OFFICE OF FISCAL ANALYSIS
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EMERGENCY CERTIFICATION

HB-6941
AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2025, AND MAKING APPROPRIATIONS THEREFOR, AND PROVISIONS RELATED TO REVENUE AND OTHER ITEMS IMPLEMENTING THE STATE BUDGET.

OFA Fiscal Note

State Impact: See Below

Municipal Impact: See Below

Explanation

The budget across all appropriated funds is estimated to result in a balance of $615.4 million in FY 24 and $368.4 million in FY 25. The balance based on revenue that can be appropriated, due to the revenue cap, is $304.7 million in FY 24 and $368.4 million in FY 25.

Budget Balance (in millions)

Fund	FY 24				FY 25			
	Revenue	**Approp.**	**Balance**	**Balance After Revenue Cap**	**Revenue**	**Approp.**	**Balance**	**Balance After Revenue Cap**
General	22,506.3	22,101.6	404.7	123.4	23,104.7	22,811.1	293.6	4.8
Special Transportation	2,352.6	2,148.4	204.2	174.8	2,354.5	2,286.4	68.1	38.7
Other Appropriated	871.3	864.8	6.5	6.5	908.9	902.2	6.7	6.7
TOTAL	**25,730.2**	**25,114.8**	**615.4**	**304.7**	**26,368.1**	**25,999.7**	**368.4**	**50.2**

[1]The balance calculation in the table reflect the schedule of revenues adopted by the Finance, Revenue and Bonding Committee on June 5.

Primary Analyst: RJW
Contributing Analyst(s):

6/5/23

Section 1 - 13 includes appropriations in thirteen funds totaling approximately $25.1 billion in FY 24 and $26.0 billion in FY 25 as summarized in the table below.

Appropriated Fund Summary

Gross Appropriations by Fund	FY 24 $	FY 25 $
General Fund	22,235,296,540	22,993,822,293
Special Transportation Fund	2,160,400,525	2,298,389,891
Municipal Revenue Sharing Fund	568,645,047	568,645,047
Banking Fund	34,759,959	35,832,606
Insurance Fund	104,441,098	135,210,679
Consumer Counsel and Public Utility Control Fund	36,917,566	37,943,087
Workers' Compensation Fund	28,835,998	29,128,141
Mashantucket Pequot and Mohegan Fund	52,541,796	52,541,796
Criminal Injuries Compensation Fund	2,934,088	2,934,088
Tourism Fund	17,494,453	16,144,453
Cannabis Regulatory Fund	10,096,526	10,247,420
Cannabis Social Equity and Innovation Fund	5,800,000	10,200,000
Cannabis Prevention and Recovery Services Fund	2,358,000	3,358,000
Total Gross Appropriations	**25,260,521,596**	**26,194,397,501**
General Fund Lapses		
Unallocated Lapse	(48,715,570)	48,715,570)
Unallocated Lapse - Judicial	(5,000,000)	(5,000,000)
Reflect Historical Staffing	(80,000,000)	(129,000,000)
Total General Fund Lapses	**(133,715,570)**	**(182,715,570)**
Transportation Fund Lapses		
Unallocated Lapse	(12,000,000)	(12,000,000)
Total Transportation Fund Lapses	**(12,000,000)**	**(12,000,000)**
Net Appropriations by Fund		
General Fund	22,101,580,970	22,811,106,723
Special Transportation Fund	2,148,400,525	2,286,389,891
Municipal Revenue Sharing Fund	568,645,047	568,645,047
Banking Fund	34,759,959	35,832,606
Insurance Fund	104,441,098	135,210,679
Consumer Counsel and Public Utility Control Fund	36,917,566	37,943,087
Workers' Compensation Fund	28,835,998	29,128,141
Mashantucket Pequot and Mohegan Fund	52,541,796	52,541,796
Criminal Injuries Compensation Fund	2,934,088	2,934,088
Tourism Fund	17,494,453	16,144,453
Cannabis Regulatory Fund	10,096,526	10,247,420
Cannabis Social Equity and Innovation Fund	5,800,000	10,200,000
Cannabis Prevention and Recovery Services Fund	2,358,000	3,358,000
Total Net Appropriations	**25,114,806,026**	**25,999,681,931**

The FY 24 growth rate for all appropriated funds is 3.8% over the FY 23 appropriation. The FY 25 growth rate for all appropriated funds is 3.5% over the FY 24 appropriation. See the table below for details.

FY 24 and FY 25 Budget Growth Rates (by fund – in millions)

Fund	FY 23 Approp.	FY 24 Approp.	FY 24 Change from FY 23		FY 25 Approp.	FY 25 Change from FY 24	
	$	$	$	%	$	$	%
General	22,089.2	22,101.6	12.4	0.1%	22,811.1	709.5	3.2%
Transportation	1,826.2	2,148.4	322.2	17.6%	2,286.4	138.0	6.4%
Other Appropriated	280.7	864.8	584.1	208.1%	902.2	37.4	4.3%
TOTAL	**24,196.0**	**25,114.8**	**918.8**	**3.8%**	**25,999.7**	**884.9**	**3.5%**

Spending Cap

The budget is under the spending cap by $0.6 million in FY 23, $14.4 million in FY 24 and $2.2 million in FY 25. These calculations reflect a deappropriation of $8 million in FY 23 from the Debt Service account contained in the deficiency appropriations portion of the bill.

Section 14(a) OPM may recommend reductions in executive branch expenditures to achieve budget savings in the General Fund by $48,715,570 in FY 24 and FY 25.

Section 14(b) OPM may recommend reductions in judicial branch expenditures to achieve budget savings in the General Fund by $5 million in FY 24 and FY 25.

Section 15 OPM shall recommend reductions in executive branch personal services expenditures to achieve savings in the General Fund of $80 million in FY 24 and $129 million in FY 25.

Section 16 allows the Department of Social Services (DSS) and Department of Children and Families (DCF) to establish an account to allow for the receipt of reimbursement anticipated from the federal government. This allows the state to receive revenue as anticipated in the budget.

Section 17 exempts appropriations authorized for purposes of complying with Generally Accepted Accounting Principles (GAAP) from the quarterly allotment process pursuant to Section 4-85 of the Connecticut General Statutes (CGS). This provision has no fiscal impact since these funds are non-programmatic and are only used in conjunction to close out the end of the fiscal year in accordance with GAAP.

Section 18(a) OPM is authorized to transfer amounts appropriated for Personal Services from agencies to the Reserve for Salary Adjustment (RSA) account to reflect a more accurate impact of collective bargaining related costs.

Section 18(b) OPM is authorized to transfer funds from the RSA account to any agency in any appropriated fund for salary increases, accrual payments or any other personal services adjustment necessary.

Section 19(a) allows for the unexpended funds for collective bargaining costs (RSA) to be carried forward from FY 23 into FY 24 and FY 25.

Section 19(b) allows for the unexpended funds for collective bargaining costs (RSA) to be carried forward from FY 24 into FY 25.

Section 20 allows for the transfer of funds between agencies via the use of FAC to maximize federal matching funds. This allows any General Fund appropriation to be transferred between agencies to maximize federal funding with FAC approval. Funds generated through transfer may be used to reimburse GF expenditures or expand programs as determined by Governor and with FAC approval.

Section 21 allows for the adjustments to appropriations, with the approval of FAC, to maximize federal funding available to the state. This allows any General Fund appropriation to be adjusted by the Governor with FAC approval to maximize federal funding. The Governor shall present a plan for any such transfer.

Section 22 directs DSS to make Disproportionate Share (DSH) payments to hospitals in the Department of Mental Health and Addiction Services (DMHAS) for operating expenses and related fringes. This allows the state to receive revenue as anticipated in the budget.

Section 23 transfers $1 million in both FY 24 and FY 25 of Part B IDEA (federal funds) from SDE to the Office of Early Childhood for the Birth-to-Three Program.

Section 24 specifies funding of $37.2 million in both FY 24 and FY 25 for three grant programs administered by the State Department of Education: (1) Priority School Districts ($30,818,778), Extended School Hours ($2,919,883) and School Accountability ($3,412,207).

Section 25 suspends the Department of Children and Families' Single Cost Accounting System (SCAS) in FY 24 and FY 25, which results in the elimination of costs to the agency of $734,581 in FY 24 and $1,146,281 in FY 25 for SCAS' room and board rate increases for Private, in-state Residential Treatment Facilities (PRTFs). SCAS room and board rate increases for PRTFs have been suspended in every biennial budget since FY 04. Under SCAS, increases in the allowable residential care components over the previous year's rates are limited to: (A) the increase in the consumer price index plus 2%, or (B) the actual increase in allowable costs, whichever is less.

Section 26 clarifies the name of a recipient of a grant funded by carryforward funding through the Department of Economic and Community Development, which has no fiscal impact.

Section 27 provides funding of up to $1,000,000 within the Department of Administrative Services for Rents and Moving in FY 24 to be carried forward into FY 25 for the purpose of supporting an emergency vehicle operations course.

Section 28 specifies that any unexpended balance of funds for the Connecticut Youth Employment Program in FY 24 will be carried forward into FY 25 for the same purpose.

Sections 29 and 30 pays off the remainder of outstanding GAAP bonds using FY 23 appropriations, which results in annual savings on debt service payments through FY 28 and precludes the use of approximately $121 million of revenue for GAAP payments annually for FY 24 through FY 28.

Section 31 allows the appropriation for the Connecticut Municipal Redevelopment Authority (MRDA) under section 1 of the bill be used for personal services and fringe benefit expenses.

Section 32 provides funding of up to $3,323,985 in FY 24 for the purpose of supporting additional unemployment insurance program costs through carryforward funding from the Workforce Investment Act account.

Section 33 suspends the statutory sweep of the Probate Court Administration Fund (PCAF) for FY 23 resulting in an estimated loss in revenue to the General Fund of $13,886,000 in FY 24.

Section 34 distributes $550,000 from the Tobacco Settlement Fund within the Office of Policy and Management to the Tobacco Litigation Settlement Account for the Office of the Attorney General's tobacco enforcement activities for FY 24 and FY 25. This allows these activities to continue to be funded by a source other than the General Fund.

Section 35 distributes, in FY 23, $5 million in existing funding for the farm manure management system program within the Department of Agriculture.

Section 36 directs the State Library to distribute $500,000 in both FY 24 and FY 25 for library-related programs: (1) United Way of Central and Northeastern Connecticut, for the Dolly Parton Imagination Library; (2) Read to Grow; and (3) Reach Out and Read.

Section 37 carries forward unspent funds previously directed to a grant from the Department of Energy and Environmental Protection

(DEEP) for Batterson Park. It further requires that of those funds, up to $650,000 will be spent on a study and the rest made available for the actions recommended by the study.

Section 38 distributes funds from the Mashantucket Pequot and Mohegan Fund in both FY 24 and in FY 25.

Section 39 makes grants through the Judicial Department's Youth Services Prevention Account for a total cost of $7,053,500,000.

