

Office of Policy and Management OPM20000

Permanent Full-Time Positions

| Fund | Actual FY 21 | Actual FY 22 | Appropriation FY 23 | Governor Recommended | | Legislative | |
|---|-----------------|-----------------|------------------------|----------------------|-------|-------------|-------|
| | | | | FY 24 | FY 25 | FY 24 | FY 25 |
| General Fund | 125 | 180 | 182 | 185 | 187 | 186 | 188 |
| Special Transportation Fund | - | 7 | 7 | 7 | 7 | 7 | 7 |
| Insurance Fund | 2 | 2 | 2 | 3 | 3 | 3 | 3 |
| Consumer Counsel and Public Utility Control Fund | - | 2 | 2 | 2 | 2 | 2 | 2 |

Budget Summary

| Account | Actual FY 21 | Actual FY 22 | Appropriation FY 23 | Governor Recommended | | Legislative | |
|--|--------------------|--------------------|------------------------|----------------------|-------------------|-------------------|--------------------|
| | | | | FY 24 | FY 25 | FY 24 | FY 25 |
| Personal Services | 11,008,221 | 15,788,699 | 18,329,598 | 19,960,539 | 20,359,385 | 20,051,539 | 20,450,385 |
| Other Expenses | 1,747,893 | 1,051,971 | 1,173,488 | 1,414,922 | 1,414,922 | 1,557,822 | 1,414,922 |
| Other Current Expenses | | | | | | | |
| Litigation Settlement Costs | 9,600 | 47,736 | - | - | - | - | - |
| Automated Budget System and Data Base Link | 24,430 | 12,937 | 20,438 | 20,438 | 20,438 | 20,438 | 20,438 |
| Justice Assistance Grants | 773,212 | 702,394 | 790,356 | 800,741 | 800,967 | 800,741 | 800,967 |
| Project Longevity | 692,012 | 586,861 | - | - | - | - | - |
| Other Than Payments to Local Governments | | | | | | | |
| Tax Relief For Elderly Renters | 22,680,303 | 23,908,716 | 25,020,226 | 25,020,226 | 25,020,226 | 25,020,226 | 25,020,226 |
| Private Providers | - | - | 147,000,000 | - | - | - | 53,300,000 |
| Grant Payments to Local Governments | | | | | | | |
| Reimbursement to Towns for Loss of Taxes on State Property | 54,944,031 | - | 54,944,031 | - | - | - | - |
| Reimbursements to Towns for Private Tax-Exempt Property | 109,889,434 | - | 108,998,308 | - | - | - | - |
| Reimbursement Property Tax - Disability Exemption | 364,713 | 364,713 | 364,713 | 364,713 | 364,713 | 364,713 | 364,713 |
| Distressed Municipalities | - | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Property Tax Relief Elderly Freeze Program | 9,944 | 6,647 | 10,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| Property Tax Relief for Veterans | 2,336,255 | 2,066,166 | 2,708,107 | 2,708,107 | 2,708,107 | 2,708,107 | 2,708,107 |
| Municipal Revenue Sharing | 36,819,135 | 36,819,135 | 36,819,135 | - | - | - | - |
| Municipal Transition | 32,331,732 | 32,331,732 | 132,331,732 | - | - | - | - |
| Municipal Stabilization Grant | 38,253,333 | 37,853,333 | 37,853,335 | - | - | - | - |
| Municipal Restructuring | 3,115,000 | 3,900,000 | 7,300,000 | 7,300,000 | 7,300,000 | 7,300,000 | 7,300,000 |
| Tiered PILOT | - | 230,342,339 | 83,092,573 | - | - | - | - |
| Agency Total - General Fund | 314,999,248 | 387,283,379 | 658,256,040 | 59,095,686 | 59,494,758 | 59,329,586 | 112,885,758 |
| Personal Services | - | 631,022 | 647,790 | 730,483 | 740,945 | 730,483 | 740,945 |
| Agency Total - Special Transportation Fund | - | 631,022 | 647,790 | 730,483 | 740,945 | 730,483 | 740,945 |
| Grants To Towns | 51,472,789 | 51,472,789 | 51,481,796 | - | - | 52,541,796 | 52,541,796 |
| Agency Total - Mashantucket Pequot and Mohegan Fund | 51,472,789 | 51,472,789 | 51,481,796 | - | - | 52,541,796 | 52,541,796 |
| Personal Services | 278,873 | 332,103 | 341,332 | 360,051 | 363,008 | 360,051 | 363,008 |
| Other Expenses | 5,191 | 4,119 | 6,012 | 6,012 | 6,012 | 6,012 | 6,012 |

