal
30 years the amount necessary, based on such revised actuarial valuation,
31 to maintain the Teachers' Retirement Fund on an actuarial reserve
32 basis.

33 Sec. 502. Subsection (a) of section 10-183z of the general statutes is
34 repealed and the following is substituted in lieu thereof (*Effective July*
35 *1, 2019*):

36 (a) The retirement system for teachers shall be funded on an
37 actuarial reserve basis. The retirement board shall, on or before

38 December first, annually, certify to the General Assembly the amount
39 necessary, on the basis of an actuarial determination to establish and
40 maintain the retirement fund on such determined actuarial reserve
41 basis and make such other recommendations with regard to the fund
42 and its administration as the board deems necessary. [For the fiscal
43 year ending June 30, 2020, and each fiscal year thereafter, the
44 retirement board shall, in making such actuarial determination,
45 assume that the amount of the contributions required to be withheld
46 under this chapter is six per cent "regular contributions" instead of
47 seven per cent "regular contributions".] On the basis of each
48 evaluation, the retirement board shall redetermine the normal rate of
49 contribution and, until it is amortized, the unfunded past service
50 liability. The General Assembly shall review the board's
51 recommendations and certification and shall appropriate to the
52 retirement fund the amount certified by the retirement board as
53 necessary provided said certification is in compliance with this section.

54 Sec. 503. (NEW) (*Effective July 1, 2019*) Notwithstanding the
55 provisions of chapter 157 of the general statutes, no grant authorized
56 under said chapter shall be paid during the fiscal years ending June 30,
57 2020, and June 30, 2021. Notwithstanding the provisions of chapter 157
58 of the general statutes and section 3-69a of the general statutes, all
59 moneys in the Citizens' Election Fund shall be transferred from said
60 fund and credited to the resources of the General Fund for the fiscal
61 years ending June 30, 2020, and June 30, 2021.

62 Sec. 504. (*Effective from passage*) (a) For the fiscal years ending June
63 30, 2020, and June 30, 2021, all state employees who are not members
64 of a collective bargaining unit shall take three unpaid furlough days
65 per fiscal year.

66 (b) Any unpaid furlough days taken pursuant to this section shall be
67 treated as voluntary schedule reductions pursuant to the provisions in
68 effect on the effective date of this section, of (1) section 5-248c of the
69 general statutes, and (2) section 5-248c-3 of the regulations of
70 Connecticut state agencies, and wage credit for such days shall be in

71 accordance with the practice in effect on the effective date of this
72 section.

73 Sec. 505. (*Effective from passage*) The State Contracting Standards
74 Board shall develop a procurement plan for state contracting agencies
75 to achieve twenty-five million dollars in savings for the fiscal year
76 ending June 30, 2020, and forty million dollars in savings for the fiscal
77 year ending June 30, 2021. Not later than August 1, 2019, the State
78 Contracting Standards Board shall submit such plan to the Governor
79 and the Secretary of the Office of Policy and Management for
80 implementation of such plan. The Secretary of the Office of Policy and
81 Management may make reductions in allotments to state contracting
82 agencies during said fiscal years to achieve such savings.

83 Sec. 506. (*Effective July 1, 2019*) The Secretary of the Office of Policy
84 and Management may make reductions in allotments to the
85 Department of Mental Health and Addiction Services, for the fiscal
86 years ending June 30, 2020, and June 30, 2021, in order to achieve
87 privatization savings in the General Fund of \$2,250,000 during the
88 fiscal year ending June 30, 2020, and \$4,250,000 during the fiscal year
89 ending June 30, 2021.

90 Sec. 507. (*Effective from passage*) The Department of Administrative
91 Services shall develop and implement a plan to provide the personnel,
92 payroll, affirmative action and business office functions under section
93 60 of public act 05-251 to additional state agencies, to achieve five
94 million dollars in savings for the fiscal year ending June 30, 2020, and
95 ten million dollars in savings for the fiscal year ending June 30, 2021.