Section 40 makes grants through the Judicial Department's Youth Violence Initiative Account for a total cost of $4,560,000 in FY 24 and FY 25.

Section 41 authorizes the Office of Policy and Management to identify $339,572,439 in unexpended funds for FY 23, which shall not lapse and make them available for the following purposes.

Summary of Carryforwards

Section	Agency	FY 24 $	FY 25 $	Purpose
41(b)1	Department of Social Services	32,000,000	-	Provide temporary grants to Federally Qualified Health Centers (FQHCs) which shall be equally distributed, to all federally qualified health centers
41(b)2	Department of Social Services	1,200,000	-	Provide funding to make necessary TFA System changes related to extending the time limit
41(b)3	Secretary of the State	1,800,000	-	Provide grants to municipalities for early voting. Grant can be for up to $10,500 per municipality
41(b)4	Department of Agriculture	150,000	150,000	Providing funding for Brass City Charter Regional Food Hub.
41(b)5	Department of Economic and Community Development	1,305,461	-	Provide funding for Amistad Repairs
41(b)6	Department of Economic and Community Development	235,489	235,489	Provide Funding for the International Festival of Arts and Ideas
41(b)7	Auditors of Public Accounts	250,000	-	Provide funding to upgrade computer systems and software

Section	Agency	FY 24 $	FY 25 $	Purpose
41(b)8	Department of Emergency Services and Public Protection	200,000	-	Provide funds to establish the Law Enforcement Memorial Account
41(b)9	Department of Emergency Services and Public Protection	100,000	-	Provide funding for the Police Officers Standards and Training to develop guidelines for domestic violence protective orders
41(b)10	Department of Emergency Services and Public Protection	3,000,000	-	To provide grants to municipalities for remove PFAS from fire apparatus
41(b)11	Department of Economic and Community Development	150,000	-	To provide one-time funds for the Greater Hartford Foundation for the Travelers Championship
41(b)12	Department of Housing	175,000	-	To provide one-time funds for the Angel of Edgewood, Inc.
41(b)13	Department of Energy and Environmental Protection	2,000,000	-	To provide grants to the three state recognized tribes, The Schaghticoke, the Paucatuck Eastern Pequot and the Golden Hill Paugussett, for work on their reservations
41(b)14	Department of Social Services	100,000	-	To provide funding to support a study on Medicaid for Employers with Disabilities program, which is known as MED-Connect, and the potential for expanding eligibility for the program
41(b)15	Office of Early Childhood Education	2,500,000	2,500,000	Providing funding for the extension of the workforce pipeline pilot program
41(b)16	University of Connecticut	40,000,000	20,000,000	Provide funding for temporary operating support
41(b)17	Connecticut State Colleges and Universities	55,000,000	27,500,000	Provide funding for temporary operating support
41(b)18	University of Connecticut Health Center	35,000,000	17,500,000	Provide funding for temporary operating support
41(b)19	Department of Economic and Community Development	70,000	-	Provide a grant to the Friends of the Shetucket River Valley for renovations and repairs to facilities for the Sprague land preserve
41(b)20	Teachers' Retirement Board	60,000	-	Provide funding for Teachers' Retirement Board election
41(b)21	Office of the State Comptroller	5,000,000	5,000,000	Provide support for paraeducators' health care
41(b)22	Office of Policy and Management	53,300,000	-	Provide one time support for private providers
41(b)23	Office of Policy and Management	12,500,000	-	Provide grants to Bridgeport and Waterbury

Section	Agency	FY 24 $	FY 25 $	Purpose
41(b)24	Office of Policy and Management	100,000	-	Provide funds to study of transfer of registration and oversight from DCP to DPH
41(b)25	Department of Education	150,000	-	Provide funds for a food waste diversion pilot Greenwich Public Schools
41(b)26	Department of Energy and Environmental Protection	5,000,000	-	Provide funds for flood damage remediation
41(b)27	Department of Economic and Community Development	38,000	-	Provide a grant to The Cetacean Society International for costs associated with relocation
41(b)28	Department of Economic and Community Development	50,000	-	Provide funding for the development of Historic Homes Toolkit - One-time toolkit
41(b)29	Department of Social Services	25,000	-	Provide a grant to Brian's Angels for one time operational support
41(b)30	Department of Education	50,000	-	Provide a grant to the Boys and Girls Club of Bristol for operational support
41(b)31	Department of Social Services	100,000	-	Provide funds to support for one-time programming costs to Branford Counseling and Community Services
41(b)32	Department of Aging and Disability Services	150,000	-	Provide a grant to Ellington Senior Center for bus replacement
41(b)33	Department of Economic and Community Development	50,000	-	Provide a grant to the Lutz Children's Museum for one-time operational support
41(b)34	Department of Social Services	2,000,000	-	Provide a grant to Harriott Home Health Services for operational support
41(b)35	Department of Economic and Community Development	500,000	-	Provide a grant to Manchester for the consolidation of 8th utilities Special Services taxing district
41(b)36	Department of Emergency Services and Public Protection	250,000	-	Provide funding to study issues facing fire services in the state
41(b)37	Judicial Department	75,000	-	Provide a grant to SCRIP, Inc., for facility improvements and programming
41(b)38	Department of Education	200,000	-	Provide a grant to FreeAgentNow in three school districts: Hartford, East Hartford, and Manchester
41(b)39	Department of Social Services	25,000	-	Provide a grant to Food2Kids for operational support

Section	Agency	FY 24 $	FY 25 $	Purpose
41(b)40	Department of Energy and Environmental Protection	5,000	-	Provide a grant to the Orange Historical Society for cleaning of historic gravestones
41(b)41	Department of Energy and Environmental Protection	150,000	-	Provide a grant to East Hartford for improvements to youth athletic and recreation facilities
41(b)42	Department of Economic and Community Development	350,000	-	Provide a grant to Fairfield for facility for renovations and programming for the Fairfield Senior Center
41(b)43	Department of Energy and Environmental Protection	230,000	-	Provide a grant to Danbury for the Danbury war memorial
41(b)44	Department of Energy and Environmental Protection	200,000	-	Provide a grant to Avon for improvements to softball field in Avon
41(b)45	Department of Economic and Community Development	100,000	-	Provide a grant to the Sterling Opera House for renovations and repairs
41(b)46	Department of Economic and Community Development	254,000	-	Provide a grant to the town of Berlin for improvements to properties owned by the town and the Board of Education
41(b)47	Department of Economic and Community Development	250,000	-	Provide a grant to VFW 10059 for facility improvements to VFW building in the town of Trumbull
41(b)48	Department of Energy and Environmental Protection	500,000	-	Provide a grant to the YMCA, Camp Sloper in the town of Southington for costs associated with pond dredging
41(b)49	Department of Economic and Community Development	250,000	-	Provide a grant to the Boy Scouts of America for Camp Shelton capital support
41(b)50	Department of Social Services	100,000	-	Provide a grant to the Human Resources Agency of New Britain for campus improvements
41(b)51	Department of Energy and Environmental Protection	225,000	-	Provide a grant to the Friends of Amber Farm in the town of Wilton
41(b)52	University of Connecticut	150,000	-	Provide funding to the Institute for Municipal and Regional Policy for costs associated to develop a hate crimes database
41(b)53	Office of Policy and Management	60,000	-	Provide funding for Federal Emergency Management Agency hazard study

Section	Agency	FY 24 $	FY 25 $	Purpose
41(b)54	Department of Economic and Community Development	350,000	-	Provide a grant to the Bridgeport Economic Development Corporation to support cultural events
41(b)55	State Department of Education	300,000	-	Provide a grant to the Charter Oak Boxing Academy
41(b)56	Judicial Department	150,000	-	Provide support to the LGBTQ Justice and Opportunity Network
41(b)57	Department of Administrative Services	5,000,000	-	Provide funds the Firefighters Cancer Relief account to support program benefit expenses
41(b)58	Department of Public Health	604,000	-	Provide a grant to InterCommunity Health Care for support for operations in East Hartford and Manchester
41(b)59	Department of Economic and Community Development	600,000	-	Provide a grant to the Cheshire for economic development projects
41(b)60	Office of Early Childhood Education	2,000,000	-	Provide funding for childhood collaboratives

Section 42 provides funding of up to $7,800,000 in FY 24 for the purpose of meeting the costs of the family child care provider agreement through carryforward funding from the Early Care and Education account to the Care4Kids/CCDF account.

Section 43 allows funding of $2 million within the Department of Housing's Housing/Homeless Services account to be carried forward into FY 24 and designates the funding for the emergency rental assistance program.

Section 44 requires unexpended FY 23 carry forward funds that were intended to support the establishment of nonstop air service to Jamaica to carry forward to FY 24 to support a grant-in-aid to the Connecticut Airport Authority for temporary support for operating expenses. PA 22-118 provided $2 million for the original grant.

Section 45 requires unexpended FY 23 carry forward funds for grant-in-aid to the town of Sprague for streetscape improvements to carry forward to FY 24. PA 22-118 provided $1.3 million for the original grant-in-aid.

Section 46 clarifies that not less than $3.5 million for grants-in-aid under the Connecticut Summer at the Museum Program under the Department of Economic and Community Development in FY 24 shall be made available for grants-in-aid to for-profit entities.

Section 47 specifies the distribution of $9.5 million in FY 24 and $9.6 million in FY 25 from various accounts of the State Department of Education for various organizations and initiatives.

Sections 48 and 49 outline the final allocations of the federal American Rescue Plan Act (ARPA) funds for the purposes detailed in the bill. Final allocations total $652,073,769 in FY 22, $1,470,815,083 in FY 23, $546,311,535 in FY 24 and $143,087,695 in FY 25.

Section 50 directs DSS to make payments, from General Fund appropriations, totaling $5 in FY 24 and $2 million in FY 25 to Bristol Hospital. Funding will support the development and implementation of a plan to maintain essential health services aligned with community need and a path to financial viability.

Section 51 directs DSS to make payments, from ARPA allocations, totaling $8 in FY 24 and $2 million in FY 25 to Day Kimball Hospital. Funding will support the development and implementation of a plan to maintain essential health services aligned with community need and a path to financial viability.

Section 52 expands eligibility for a rural speed enforcement grant program within the Department of Emergency Services and Public Protection, which makes more municipalities eligible to receive these funds. This results in a revenue gain to various municipalities beginning in FY 24. To the extent more municipalities receive grants, the balance of the account may be expended more quickly.

Section 53 directs the Department of Public Health to increase the maximum allowable rates for ambulance services and paramedic intercept services by 10%, which has no fiscal impact as it does not change rates for such services paid by the state via Medicaid.

Section 54, which is effective 10/1/23, expands DPH oversight over hospital nurse staffing, resulting in a cost to the agency of approximately $261,571 in FY 24 and $355,397 in FY 25 for two Nurse Consultants (approximately $157,779 in FY 24 and $215,631 in FY 25), a Health Program Associate (approximately $62,513 in FY 24 and $83,351 in FY 25), and a half-time Staff Attorney II (approximately $41,279 in FY 24 and $56,414 in FY 25). The associated expense to the Office of the State Comptroller – Fringe Benefits is estimated at $112,005 in FY 24 and $152,181 in FY 25. There may be a potential minimal revenue gain to the General Fund from the issuance of civil penalties. The budget provides funding of $608,707 in FY 24 and $776,745 in FY 25 to support expanded oversight over hospital staffing.

Section 54 expands the annual nurse staffing plans that DPH must evaluate. It requires DPH to investigate complaints from a hospital staff member or such staff member's collective bargaining representative of a violation of any provision of a hospital's staffing plan. Investigations will include reviewing policy and procedures, interviews with staff, including leadership, observations of care, and interviews with patients. The scope and severity of the issue must be analyzed (i.e., did other patients experience a negative outcome) to determine if the issue is isolated or pervasive. Hospitals that do not comply with the provisions of the amendment must submit corrective plans of action to DPH and the agency must impose civil penalties of not less than $3,500 for the first violation and $5,000 for each subsequent violation. This could result in a revenue gain to the state for any civil penalties applied. These provisions could also result in an equivalent cost savings to the extent hospitals do not pay the penalties or expenses due and the Department of Social Services (DSS) is instead required to withhold medical assistance payments in the amount of such penalties and audit expenses. While there is a potential cost to the UConn Health Center and Departments of Mental Health and Addiction Services and Children and Families if required to pay for audit expenses or civil penalties, there is no net impact to the state after accounting for the offsetting revenue gain.

The Department of Children and Families (DCF) does not currently operate Hospital Staffing Committees at the Albert J. Solnit Children's Center Hospital, or the Albert J. Solnit Children's Center Psychiatric Residential Treatment Facilities. The anticipated total cost to the State for DCF to establish and operate two Hospital Staffing Committees, and comply with data and reporting requirements, is estimated at $441,488 in FY 24 and $432,025 in FY 25. These totals reflect salaries for two Quality Assurance Managers ($173,712 in FY 24 and $178,055 in FY 25), salaries for two Administrative Assistants ($121,406 in FY 24 and $124,441 in FY 25), associated fringe benefits ($126,370 in FY 24 and $129,529 in FY 25), and a one-time cost for pamphlets and fliers to notify staff of committees ($20,000 in FY 24).

The costs to the Department of Mental Health and Addiction Services (DMHAS) include a Quality Assurance Manager and Administrative Assistant totaling approximately $147,600 in FY 24 and $151,300 in FY 25 (with associated fringe costs of $63,200 and $64,800, respectively), to support the additional requirements related to the staffing committees. Committee staffing and coverage costs are anticipated to cost up to $680 per person per day.

Section 55 of the amendment is not anticipated to result in a fiscal impact to the state in FY 24 and FY 25 as the provisions related to mandatory overtime for the relevant state employees do not apply to collective bargaining agreements that address mandatory overtime and are in effect prior to June 1, 2027. To the extent the provisions apply in the out years, the state could incur increased staffing costs related to the prohibition of mandatory overtime as a regular practice

Section 56 expands the Project Longevity Initiative to New London and Norwich. The Chief Court Administrator is required to provide planning and management assistance to ensure implementation of Project Longevity and may utilize state and federal funds appropriated for such purpose. To support the addition of two cities, the budget includes: (1) $1.35 million in FY 24 and FY 25 to the Judicial Department, and (2) $500,000 in both FY 24 and FY 25 to the Department of Housing for housing vouchers and related services.

Section 57 alters the employee paid share for health insurance for employees of the probate court to commensurate with state employee paid share which results in an estimated cost of $1.5 million to $2.7 million annually to the Probate Court Administration Fund (PCAF).

Section 58 requires local law enforcement agencies to report information about body worn camera use to the Institute for Municipal and Regional Policy (IMRP) at UConn and requires the Institute to report on the information submitted. This has no fiscal impact, as it is anticipated that IMRP can meet the requirements with existing resources.

Section 59 requires the Department of Economic and Community Development to use the funds under the Statewide Marketing account for tourism programs and not to support marketing of DECD.

Section 60, which requires DSS to report to certain legislative committees regarding the implementation of Appendix K amendments to related home and community-based services Medicaid waivers by January 1, 2024, has no fiscal impact.

Section 61, which requires the Office of Policy and Management to submit a quarterly report concerning the reserve for salary adjustments account, results in no fiscal impact.

Section 62 requires the Department of Public Health to report on the state's pandemic preparedness every year, which results in a cost to the agency of approximately $50,000 annually.

Sections 63 - 65 regarding 340B entities result in an annual significant savings to the University of Connecticut Health Center. The health center has multiple 340B covered entities, including John Dempsey Hospital, and has not been fully benefiting from the provisions of the 340B program due to manufacturer and pharmacy benefits manager (PBM) practices. The health center estimates that the foregone savings due to these practices has reached approximately $7 million to $9 million annually. It is anticipated that the bill will reduce or eliminate the practices it prohibits, and consequently result in greater 340B savings to UConn Health Center.

Section 66 requires the Department of Energy and Environmental Protection (DEEP) to award a grant from the beverage container recycling program account to certain organizations, which results in costs to this account and program for this purpose. The current balance in the account is approximately $1.7 million.

Section 67 requires the Planning Commission for Higher Education to update the previous strategic plan for higher education in FY 24 and alters the areas of study under the plan. The budget provides $250,000 in FY 24 for this purpose, through ARPA funding.

Section 68 authorizes and directs the Department of Transportation (DOT) to competitively select the Shore Line East (SLE) rail service provider, potentially resulting in lower operating costs depending upon the terms of any future procurement. Currently, DOT is required to contract with Amtrak for service on SLE.

Section 69 permits the Legislative Commissioners' Office to make such technical, grammatical and punctuation changes as are necessary to carry out the purposes of this act, including, but not limited to, correcting inaccurate internal references, which has no fiscal impact.

Section 70 requires the Office of Higher Education (OHE), through the private career school student protection account, to provide stipends to certain graduates of Stone Academy and tuition refunds to certain former students of the academy. The section limits the aggregate amount of grants to graduates to $150,000 and requires that these payments be made within two years. This results in a cost to the private career school student protection account, of up to $150,000. The amount spent on the tuition refunds is dependent on the number of eligible former students and the determination of OHE; OHE may provide a refund of up to 100 percent of the tuition that the student paid for certain courses. The current balance in the account is approximately $2.4

million. The section allows the state to try to recover the costs of the stipends and refunds from Stone Academy, which could offset the costs to the account.

Section 71, which makes changes to the process creating the minority set aside, results in no fiscal impact.

Section 72 establishes a working group to study the State Historic Preservation Officer's role in administering historic preservation review processes. The amendment has no fiscal impact as PA 17-236 prohibits transportation allowances for working group members.

Section 73 transfers the Office of Workforce Strategy (OWS) from the Governor’s Office (OTG) into the Department of Economic and Community Development (DECD) for administrative purposes only. Section 1 of this bill transfers $470,000 that is associated with OWS from OTG to DECD in both FY 24 and FY 25.

Section 74 ends an ongoing housing study and biennial reports by OPM. This may result in a potential savings to OPM beginning in FY 24 as they no longer have to expend resources for these activities.

Section 75 requires the Department of Economic and Community Development (DECD) to pay for the administrative costs of the Community Investment Board. The bill disallows the use of bond funds to support the administrative cost of the Board.

Currently, DECD incurs an annualized cost through the General Fund of approximately $200,000 for two positions to administer the program. Section 1 of this bill appropriates $525,263 in FY 24 FY 25 to support three additional positions and other expenses for the administration of the program.

Sections 76 - 77 eliminate the sales and use tax transfer for the Municipal Revenue Sharing Account and instead transfers the funds into the Municipal Revenue Sharing Fund (MRSF). The transfer to the MRSF is estimated to be $458.5 million in FY 24 and $469.5 million in FY 25.

Section 78 requires the following grants to be paid out of the Municipal Revenue Sharing Fund (MRSF) beginning in FY 24: (1) the motor vehicle property tax grant, (2) the Tiered PILOT grant, and (3) the supplemental revenue sharing grant, which has a statutory payment list. This results in a cost to the Office of Policy and Management (OPM) beginning in FY 24 from the MRSF.

The final cost will be dependent on grant formula calculations but is expected to be approximately $600 million in each fiscal year. The section also caps certain grants paid out of the MRSF at the level of appropriations.

Sections 79 - 81 change the payment date for Tiered PILOT from May 30th to September 30th annually. This has no fiscal impact but may result in municipalities receiving their PILOT grant at an earlier date. These sections additionally make technical changes that have no fiscal impact.

Sections 82 - 83 eliminate payments from the Municipal Revenue Sharing Account (MRSA) beginning in FY 24. This results in a savings to MRSA. These grants will be paid out of the MRSF.

Sections 84 - 87 make changes to judicial compensation resulting in an estimated cost of $1.4 million in FY 24 and $2.8 million in FY 25 to the Judicial Department. These increases represent a 3% increase in each fiscal year.

These changes also impact the salaries of the Governor, the Lieutenant Governor, the Treasurer, the Secretary, the Comptroller, the Attorney General, Probate Court judges, and Workers Compensation Commissioner Administrative Law judges.

The cost to the Probate Court Administration Fund (PCAF) is estimated to be $883,000 in FY 24 and $1.89 million in FY 25 for salary increases and associated fringe.

The cost to the Workers' Compensation Commission is an estimated $159,361 in FY 24 and $323,545 in FY 25 for salary increases and associated fringe.

The cost to the Governor's office is an estimated $6,801 in FY 24 and $13,807 in FY 25.

The cost to the Lieutenant Governor's office, the Treasurer, the Secretary of State, the Attorney General, and the State Comptroller is an estimated $5,684 in FY 24 and $11,540 in FY 25 for each office.

The estimated cost to the Comptroller for associated fringe benefits is $155,000 in FY 24 and $310,000 in FY 25.

Sections 88 - 89 eliminate an affirmative action plan requirement for OHE and make various other conforming changes that do not have a fiscal impact.

Section 90 makes procedural changes to the Board of Regents for Higher Education (BOR) regarding the sale of surplus property. The bill requires BOR to use the proceeds from any of these transactions to pay (1) outstanding bonds or other debt associated with the property or improvements, (2) any costs associated with the transaction, and (3) any capital expenditure consistent with BOR's campus improvement plan.

To the extent surplus property is sold, this results in a potential cost reduction to future debt service, either from paying off existing debt or using sale revenue towards future capital projects that would have otherwise required a new bond sale. The potential reduced debt service would be attributed to either the General Fund or the resources of BOR, dependent on whether the properties being sold and/or improved were financed using General Obligation (GO) bonds or BOR's own revenue bonds, or some combination thereof. The amount of the potential debt service reduction is unknown, as it relies on future decisions of both BOR and the Office of Policy and Management.