96 Sec. 508. Section 12-704e of the general statutes is repealed and the
97 following is substituted in lieu thereof (*Effective July 1, 2019*):

98 (a) Any resident of this state, as defined in subdivision (1) of
99 subsection (a) of section 12-701, who is subject to the tax imposed
100 under this chapter for any taxable year commencing prior to January 1,
101 2019, and on or after January 1, 2021, shall be allowed a credit against
102 the tax otherwise due under this chapter in an amount equal to the

103 applicable percentage, as defined in subsection (e) of this section, of
104 the earned income credit claimed and allowed for the same taxable
105 year under Section 32 of the Internal Revenue Code, as defined in
106 subsection (a) of section 12-701.

107 (b) If the amount of the credit allowed pursuant to this section
108 exceeds the taxpayer's liability for the tax imposed under this chapter,
109 the Commissioner of Revenue Services shall treat such excess as an
110 overpayment and, except as provided under section 12-739 or 12-742,
111 shall refund the amount of such excess, without interest, to the
112 taxpayer.

113 (c) If a married individual who is otherwise eligible for the credit
114 allowed hereunder has filed a joint federal income tax return for the
115 taxable year, but is required to file a separate return under this chapter
116 for such taxable year, the credit for which such individual is eligible
117 under this section shall be an amount equal to the applicable
118 percentage, as defined in subsection (e) of this section, of the earned
119 income credit claimed and allowed for such taxable year under said
120 Section 32 of the Internal Revenue Code multiplied by a fraction, the
121 numerator of which is such individual's federal adjusted gross income,
122 as reported on such individual's separate return under this chapter,
123 and the denominator of which is the federal adjusted gross income, as
124 reported on the joint federal income tax return.

125 (d) To the extent permitted under federal law, any state or federal
126 earned income tax credit shall not be counted as income when received
127 by an individual who is an applicant for, or recipient of, benefits or
128 services under any state or federal program that provides such benefits
129 or services based on need, nor shall any such earned income tax credit
130 be counted as resources, for the purpose of determining the
131 individual's or any other individual's eligibility for such benefits or
132 services, or the amount of such benefits or services.

133 (e) For purposes of this section, "applicable percentage" means
134 twenty-three per cent.

135 Sec. 509. (Effective July 1, 2019) Each commissioner or chief of any
 136 budgeted agency, as defined in section 4-69 of the general statutes,
 137 shall implement a hard hiring freeze for the fiscal years ending June 30,
 138 2020 and June 30, 2021.

139 Sec. 510. (Effective July 1, 2019) Not later than June 30, 2019, the
 140 Comptroller shall designate \$372,800,000 of the resources of the
 141 General Fund for the fiscal year ending June 30, 2019, to be accounted
 142 for as revenue of the General Fund for the fiscal year ending June 30,
 143 2020, and \$183,400,000 of such amount shall be made available for the
 144 state's contribution to the teachers' retirement fund, pursuant to
 145 section 10-183z of the general statutes, for the fiscal year ending June
 146 30, 2020.

147 Sec. 511. (Effective July 1, 2019) Not later than June 30, 2020, the
 148 Comptroller shall designate \$189,400,000 of the resources of the
 149 General Fund for the fiscal year ending June 30, 2020, to be accounted
 150 for as revenue of the General Fund for the fiscal year ending June 30,
 151 2021, and made available for the state's contribution to the teachers'
 152 retirement fund, pursuant to section 10-183z of the general statutes, for
 153 the fiscal year ending June 30, 2021.

154 Sec. 512. (Effective July 1, 2019) Upon the determination by the
 155 Secretary of the Office of Policy and Management of the amount of
 156 savings within the General Fund derived from any amendment to
 157 house bill 7424 of the current session for each of the fiscal years ending
 158 June 30, 2020, and June 30, 2021, the secretary shall make such amounts
 159 available for the state's contribution to the Teachers' Retirement Fund,
 160 pursuant to section 10-183z of the general statutes, for each said fiscal
 161 year."

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	<i>from passage</i>	New section
Sec. 502	<i>July 1, 2019</i>	10-183z(a)
Sec. 503	<i>July 1, 2019</i>	New section

Sec. 504	<i>from passage</i>	New section
Sec. 505	<i>from passage</i>	New section
Sec. 506	<i>July 1, 2019</i>	New section
Sec. 507	<i>from passage</i>	New section
Sec. 508	<i>July 1, 2019</i>	12-704e
Sec. 509	<i>July 1, 2019</i>	New section
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Sec. 512	<i>July 1, 2019</i>	New section