Section 91 requires OPM to allocate money from the Social Equity and Innovation Account at the discretion of the Social Equity Council beginning in FY 24. Any fiscal impact will be dependent on how the Social Equity Council decides to use the funds within the account. The section also requires any funds remaining in the account at the end of FY 24, instead of at the end of FY 23, to be transferred to the Social Equity and Innovation Fund. This allows more time for funds to accrue to, and be distributed from, the account. It is estimated that approximately $30 million will remain unexpended in the account at the end of FY 23.

Section 92 reallocates funding for constituent units of the state system of higher education beginning in FY 24, resulting in a net neutral funding policy. Under current practice, the State Comptroller-Fringe Benefits account covers all the fringe benefit costs for employees on the block grants, and the higher education units cover all the fringe benefit costs for employees not on the block grants. Under the proposed policy, the State Comptroller will be responsible for all retirement costs while the constituent units will be responsible for group life insurance, medical costs of active employees, unemployment compensations, and Social Security tax. The section results in no fiscal impact to the state due to the net neutral adjustment of block grants and fringe benefit expenses.

Sections 93 - 97 eliminate the diversion of iLottery revenues to the debt-free community college program, resulting in an estimated General Fund revenue gain of $2 million in FY 24 and $3 million in FY 25. This results in a corresponding revenue loss to the community colleges, as they would have otherwise received the funding to help offset the costs of the debt-free community college program. The budget provides General Fund appropriations to the program.

Section 98 transfers the Open Educational Resource Coordinating Council from the OHE to the Connecticut State Colleges and Universities (CSCU) which does not result in a fiscal impact. The budget eliminates $100,000 in both FY 24 and FY 25 for purposes of the Open Education Resource Coordinating Council.

Section 99 makes various procedural changes regarding (1) OHE program approval and modifications, and (2) what is required of the programs that are exempt from such approval. These changes are not anticipated to result in a fiscal impact.

Section 100 (1) allows OPM to execute a memorandum of understanding with a department head of any budgeted agency to allow the agency to use funds appropriated to OPM or authorized by the State Bond Commission and (2) allows such action to be taken among other state agencies. The section additionally requires OPM to submit annual reports containing a summary of all such assignments of authority. This may result in a transfer of funds that is dependent on the memorandums of understanding between state agencies.

Section 101 requires funds collected for all non-state-owned electric vehicles at state owned electric charging stations to be deposited into the fund from which the electricity for the station was drawn.

Section 102 extends by two years OPM's authority to distribute grants to partially reimburse municipalities for body-worn cameras or dashboard cameras used by law enforcement officers. This may result in a revenue gain to municipalities in FY 24 and FY 25.

Sections 103 - 109, which makes various changes regarding the hiring process to include the Department of Administrative Services, results in no fiscal impact.

In addition, Section 106 and 109, which subjects consultants to the same regulatory guidelines as state employees including a background check before gaining access to taxpayer information, results in no fiscal impact.

Sections 110 -114, which makes various changes to the process of sole-sourced personal service agreements including increasing thresholds, results in no fiscal impact.

Section 115 results in a future revenue gain to the General Fund that is dependent on the plan established by the Office of Policy and Management and the Office of the State Comptroller for reimbursement of costs incurred related to the Retirement Security Program.

Section 116 applies the law concerning construction of state buildings and the state building and fire safety codes to the Connecticut

Port Authority and does not result in a fiscal impact.

Section 117 results in an uncertain fiscal impact, as it will be based on future decisions of the Treasurer and future levels of the Budget Reserve Fund.

Sections 118 - 121 makes a variety of changes to the SB-7as amended including;(1) clarifying language changes shifting "public service company" to "electric distribution company, gas company, pipeline company or water company, as such terms are defined in section 16-1 of the general statutes";(2) charging the chairperson of the PURA with conducting a study on the delivery portion of the electric bill for electric distribution companies as well as for customers and what information would increase transparency to submit a report no later than January of 2025 to the general assembly; and (3) setting a variety of rules concerning the selecting of the chairperson for PURA. These provisions could be accommodated without requiring additional resources.

Section 122 makes changes to record erasure for certain DUI related offenses and does not result in a fiscal impact.

Sections 123 - 126 require any expenditures under (1) Cannabis Social Equity and Innovation Fund and (2) the Cannabis Prevention and Recovery Services Fund to be made only pursuant to appropriation by the General Assembly. The bill also requires any remaining balance in the funds to be carried forward to the next fiscal year. The bill makes other clarifying and conforming changes to these funds which have no fiscal impact.

Section 127 establishes a new Cannabis Regulatory Fund as an appropriated fund. It transfers funding of $10.1 million in FY 24 and $10.3 million in FY 25 from the resources of the General Fund to the Cannabis Regulatory Fund.

Section 128 requires the Department of Correction to operate an alcohol use disorder pilot program resulting in a cost of $500,000 in FY 25.

Section 129 requires the Department of Corrections to operate a long-acting medications pilot program resulting in a cost of $500,000 in FY 25.

Section 130 requires the Department of Correction (DOC) to create, develop, and implement a commissary implementation plan resulting in a cost of $142,500 in FY 24 and $132,500 in FY 25. To meet the requirements of the bill the DOC will implement a positive behavior intervention and supports (PBIS) system which will provide commissary funding to certain juvenile inmates for good behavior. The funding is needed to implement the program, train staff, and for software management and reporting.

Section 131 requires, starting in FY 24 and annually thereafter, DEEP to report to the Office of Fiscal Analysis (OFA) and the legislature certain information on the Passport to the Parks account. This has no fiscal impact since DEEP has the expertise to report the required information.

Sections 132 - 134 make the Department of Housing (DOH) a stand-alone agency, rather than within the Department of Economic and Community Development (DECD) for administrative purposes only. This results in annual staff costs for DOH of approximately $235,000 per year beginning in FY 24, associated with hiring two fiscal administrators; the budget includes this funding.

Sections 135 - 136 result in a significant cost to OHE beginning in FY 24, associated with establishing and administering a program giving incentive grants to licensed health care providers accepting adjunct professor positions. Funding of $500,000 and one position is included in the budget in both FY 24 and FY 25 within the OHE for this program.

These sections result in significant costs to OHE associated with grant payments to eligible adjunct faculty. Each health care adjunct professor who is offered a position under the bill's provisions and remains in the position is eligible for: (1) $20,000 after the first academic year, and (2) an additional $20,000 upon remaining in the position for at least two academic years.

These sections are anticipated to result in Personal Services costs to OHE of approximately $107,115 annually, beginning in FY 24. These costs are associated with hiring one full-time Senior Consultant to administer the program, with an annual salary of approximately $75,000 and corresponding fringe benefits of $32,115.

Section 137 makes changes to the debt free community college program. The changes to the program include: 1) eliminating that a student must be continuously enrolled in college in order to qualify, and 2) removing the requirement that it is a student's first semester in college. This results in additional students being eligible for the program and increased annual costs. The budget includes $5 million in FY 25 for expansion. It is anticipated the community colleges would cap grant expenditures at available funding based on past practice.

Section 138 makes various changes to the Roberta Willis Scholarship program within OHE, including eliminating the community colleges from the program. This could result in a revenue loss to the community colleges beginning in FY 24 as their students would no longer be eligible for financial aid grants under this program and consequently may choose to enroll elsewhere or not at all. The budget transfers $8.5 million in both FY 24 and FY 25 from the program account to CSCU's debt free community college account to reflect the policy change.

Additionally, this section requires that, in FY 24, any ARPA funds designated for this program must be spent before any appropriated dollars. This section establishes a cap of $10 million dollars or 30 percent of the annual appropriation (whichever is greater) to be reserved for the need merit portion of the program. This could result in a redistribution of financial aid funds among various eligible institutions, including the Connecticut state universities and UConn. The budget includes $18 million in FY 24 in ARPA funding for the program.

Section 139 prevents any unused Roberta Willis Scholarship funds from lapsing beginning in FY 24, which could result in a revenue increase to various eligible institutions, as unused funds will not lapse but will be reallocated to these institutions.

Section 140 results in a cost to the UConn Health Center beginning in FY 24, associated with establishing an endometriosis data and biorepository program, including research. This section also requires the UConn Health Center to establish the program in collaboration with a research laboratory within Connecticut. Funding of $468,000 and $735,000 is included in the budget in FY 24 and FY 25, respectively, within UConn Health Center for this purpose.

Section 141 requires the distribution of $20,000 each to three tribes from the Mashantucket Pequot and Mohegan Fund each year beginning in FY 24. This results in an annual cost to OPM of $60,000 beginning in FY 24 to pay out this grant.

Section 142 increases each of the three tiers for the Tiered PILOT grant by three percentage points beginning in FY 24. This results in an annual cost to OPM of approximately $18.9 million and a corresponding revenue gain to most municipalities.

Section 143 requires DEEP, with the City of Hartford and other municipalities, to study by January 15, 2024 the feasibility of, and recommend options for the provision of, public recreational access to the Batterson Park property located in New Britain and Farmington. The budget designates for this purpose $650,000 in existing funds previously allocated to DEEP for Batterson Park.

Section 144 requires DEEP to provide financial assistance to the Metropolitan District of Hartford County (MDC) for certain repairs and improvements to sewer systems in Hartford. This is not anticipated to have a fiscal impact to the state or municipalities due to the use of federal Clean Water Act funding. These sections make other changes that have no fiscal impact to the state or municipalities.

Sections 145 - 146 may result in start-up costs to the Office of the State Comptroller (OSC) in FY 24 to establish the Hartford Sewerage System

Repair and Improvement Fund, and grant program. The fund will be used by the Comptroller to make payments to develop and administer the program outlined in the amendment, and will contain monies received from deposits, contributions, gifts, grants, donation, bequests, or devises to the fund. The grant program will be paid out of the Hartford Sewerage System Repair and Improvement Fund.

Sections 147 - 148 require the Metropolitan District of Hartford County (MDC) to designate an existing employee to serve as a community outreach liaison and, in collaboration with Hartford, submit a report. This will not result in a fiscal impact to the municipalities within the MDC.

Section 149 requires the Comptroller to provide a $75,000 grant from the Hartford Sewerage System Repair and Improvement Fund to the Blue Hills Civic Association in FY 24. This will not result in a fiscal impact to the state as the fund will not be an appropriated account.

Section 150 makes changes to the Lesbian, Gay, Bisexual, Transgender and Queer Health and Human Services Network by altering the name to the Lesbian, Gay, Bisexual, Transgender and Queer Justice and Opportunity Network (LGBTQ Justice and Opportunity Network). This section also alters the responsibilities of the network to be more focused on justice issues and adds members to the network. These changes do not result in a fiscal impact.

Sections 151 - 155 authorize the Treasurer to replace funds currently in the Teachers' Retirement Fun Bonds Special Capital Reserve Fund with a financial guaranty, at which point the available funds would be transferred to the Connecticut Baby Bond Trust. To the extent the Treasurer enters into a financial guaranty agreement, this is anticipated to result in the following impacts: (1) One time cost of up to $12 million to secure the financial guaranty in FY 24, (2) One time revenue gain of approximately $381 million to the Connecticut Baby Bonds Trust in FY 24, and (3) Precludes a one-time deposit into the Budget Reserve Fund of at least $393 million in FY 33. These sections also make minor and technical changes to the Baby Bonds program, which are not anticipated to result in a fiscal impact.

Section 156 establishes a pay range of $5 to $10 per week for inmate workers resulting in an estimated cost of $400,000[1] in FY 24 and $530,000 in FY 25 to the Department of Correction to fund the increase in wages. In FY 22 payments of over $1.5 million went to approximately 8,000 inmate workers. Currently, these inmates make between $0.75 and $1.75 daily.

Section 157 - 158 requires the Commission on Women, Children, Seniors, Equity and Opportunity to recruit and employ a food and nutrition policy analyst resulting in an approximate annual cost to the Commission of $80,000 per year, along with a fringe benefit cost of approximately $34,250 per year. The actual cost is dependent on the salary range for the new position.

Section 159 allows a municipality to provide a short-term property tax abatement for any new grocery store established in a food desert during two assessment years. This results in a potential revenue loss to municipalities beginning in FY 24. The extent of the revenue loss is dependent on the amount of the abatement and the number of such grocery stores.

Section 160 allows municipalities to receive state financial assistance, up to the amount of abated property taxes under Section 159, in the form of a state grant-in-aid. This will mitigate, in whole or part, any revenue loss from the property tax abatement for grocery stores in food deserts beginning in FY 24. This section also results in a potential cost to the DECD, as the bill allows DECD discretion in awarding any grant-in-aid. The total potential cost per fiscal year is dependent upon the aggregated amount of property tax abatement approved by municipalities.

Section 161 does not result in a fiscal impact by requiring DECD to develop a strategic plan to provide incentives for grocery store construction in a food desert and file a report on the plan by January 1,

[1]This amount reflects expenditures of nine months due to the bill's effective date of October 1st.

2024. It is anticipated that DECD can develop this plan within existing resources.

Sections 162 - 165 outline circumstances under which a firefighter, former firefighter, or their dependents may receive compensation or benefits from the Firefighters Cancer Relief Account for certain cancer diagnoses, in a manner similar to Workers' Compensation for an injury or death while working. This results in significant costs to the account and costs to municipalities that are fully reimbursed (resulting in no net costs to municipalities), beginning in FY 24, to the extent that funds are available in the account. The budget provides $5 million in carryforward funding in FY 24 to the account, which is within the Department of Administrative Services.

These sections do not require municipalities to continue providing compensation and benefits if the account becomes insolvent. Consequently, the sections are not expected to result in a net fiscal impact to municipalities.

These sections also establish an advisory committee to annually evaluate the financial solvency of the account and require the State Treasurer to annually submit a report, beginning in FY 24. These requirements do not result in a fiscal impact as these parties will have sufficient expertise to carry out the tasks.

Section 166 - 171 would significantly reduce the cost of SB-1226. This section removes the requirement of a voter database to maintained by the Secretary of the State's Office (SOTS). This section also removes various provisions on preclearance and providing language assistance to voters of certain municipalities. This would result in the removal of all costs associated with the UConn Voter Center, as well as reducing the need of several additional positions within the SOTS office. The amendment keeps provisions concerning municipal liability for violations that would still result in a cost, and there would be some cost associated with the additional legal work required by the SOTS office would remain under this section.

Section 172 requires sponsors of a registered apprenticeship program to annually submit specified information (with their registration fee) to the Department of Labor (DOL), which results in a cost of $24,489 in FY 24 (partial year) and $100,404 in FY 25.

The Office of Apprenticeship Training within DOL would require one Processing Technician to process, verify, and potentially adjust the information required under the bill from each of the approximately 1,700 employers and over 6,400 apprentice registration renewal transactions the agency receives annually. The annualized cost of this position is $70,301 for salary and $30,103 for fringe benefits.

Section 173 requires the Department of Public Health (DPH), within available appropriations, to establish a lung cancer early detection and treatment referral program by 10/1/23, which is anticipated to result in a cost to the agency of $453,215 in FY 24 and $477,856 in FY 25. This cost includes the salary for a full-time Health Program Associate of $69,459 in FY 24 (partial year) and $83,351 in FY 25 (annualized). The program is tasked with supporting lung cancer detection and treatment referrals for persons 50 to 80 years of age, giving priority to populations who exhibit higher rates of lung cancer than the general population, and educating the public about lung cancer and the benefits of early detection. Other DPH expenses include an electronic data entry system for 21 hospitals in 5 different health systems to access, and Community Health Navigators in each of the 5 health systems responsible for outreach, education, enrollment, and patient navigation.

Section 174 could result in a cost to DSS associated with covering the Program of All-Inclusive Care for the Elderly (PACE) services under Medicaid. This section allows but does not require DSS to cover PACE services under the Medicaid state plan, within available appropriations. To the extent DSS applies for and receives federal approval for coverage, the cost will depend on several factors including: (1) eligibility criteria for participants and providers, (2) Medicaid rates and payment structure, (3) service utilization, and (4) any potential offsetting savings to the extent eligible participants utilizing other state-funded services transition to services covered under PACE.

Sections 175 - 178 establish a registry of private education lenders and loan creditors and establish an Office of the Student Loan Ombudsman within the Department of Banking (DOB), resulting a cost to the DOB of $295,247 in FY 24 and $505,341 in FY 25 for salary, fringe benefits, and other expenses. These sections also allow the DOB to establish a fee structure for the registry, resulting in a potential revenue gain to the Banking Fund depending on the amount of such fees and number of registrants. The DOB may impose a civil penalty of up to $100,000 for violations of the provisions of these sections, resulting in another potential revenue gain to the Banking Fund. Lastly, these sections allow the DOB to prescribe alternate registration processes and fee structures for public or private nonprofit postsecondary educational institutions, resulting in a potential cost to the University of Connecticut Health Center and to Southern Connecticut State University, depending on whether the DOB creates a registration process with an associated fee, and if so, the amount of such fee.

Sections 179 - 181 make various technical and clarifying changes to substitute house bill 5001 as amended by House Amendment Schedules "A" and "B" that do not result in a fiscal impact.

Section 182 prevents a municipality with a population under 8,000 from approving certain warehousing or distributing facilities in certain locations. This may preclude grand list growth beginning in FY 25 to the extent it prevents a warehouse or distributing facility from building within a certain municipality.

Section 183 results in a significant annual cost to OHE beginning in FY 24 associated with a student loan reimbursement program for certain Connecticut residents. The scope of the costs is dependent upon the number and amount of reimbursements awarded annually. Each participant in the grant program is eligible to receive up to $5,000 annually and no more than $20,000, over four years of participation in the program. OHE would require one full-time program administrator in FY 24 and beyond, resulting in annual salary expenses of approximately $90,000 in FY 24 and $92,250 in FY 25 and corresponding fringe benefit costs of approximately $38,538 in FY 24 and $39,501 in FY 25. Additionally, OHE would require up to $50,000 in FY 24, associated with software and information technology upgrades. Funding of $6 million within OHE is included in the budget in both FY 24 and FY 25, and one corresponding new position, for this new program.

Section 184 establishes a personal income tax deduction for reimbursement provided pursuant to section 183, which results in a one-time cost of up to $75,000 in FY 25 for programming updates to the CTax tax administration system and myconneCT online portal, and for tax form development.

Section 185 - 192 would reduce costs as described in HB-5004 as amended by House Amendment "A". The provisions of the amendment would delay the first election conducted under early voting rules to April 1st of 2024. This could reduce some of the cost of the bill depending on the number of municipal elections that would be held between January 1st 2024 and April 1st 2024. The amendment also adds additional provisions empowering the superior court to order a candidate removed from the ballot if such candidate is shown to be improperly on the ballot. This could result in potential court costs depending on the number of times a candidate is struck from the ballot.

Section 193 could result in a cost to the Opioid Settlement Fund and a corresponding potential revenue gain to various municipal police departments. The bill allows such funds to be distributed to departments for the purpose of equipping police officers with opioid antagonists.

The Opioid Settlement Fund is a separate, nonlapsing fund administered by a 37-member Opioid Settlement Advisory Committee with assistance from DMHAS. Expenditures must be approved by the Committee and used only in accordance with the controlling judgment, consent decree, or settlement.

Section 194 - 195 alters the qualifying date of the legislation from time of passage to January 1st 2018 for run-of-river hydropower facilities. The amendment also increases the threshold for generation from Class I renewable energy sources. This would result in no fiscal impact.

Sec. 196, which results in no fiscal impact to the Office of Early Childhood, makes conforming changes to the list of child care services exempt from licensing requirements.

Sections 197 - 199 make various reporting and advisory board changes to the Commission on Racial Equity in Public Health resulting in no fiscal impact to the state.

Section 200 requires all Connecticut newborns be screened for cytomegalovirus on and after 7/1/25, which is anticipated to result in a cost to DPH of approximately $467,004 and a cost to the Office of State Comptroller – Fringe Benefits of approximately $32,996 in FY 25. The cost to DPH reflects the full-year salary of a full-time Microbiologist II, one-time equipment expenses of approximately $64,693, and other supply and equipment service contract expenses totaling approximately $325,252, which are needed to support test validation for a full-fiscal-year before newborn screening begins at the start of FY 26.

Section 201, which requires DPH to convene a working group to study issues concerning cytomegalovirus, is not anticipated to result in a fiscal impact to the state or municipalities.

Section 202 requires the Commission on Women, Children, Seniors, Equity and Opportunity to produce a two-generational strategic plan resulting in no fiscal impact to the state.

Sections 203 and 206 - 207 (1) eliminate mandatory MRDA membership for certain municipalities, (2) expand eligibility for certain other municipalities to collaborate with the MRDA and (3) requires MRDA members to submit a housing growth zone proposal to receive MRDA funds. This results in a potential revenue gain beginning in FY

24 for municipalities that choose to collaborate with MRDA.

Section 204 modifies the governance of the Connecticut Municipal Redevelopment Authority's (MRDA) board of directors which has no fiscal impact.

Section 205 expands the purposes of MRDA to include providing financial support and technical assistance to municipalities to develop housing growth zones.

Section 208 requires all municipalities to report certain changes in housing to the Department of Economic and Community Development (DECD). Failure to submit this information will make the municipality ineligible for discretionary state funding from DECD. This precludes a revenue gain for municipalities beginning in FY 24.

Section 208 could also result in a decreased or slower use of previously authorized bond funds for various bond-funded competitive grants programs. Future debt service costs may be incurred later or to a lesser extent under the section to the degree that it causes authorized bond funds to not be expended or to be expended more slowly than they otherwise would have been. To the extent municipalities are ineligible for competitive grants because of the provisions of the bill, the ineligible municipalities would potentially receive less revenue from the state than they otherwise would. If competitive awards are shifted from ineligible municipalities to eligible municipalities, the eligible municipalities would potentially receive more revenue from the state than they otherwise would.

Section 209 requires the Office of Policy and Management to identify surplus state real property that may be suitable for housing and submit a report by January 1, 2024. This results in no fiscal impact as the requirement can be accommodated with existing staff and resources.

Section 210 establishes a process for the erasure of certain housing related manners and decisions from the Judicial Department's website. Given the short turnaround (erasure must be complete by July 1, 2024), this results in a cost for up to six temporary positions at an estimated cost of $260,000 to identify, test, and process erasure of records. The amendment would require ongoing work that could potentially require additional permanent staff in future fiscal years.

Section 211 makes changes to income eligibility thresholds for the Division of Public Defenders (PDS) and requires PDS to annually publish such guidelines. Current PDS practice is 200% of the federal poverty level (FPL), however, this requires PDS to set the eligibility at 250% of FPL resulting in an estimated annual cost of approximately $6 million beginning in FY 26.

Section 212 has no fiscal impact to the state or municipalities, as it expands the eligibility for future attorneys general by altering the requirements to hold the office.

Sections 213 - 214 provide subsidies to paraeducators that open a Health Savings Account (HSA) in FY 24 and FY 25 and to establishes a stipend program for eligible paraeducator to cover the cost of silver level coverage through the Connecticut Health Insurance Exchange beginning in FY 25. The budget includes carry forward funding of $5 million in FY 24 and FY 25 in the Office of the State Comptroller, and $5 million in the State's Department of Education budget in FY 25 to carry out the requirements of these sections.

Section 215 requires the Office of Health Strategy (OHS) to assist local and regional boards of education in enrolling paraeducators for healthcare coverage in qualified health plans, the Covered Connecticut Program, or Medicaid. This results in no fiscal impact to OHS because the agency already has the resources and expertise to do so.

Section 216 establishes a working group to study and report on health care for paraeducators, including assessment of various options. The group must be convened by the Connecticut Health Insurance Exchange (Access Health CT), a quasi-public state agency. The Exchange may incur a cost for a consultant from its own resources in FY 24, anticipated to be less than $50,000, to the extent additional expertise is required.

Sections 217 – 218 delays the effective date of SB 3, the online data privacy bill, from July 1 to October 1, 2023. This could minimally reduce the potential revenue gain in FY 24 identified under the bill to the extent that violations occur, and fines are issued.

Sections 219 - 229 delay, by one year, changes to motor vehicle taxation and assessment procedures made in a 2022 law. This will shift out any grand list and corresponding mill rate adjustments related to these changes to FY 26.

Sections 230 - 231 decrease the health carriers' ability to lower costs and may impact state and municipal health plans through increased premiums in FY 25 by prohibiting the requirement of utilization review for already approved prescription drugs used to treat an autoimmune disorder, multiple sclerosis, or cancer after January 1, 2025.

Section 232 results in no anticipated fiscal impact to the state or municipalities as it impacts private entities by shortening several of the maximum timeframes for insurers to notify insureds of their utilization review decisions.

Sections 233 - 234 extend the time frame insurers must provide for notice of birth of a newborn from sixty-one days to ninety-one days, which may result in a fiscal impact to the state and municipal plans beginning in FY 24 to the extent that the number of claims increases.

Sections 235 – 236 reduce the time from sixty to thirty days for the use of step therapy, which results in a potential cost to the state and municipal plans beginning in FY 24 through increases in drug usage within a shortened time frame and administrative costs. The bill also eliminates step therapy for certain behavioral health conditions, which will sunset after three years. This has no fiscal impact on the state, however, may impact certain municipal plans that require step therapy.

Section 237 establishes a task force to study data collection efforts regarding step therapy, which has no fiscal impact because the task force is anticipated to have the expertise to meet the requirements of the bill.

Sections 238 – 239 require health carriers to submit additional information annually to the Insurance Department (DOI) related to prior authorization, which DOI must incorporate into an existing agency report. This has no anticipated fiscal impact to the state as DOI has the expertise to meet the requirements of the bill.

Section 240, which requires providers to use a health carrier's electronic program for prior authorization, does not result in a fiscal impact to UConn Health Center.

Section 241 - 257 makes conforming changes to dormant boards and does not result in a fiscal impact.

Sections 258 - 261 adjusts appropriations for the fiscal year end June 30, 2023. A total of $71.732 million is provided in General Fund appropriations to cover various account shortfalls that is offset by $71.732 million in reductions to various accounts. In addition, $5.1 million is provided to cover a deficiency in the Special Transportation Fund that is offset by a reduction of $5.1 million.

These sections do not result in a net impact to the General Fund or Special Transportation Fund. Please see the table below for detail of the section's appropriations and reductions.

General Fund Appropriation Increases and Reductions
(in millions)

Agency	**FY 23 $**
Section 275 - General Fund Increases:	
State Comptroller	2.75
Department of Labor	0.1
Department of Energy and Environmental Protection	0.75
Department of Economic & Community Development	2.497
Department of Housing	0.4
Office of the Chief Medical Examiner	0.05
Department of Social Services	14.4

Agency	FY 23 $
Technical Education and Career System	1
Office of Higher Education	0.225
Department of Correction	26.1
Judicial Department	2
State Comptroller - Fringe Benefits	17
Workers' Compensation Claims	4.46
Total - General Fund Increases	**71.732**
Section 276 - General Fund Reductions:	
Judicial Department	2
Debt Service - State Treasurer	2.9
State Comptroller - Fringe Benefits	66.832
Total - General Fund Reductions	**71.732**
NET General Fund Impact	**-**

Transportation Fund Appropriation Increases and Reductions (in millions)

Agency	FY 22 $
Section 277 - Transportation Fund Increases:	
Department of Administrative Services	5
State Comptroller - Fringe Benefits	0.1
Total - Transportation Fund Increases	**5.1**
Section 278 – Transportation Fund Reductions:	
Debt Service - State Treasurer	5.1
Total - Transportation Fund Reductions	**5.1**
NET Transportation Fund Impact	**-**

Section 262 - 270 allows pharmacists and pharmacist interns to access the Health Assistance InterVention Education Network (HAVEN)[2] beginning on 10/1/23 resulting in no fiscal impact because HAVEN is

[2]HAVEN is a nonprofit organization that supports the recovery of health care professionals who have a chemical dependency, an emotional or behavioral disorder, or a physical or mental illness.

supported through insurance billing, out-of-pocket payments,[3] and the Department of Public Health's non-appropriated, non-lapsing Professional Assistance Program account.[4]

Beginning in FY 26, the bill raises the fees for certain pharmacist licenses by $5 and deposits the extra revenue into the pharmacy professional assistance program account to support the HAVEN services accessed by pharmacists and pharmacy interns.

Sections 271 – 274 establish requirements for new and used car dealerships related to marking vehicle parts, providing warranties against theft, purchasing insurance, or maintaining sufficient reserves to pay the warranties, and submitting related documentation to the Insurance Department (DOI). This results in a potential minimal cost to DOI in FY 24 associated with establishing an online portal to receive such filings, to the extent existing systems cannot be used and volume exceeds staff capacity for manual review. If a new system is established, there may be ongoing costs for system maintenance beginning in FY 25. There are 3,127 licensed new and used car dealers in the state.

The sections require DOI to adopt regulations related to premium rate reductions for vehicle owners or lessees of marked vehicles, which has no fiscal impact.

The sections also add to a list of fines that can be collected by mail and may result in an increase in revenue to the General Fund. Additionally, Section 274 eliminates a circumstance when a person may be charged with a class A misdemeanor, which results in a potential loss of revenue from fines and a potential savings to the Department of Correction and to the Judicial Department. On average, the marginal

[3]HAVEN evaluations may be out-of-pocket expenses if they are not covered by the health care professional's health insurance plan. Ongoing care and treatment are coordinated, when possible, with an in-network provider. Toxicology testing is out-of-pocket. HAVEN's administrative fees are paid by the professional and, when in a contract, the monthly fee is $150 - $175.

[4]The Department of Public Health's Professional Assistance Program account is funded through a $5 fee on the license renewals for certain health care professions. This account has provided payments to HAVEN totaling $723,874 in FY 21, $814,540 in FY 22, and $827,840 in FY 23 through 5/1/23.

cost to the state for incarcerating an offender for the year is $2,500 while the average marginal cost for supervision in the community is less than $800 each year.

Section 275 makes any Connecticut Airport Authority (CAA) purchase or lease of a municipally owned or -controlled airport subject to the approval of the legislative bodies of the municipality that owns or controls such airport and the municipality in which such airport is located, and does not result in a fiscal impact.

Sections 276 - 278 and **293 - 296** require the Office of Policy and Management (OPM) to serve as the lead agency responsible for coordinating autism services across state agencies and school districts that directly provide for or oversee services for individuals on the autism spectrum. The bill includes $90,200 in FY 24 and FY 25 to support an additional staff position in OPM for this purpose.

Sections 279 – 280 and **282 - 285** increase the time limit to receive benefits under the Temporary Family Assistance (TFA) program from 21 months to 36 months, effective 4/1/24. The bill provides $230,000 in FY 24 and $1.2 million in FY 25 to the Department of Social Services (DSS) for this purpose. The bill also includes carryforward funding of $1.2 million in FY 24 to support system updates to support this change.

Section 281 (1) increases the TFA asset limit from $3,000 to $6,000 (on and after 10/1/23), and (2) increases the income disregard from 100% of the federal poverty level (FPL) to 230% FPL (on and after 1/1/24). The bill provides funding of $760,000 in FY 24 and $3.3 million in FY 25 for the asset increase and $1.2 million in FY 24 and $3.1 million in FY 25 to support the increased income disregard.

Section 286 increases the asset limit under the State Administered General Assistance (SAGA) program from $250 to $500, effective 10/1/23. The bill provides $140,000 in FY 24 and $480,000 in FY 25 for this purpose.

Section 287 allows individuals seeking coverage to receive

Supplemental Assistance benefits for up to 90 days prior to the date of application if otherwise eligible for the program, effective 10/1/23. The bill provides $383,000 in FY 24 and $515,200 in FY 25 to reflect this change.

Sections 288, 291 and **292** eliminate statutory rate increases for residential care homes (RCHs) and rated housing facilities in FY 24. The bill reflects associated savings of $4,372,000 in FY 24.

Section 292 also rebases rates for residential care homes based on 2022 cost reports. The bill provides $5.2 million in both FY 24 and FY 25 for this purpose.

Section 289 eliminates inflationary increases for intermediate care facilities for individuals with intellectual disabilities (ICF-IIDs). The bill reflects associated savings of $1.9 million in FY 24 and $3.2 million in FY 25.

Section 289 also maintains the minimum per diem per bed rate of $501 for ICF-IIDs, rebases facility rates to the most recent cost report year, and includes a two percent adjustment factor on rates in FY 24. The bill provides $1.9 million in FY 24 and $2.1 million in FY 25 for these purposes.

Section 290 eliminates statutory rate increases for nursing homes. The bill reflects associated savings of $35.9 million in FY 24 and $60.5 million in FY 25. This section also requires DSS to issue shadow rates related to the quality metrics program and report on the anticipated impact on nursing homes if the state were to implement a rate withhold. This has no fiscal impact as the agency has the expertise to do so.

Section 297 increases adult complex care nursing rates to align with pediatric rates, effective 1/1/24. The bill provides $600,000 in FY 24 and $1,350,000 in FY 25 for this purpose.

Sections 298 and **300** expand HUSKY health coverage for children, regardless of immigration status, from age 12 to age 15, on and after 7/1/24. The bill provides related funding of $3 million in FY 25.

Section 299, which requires DSS to study the expansion of HUSKY health coverage to age 25 regardless of immigration status, is not anticipated to result in a fiscal impact.

Sections 301 - 302 increase burial assistance payments from $1,350 to $1,800 for beneficiaries under State Supplement, Temporary Family Assistance, and State Administered General Assistance, effective 7/1/24. The bill provides $1.2 million in FY 25 for this purpose.

Section 303 allows up to $5.6 million in FY 23 Medicaid funds to support stabilization payments to certain DSS contracted providers for wage enhancements and related benefits for employees working in intermediate care facilities for individuals with intellectual disability (ICF/IID). This section also allows providers additional flexibility related to the expenditure of currently contracted funding, which does not result in a fiscal impact to the state

Section 304, which makes a technical change regarding the provision of construction or renovation grants by DMHAS, has no fiscal impact.

Section 305, which moves the CT Partnership for Long-Term Care from ADS to OPM, has no fiscal impact.

Section 306, adds wage, compensation, and ability to pay to factors in PCA arbitration and results in a fiscal impact to the state to the extent this impacts the outcome of negotiations.

Sections 307 - 313 make technical, conforming and clarifying changes that have no fiscal impact.

Section 314, which requires DSS to convene a working group to review and evaluate the incidence and implications of excess licensed bed capacity and any space not presently in use at skilled nursing facilities, has no fiscal impact as DSS has the expertise to do so.

Sections 315 - 317, which require personal income tax forms and instructions to be revised for certain specified purposes, result in a onetime cost of up to $75,000 to the Department of Revenue Services in FY 24 associated with programming updates to the CTax tax administration system and myconneCT online portal, as well as form modification. These provisions may also result in costs to the exchange (i.e., Access Health CT), to its own resources as a quasi-public agency, associated with using tax return data for targeted outreach. The exchange already conducts marketing and outreach using its own funds. Any additional costs resulting from the MOU would be incurred only after a revised tax return form is in use.

Section 318 increases the HUSKY C income limit to 105% of the federal poverty level (FPL), inclusive of any income disregards, effective 10/1/24. The bill provides total funding of $8.5 million in FY 25 to DSS for this purpose.

Section 319, which require the Department of Public Health (DPH) and municipal registrars of vital statistics to issue an amended birth certificate to reflect a parent's legally changed name upon the receipt of certain documents, is anticipated to result in an Information Technology consultant cost to DPH of approximately $30,000 in FY 24 only to update the Electronic Birth Registry to allow for these names changes. There is no fee associated with the issuance of amended birth certificates and, therefore, no anticipated revenue gain to the state or municipalities.

Sections 320 – 323 and **325**, which require reporting on name changes within the Department of Corrections and gender affirming care in the HUSKY Health program as well as make technical and conforming changes related to gender incongruence, have no fiscal impact.

Section 324 removes the $250 filing fee that the Probate Court collects for name change petitions resulting in an estimated $600,000 annual loss in revenue to the Probate Court Administration Fund (PCAF).

Section 326 which results in no fiscal impact, allows the State Department of Education and the Office of Early Childhood to permit a nonpublic school in the city of Waterbury to accept accreditation of its curriculum from Cognia.

Sections 327 - 328 require the State Department of Education (SDE) to reimburse school districts for costs associated with providing, in FY 24, free meals for students from families making less than 200% of the federal poverty line, and who are not eligible for free meals per Federal guidelines. The budget provides $16 million in FY 24 in ARPA funding for this purpose.

These sections also require, rather than allow, the State Department of Education to make certain grants within available appropriations to public school operators that participate in the National School Lunch.

Section 329 specifies that, for FY 24 and FY 25, $500,000 of Open Choice funding used for wraparound services for participating students shall be provided to The Legacy Foundation of Hartford to give such services.

Sections 330 - 333 extend the caps on various statutory grants. This results in a savings of at least $2.4 million in both FY 24 and FY 25, associated with a reduction in funding that otherwise would have gone to municipalities.

Section 334 makes technical changes to the Teachers' Retirement System (TRS) statutes for members of the professional staff employed at the State Board of Education and has no fiscal impact.

Sections 335 - 336 require students, in order to graduate high school, to complete an application for postsecondary financial aid or submit a waiver. This has no fiscal impact as districts are not required to provide assistance to students in filling out the applications.

Sections 337 - 338 make technical changes and have no fiscal impact.

Sections 339 - 341 increase the cost of fully funding the Priority School District grant and preclude revenue losses to certain school districts by specifying that certain districts will receive the same funding in FY 24 and annually thereafter as they received in FY 22. This grant is proportionately reduced if the appropriation is insufficient to fully fund.

Sections 342 – 343 establish an investigative unit within the Internet Crimes Against Children Task Force, within the Department of Emergency Services and Public Protection (DESPP), to conduct sting operations relating to the online sexual abuse of minors, resulting in a cost of $472,419 in FY 24 and $403,689 in FY 25 to the DESPP and the Office of the State Comptroller.

Sections 344 – 345 change the reimbursement rate for school air quality projects and specified types of school construction projects, respectively, in municipalities with a population of greater than eighty thousand to be no less than 60% and Cheshire to be no less than 50%. To the extent projects are submitted and the statutorily calculated reimbursement rate would be less than the rates indicated, there would be increased costs to the state and increased revenue to involved towns. The impact of new projects on the school construction priority list will be reflected when such projects are considered by the legislature in the future.

Section 346 results in a cost to the Office of Early Childhood (OEC) in FY 25 of $15.5 million to increase the full-time School Readiness per child cost up to $10,500 and supports approximately 9,830 seats, and funding is provided in the bill.

Section 347 results in a potential cost to OEC to the extent that the Commissioner waives Care4Kids eligibility requirements for certain at-risk populations who may not otherwise qualify. For reference, the average monthly per child cost under Care4Kids is approximately $788.

Section 348 precludes future savings to the Office of Early Childhood (OEC) by eliminating the sunset date of the Smart Start program. By making the program permanent, OEC may incur future costs it otherwise would not have had the program ended, while towns will experience a corresponding revenue impact. The bill also potentially changes the distribution of Smart Start funding to towns by eliminating the option to give priority to plans that allocate spaces for children who are eligible for free and reduced-price lunches.

Sections 349 - 350 make technical changes regarding magnet schools and the Sheff settlement and have no fiscal impact.

Sections 351 - 353 allow local and regional school districts to retain any grant funding they receive from the State Department of Education for school mental health workers that is unspent at the end of a fiscal year. The sections also change the timeframe during which grants can be awarded from FY 23 to FY 25, to FY 24 to FY 26. This has no fiscal impact, as it does not change the amount of funding available for such purpose.

Section 354 may result in some minimal start-up costs to the Office of the State Comptroller in FY 24 to establish the Early Childhood Education Fund.

Section 355 requires the Office of Early Childhood to submit a report containing recommendations on the Early Childhood Recommendation Fund and the Blue-Ribbon Panel on Child Care which results in no fiscal impact because the department already has the expertise and resources to do so.

Section 356 contains the following Education Cost Sharing (ECS) grant provisions for underfunded towns: (1) continues the phase-in schedule in FY 24, (2) increases phase-in funding beyond current law by approximately $68.6 million in FY 25, and (3) provides full funding beginning in FY 26 at an estimated cost of $163.4 million (seven percent) above current law. Towns considered overfunded by the ECS formula are held harmless from ECS losses in FY 24 and FY 25; annual scheduled decreases resume in FY 26, with full funding reached in FY 32.

Sections 357, 358, and 360 result in a savings, beginning in FY 25, to various local and regional school districts by capping tuition to magnet school and vocational agriculture operators at 58% of the amount paid per student in FY 24. The resulting revenue loss to operators is exceeded by increased per student state grant amounts, resulting in a net positive impact. The budget provides funding to support these changes.

The sections additionally result in a cost in FY 24 by requiring the State Department of Education to provide magnet school tuition assistance to four towns. The budget provides $3 million in FY 24 for this purpose.

Section 359 results in costs in FY 24 and FY 25, and annually thereafter, by increasing the weighted per student grant for state charter schools in each fiscal year. The budget provides funding to support these changes.

Section 361 contains changes regarding the Open Choice program that allow for the implementation of Section 362. (Similar changes are included for magnet schools and vocational agriculture within Sections 357, 358, and 360.)

Section 362 specifies the distribution of $150 million in funding in FY 25 within the State Department of Education for Education Finance Reform. This funding supports increases in ECS and grants for choice program operators as follows: approximately (1) $68.5 million for ECS, (2) $9.4 million for state charter schools, (3) $40.2 million for regional education service centers and other entities that are not boards of education that operate magnet schools, (4) $13.3 million for boards of education that operate magnet schools, (5) $11.4 million for Open Choice program operators, and (6) $7.2 million for vocational agriculture program operators.

Policies Impacting Revenue – in millions

Section	Policy	Fund	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
1	Recognize federal revenue impact attributable to state expenditure changes	GF	-	40.3	47.3	46.2	46.2	46.2

Section	Policy	Fund	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
5	Recognize General Fund recovery of additional fringe benefit costs (in the Insurance Fund) due to an expansion of staffing in the Office of Health Strategy	GF	-	0.2	0.2	0.2	0.2	0.2
38	Increase funding for municipal grants via the Mashantucket Pequot and Mohegan Fund	GF	-	(1.0)	(1.0)	-	-	-
38	Increase funding for municipal grants via the Mashantucket Pequot and Mohegan Fund	Mashantucket Pequot & Mohegan	-	1.0	1.0	-	-	-
76 - 77	Shift MRSA to MRSF	MRSA	-	(458.5)	(469.5)	(480.7)	(492.2)	503.9)
76 - 77	Shift MRSA to MRSF	MRSF	-	458.5	469.5	480.7	492.2	503.9
92	Recognize General Fund recovery of fringe benefit costs due to restructuring higher education fringe benefits	GF	-	(85.0)	(85.0)	(85.0)	(85.0)	(85.0)
94, 419	Eliminate the transfer of iLottery revenues to the debt-free community college account	GF	-	2.0	3.0	7.5	12.5	19.0
141	Provide funding for certain native American tribes	GF	-	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
141	Provide funding for certain native American tribes	Mashantucket Pequot & Mohegan	-	0.1	0.1	0.1	0.1	0.1
363 - 365	Extend the temporary corporate tax surcharge	GF	-	80.0	50.0	20.0	-	-
366 - 367	Expand the human capital investment tax credit	GF	-	(2.1)	(3.5)	(3.5)	(3.5)	(3.5)
368 - 369	Increase the amount of the film and digital media production tax credits to be claimed against the sales tax under certain circumstances	GF	-	(2.2)	(4.3)	-	-	-

Section	Policy	Fund	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
370	Allow certain corporations who own LLCs to claim the fixed capital investment tax credit for amounts the LLC invested in qualifying fixed capital	GF	-	-	-	(3.0)	(3.0)	(3.0)
371 - 372	Eliminate the angel investor tax credit for cannabis businesses	GF	-	12.5	15.0	15.0	15.0	15.0
373	Adjust the taxes against which historic homes rehabilitation tax credits may be claimed	GF	-	-	-	-	-	-
374	Restore funding to CT-N	GF	-	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)
376 - 381, 422	Make the pass-through entity tax optional	GF	-	(2.7)	(6.0)	(6.0)	(6.0)	(6.0)
376 - 381, 422	Make the pass-through entity tax optional	GF	-	2.2	4.8	4.8	4.8	4.8
383	Freeze the diesel tax rate	STF	-	(37.2)	-	-	-	-
384 - 387	Exempt aviation fuel from the Petroleum Gross Receipts Tax	STF	-	(3.2)	(3.1)	(3.1)	(3.1)	(3.1)
384 - 387	Exempt aviation fuel from the Petroleum Gross Receipts Tax	CT Airport and Aviation Account	-	(9.8)	(9.4)	(9.4)	(9.4)	(9.4)
384 - 387	Transfer to the CT Airport Authority for Operating Expenses	STF	-	(8.0)	(8.0)	-	-	-
384 - 387	Transfer to the CT Airport Authority for Operating Expenses	CAA - General Aviation Airports Enterprise Fund	-	8.0	8.0	-	-	-
384 - 387	Impose an excise tax on aviation fuel	CAA - General Aviation Airports Enterprise Fund	-	-	-	7.5	7.5	7.5
388	Establish a tax credit for certain pre-broadway and post-broadway theater productions	GF	-	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)
389	Adjust requirements for unclaimed bottle deposits	GF	-	-	(3.2)	(10.0)	(19.4)	(19.4)
390	Establish an educational and opportunity scholarship donation tax credit	GF	-	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)

Section	Policy	Fund	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
393	Reduce the 3% marginal income tax rate	GF	-	(49.4)	(109.7)	(114.1)	(118.7)	123.4)
393	Reduce the 5% marginal income tax rate	GF	-	(136.2)	(302.5)	(314.2)	(328.8)	341.5)
393	Recapture the benefits of the marginal income tax rate reductions to taxpayers with income above certain thresholds	GF	-	18.8	41.8	43.5	45.2	47.0
393	Adjust the volatility transfer amount to reflect (non-PET) income tax changes	GF	-	16.7	37.0	38.0	41.7	42.9
394	Eliminate the benefits cliff by phasing out the income tax exemption for pensions and annuities	GF	-	(16.0)	(32.0)	(32.0)	(32.0)	(32.0)
394	Eliminate the benefits cliff by phasing out the income tax exemption for individual retirement accounts (IRAs)	GF	-	(5.1)	(13.3)	(19.8)	(23.9)	(25.4)
395	Adjust the state's earned income tax credit (EITC)	GF	-	(44.6)	(44.6)	(44.6)	(44.6)	(44.6)
396	Authorize the deduction of certain business expenses by cannabis establishments	GF	-	(4.7)	(6.2)	(9.6)	(11.4)	(13.5)
397	Provide a sales tax exemption for narcan	GF/STF/MRSF	-	-	-	-	-	-
398	Eliminate the planned revenue set asides to extinguish the Generally Accepted Accounting Principles (GAAP) historical deficit as the GAAP bonds are retired	GF	-	120.8	120.8	120.8	120.8	120.8
399	Credit FY 24 revenues to FY 25	GF	-	(95.0)	95.0	-	-	-
400	Transfer to the Municipal Revenue Sharing Fund to provide supplemental (stabilization and municipal revenue sharing) grants	GF	-	(74.7)	74.7)	(74.7)	(74.7)	(74.7)

Section	Policy	Fund	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28
400	Transfer to the Municipal Revenue Sharing Fund to provide supplemental (stabilization and municipal revenue sharing) grants	MRSF	-	74.7	74.7	74.7	74.7	74.7
400	Make an additional transfer to the Municipal Revenue Sharing Fund	GF	-	(19.5)	(8.6)	-	-	-
400	Make an additional transfer to the Municipal Revenue Sharing Fund	MRSF	-	19.5	8.6	-	-	-
400	Update the additional transfer to the Municipal Revenue Sharing Fund	GF	-	(2.6)	(2.6)	-	-	-
400	Update the additional transfer to the Municipal Revenue Sharing Fund	MRSF	-	2.6	2.6	-	-	-
400	Transfer to Support Tiered-PILOT enhancement	GF	-	(19.0)	(19.0)	(19.0)	(19.0)	(19.0)
400	Transfer to Support Tiered-PILOT enhancement	MRSF	-	19.0	19.0	19.0	19.0	19.0
401	Cannabis Fund revenue requirements to offset appropriations	GF	-	(10.1)	(10.3)	-	-	-
401	Cannabis Fund revenue requirements to offset appropriations	Cannabis Regulatory Fund	-	10.1	10.3	-	-	-
402	Tourism Fund revenue requirements to offset appropriations	GF	-	(2.9)	(1.3)	-	-	-
402	Tourism Fund revenue requirements to offset appropriations	TF	-	2.9	1.3	-	-	-
423	Eliminate use of federal American Rescue Plan Act (ARPA) funds as state revenue in FY 23	GF	(314.9)	-	-	-	-	-

Section 375 establishes a working group to examine the taxation of reservation land resulting in no fiscal impact because the working group has the expertise to meet the requirements of the bill.

Section 382 changes, beginning with the second quarter of FY 24, the filing and payment frequency of the highway use tax from monthly to quarterly and does not result in a fiscal impact.

Sections 391 and 392 require the Department of Revenue Services (DRS) to produce an annual tax gap report and makes changes to the requirements of the biennial Tax Incidence Report, which results in a consulting cost estimated at $250,000.

Section 397 clarifies that opioid antagonists (e.g., Narcan, naloxone) are exempt from the sales and use tax and therefore has no fiscal impact.

Sections 403 establishes a task force to review boards of assessment appeals proceedings resulting in no fiscal impact because the task force has the expertise to meet the requirements of the bill.

Sections 404 establishes a task force to study the timeliness of required inspections of work performed pursuant to a building permit resulting in no fiscal impact because the task force has the expertise to meet the requirements of the bill.

Sections 405 - 406 authorize the State Treasurer to set compensation levels for investment officers and other personnel involved with the chief investment officer, which has no fiscal impact to appropriated funds. To the extent future investment personnel are hired at compensation levels different from those currently allowed, various investment funds overseen by the State Treasurer would be subject to potential changes to personnel costs.

Sections 407 - 408, which create tax incentives for corporations offering a qualifying employee stock-sharing arrangement, result in (1) a potential General Fund revenue loss beginning in FY 27, and (2) a one-time cost of up to $75,000 in FY 27 for programming updates to the CTax tax administration system and myconneCT online portal, and for form modification.

There is a potential General Fund revenue loss beginning in FY 27 to the extent that companies offer such an arrangement and: (1) the corporation business tax surcharge is extended (the current surcharge expires on 1/1/26 under sections 363-365 of the bill), or (2) the surcharge is not extended and companies are instead eligible to claim tax credits.

Additionally, there is a potential General Fund revenue loss from the personal income tax exemption for qualifying share plan stock, the magnitude and timing of which is dependent on (1) companies offering a qualifying arrangement, and (2) employee stock sales.

Section 409 requires DRS to conduct a study of the share plans established in section 407 of the bill. This does not result in any fiscal impact as the agency can accomplish this requirement without the need for additional resources.

Sections 410 - 411 requires the Capital Region Development Authority to enter into an agreement with a contractor to manage and operate the XL Center and to contribute to the facility's renovations. The bill allows the state or CRDA to provide up to $80 million towards the renovation costs. The contractor must provide at least $20 million to the costs. Additionally, under the bill, the contractor is responsible for any net loss, and may retain the first $4 million in profits, with any profits above that to be split between the state and the contractor.

The bill also deems the XL Center to be state owned property while owned, leased, or operated by CRDA or the contractor and therefore exempt from property tax. Currently, the facility is owned by the City of Hartford and managed by CRDA.

Section 412 allows retail sports wagering revenues to be distributed either to a capital reserve account for the XL Center in Hartford or for the operation of the XL Center, as required under current law. The provision does not alter the amount of state revenue to be distributed for the purpose of supporting the XL Center.

Section 413 requires the CAA to submit a report to the Transportation and Finance, Revenue and Bonding Committees on various operational and financial information. The report is due October 1, 2023, and annually thereafter, and does not result in a fiscal impact.

Section 414 removes the potential revenue gain to the resources of the General Fund, beginning in FY 24, from consumer health data privacy provisions violations.

Section 415, 417 – 418, 420 - 425 repeals various statutes and does not result in a fiscal impact.

Section 416 repeals $600 million of General Bond obligation for the Baby Bonds Trust, $50 million each year for 12 years beginning in FY 25, and its associated debt service. The section also repeals an obsolete loan program, which has no fiscal impact.

Section 419 repeals statutes related to fringe benefit support for UConn Health Center, and the Community College System resulting in annual savings of $29.7 million to the General Fund beginning in FY 24. This section also repeals obsolete statutes to conform to changes in the FY 24 and FY 25 budget.

The Out Years

The budget for all appropriated funds combined is projected to have surpluses in FY 26 - FY 28.

Projected Revenues & Expenditures FY 26 – FY 28 (in millions)

Fund	FY 26			FY 27			FY 28		
	Rev.	**Expend.**	**Balance**	**Rev.**	**Expend.**	**Balance**	**Rev.**	**Expend.**	**Balance**
General	23,618.4	23,205.8	412.6	24,187.9	23,666.6	521.4	24,882.6	3,954.2	928.4
Transportation	2,349.5	2,331.5	18.0	2,365.9	2,551.4	(185.5)	2,383.7	2,683.6	(299.9)
Other Appropriated	896.1	902.2	(6.1)	908.4	902.2	6.2	920.9	902.2	18.7
TOTAL	**26,864.0**	**26,439.5**	**424.5**	**27,462.2**	**27,120.2**	**342.1**	**28,187.2**	**27,540.0**	**647.2**