| Account | Actual FY 21 | Actual FY 22 | Appropriation FY 23 | Governor Recommended | | Legislative | |
|--|--------------------|--------------------|------------------------|----------------------|--------------------|--------------------|--------------------|
| | | | | FY 24 | FY 25 | FY 24 | FY 25 |
| Fringe Benefits | 198,280 | 191,125 | 252,488 | 277,130 | 277,130 | 277,130 | 277,130 |
| Agency Total - Insurance Fund | 482,344 | 527,347 | 599,832 | 643,193 | 646,150 | 643,193 | 646,150 |
| Personal Services | - | 30,790 | 194,591 | 194,591 | 194,591 | 194,591 | 194,591 |
| Other Expenses | - | 1,200 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Fringe Benefits | - | 32,540 | 184,861 | 196,074 | 196,074 | 196,074 | 196,074 |
| Agency Total - Consumer Counsel and Public Utility Control Fund | - | 64,530 | 381,452 | 392,665 | 392,665 | 392,665 | 392,665 |
| Tiered PILOT | - | - | - | 317,088,142 | 317,088,142 | 339,410,167 | 339,410,167 |
| Motor Vehicle Tax Grants | - | - | - | 155,337,805 | 155,337,805 | 154,562,410 | 154,562,410 |
| Supplemental Revenue Sharing Grants | - | - | - | 74,672,470 | 74,672,470 | 74,672,470 | 74,672,470 |
| Mashantucket Pequot and Mohegan Grants | - | - | - | 51,481,796 | 51,481,796 | - | - |
| Agency Total - Municipal Revenue Sharing Fund | - | - | - | 598,580,213 | 598,580,213 | 568,645,047 | 568,645,047 |
| Total - Appropriated Funds | 366,954,381 | 439,979,067 | 711,366,910 | 659,442,240 | 659,854,731 | 682,282,770 | 735,852,361 |
| Additional Funds Available | | | | | | | |
| Carry Forward Funding | - | - | 35,150,000 | - | - | 53,400,000 | - |
| Carryforward Municipal Revenue Sharing Fund | - | - | - | - | - | 12,500,000 | - |
| American Rescue Plan Act | - | 60,000,000 | 381,610,037 | 25,986,000 | - | 13,184,331 | 150,000 |
| Agency Grand Total | 366,954,381 | 499,979,067 | 1,128,126,947 | 685,428,240 | 659,854,731 | 761,367,101 | 736,002,361 |

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 24 | FY 25 | FY 24 | FY 25 | FY 24 | FY 25 |

Policy Revisions

Appropriate Grants Supported by the Municipal Revenue Sharing Fund

| | | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|
| Tiered PILOT | 317,088,142 | 317,088,142 | 320,457,874 | 320,457,874 | 3,369,732 | 3,369,732 |
| Motor Vehicle Tax Grants | 155,337,805 | 155,337,805 | 154,562,410 | 154,562,410 | (775,395) | (775,395) |
| Supplemental Revenue Sharing Grants | 74,672,470 | 74,672,470 | 74,672,470 | 74,672,470 | - | - |
| Mashantucket Pequot and Mohegan Grants | 51,481,796 | 51,481,796 | - | - | (51,481,796) | (51,481,796) |
| Total - Municipal Revenue Sharing Fund | 598,580,213 | 598,580,213 | 549,692,754 | 549,692,754 | (48,887,459) | (48,887,459) |

Background

Certain grants are currently funded through various sources including (1) General Fund appropriations (GF) (partially supported by a transfer from Municipal Revenue Sharing Account (MRSA)), (2) direct payments from MRSA, and (3) the Mashantucket Pequot and Mohegan Fund.

The Municipal Revenue Sharing Account is a non-appropriated fund that is currently funded via a 0.5 percentage point sales tax diversion. The diversion resulted in an estimated deposit into the account of \$436.4 million in FY 23. These funds were distributed in the following way: (1) \$276.3 million transfer to the GF to support Tiered PILOT and the Municipal Transition grant (i.e., Motor Vehicle Tax Grants), (2) \$69.8 million to pay the balance of Tiered PILOT, and (3) \$90.3 million in MRSA - grant that will be distributed in FY 24. Transfers from MRSA to the GF were only scheduled for FY 22 and FY 23. Any future transfers would have to be specified in future legislation.

PA 21-3 established the Tiered PILOT formula as a way to provide for State Property PILOT and College and Hospital PILOT grants to towns in the event that appropriations are insufficient to fund those grants. Tiered PILOT (encompassing all three PILOT accounts) is currently funded via appropriated funds from the GF and direct payments from MRSA to cover the balance. It is distributed based on the type of applicable property, town property wealth per capita, and town status as an Alliance District.

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 24 | FY 25 | FY 24 | FY 25 | FY 24 | FY 25 |

The Municipal Transition grant (i.e., Motor Vehicle Tax Grant) reimburses towns for revenue loss associated with the statewide 32.46 mill rate cap.

GF Municipal Revenue Sharing grants and Municipal Stabilization grants are statutory payments to towns which are appropriated from the GF.

The Mashantucket Pequot and Mohegan Fund provides grants to towns from casino gaming revenue. Funding is distributed based on PILOT funding, town income and property wealth, population and designation as a Distressed Municipality.

Governor

Beginning in FY 24, redirect the sales tax diversion from the Municipal Revenue Sharing Account (MRSA) to the Municipal Revenue Sharing Fund (MRSF). Provide \$589,580,213 from the Municipal Revenue Sharing Fund (MRSF) in both FY 24 and FY 25 for the following grants: (1) Tiered PILOT, (2) Municipal Transition grants (i.e., Motor Vehicle Tax Grants), (3) Supplemental Revenue Sharing Grants (Municipal Stabilization Grant and GF Municipal Revenue Sharing grant combined), and (4) Mashantucket Pequot and Mohegan Grants. In both FY 24 and FY 25, the MRSF funding will be distributed: \$317,088,142 for Tiered PILOT, \$155,337,805 for Motor Vehicle Tax Grants (i.e., Municipal Transition grants), \$74,672,470 for Supplemental Revenue Sharing Grants, and \$51,481,796 for Mashantucket Pequot and Mohegan Grants.

The distribution calculations for the affected grants are unchanged. The purposes of the MRSF are to: (1) to reduce the level of complexity associated with the current funding mechanisms, and (2) allow OPM to process payments according to schedule.

An adjustment is made for the portion of aid that is being brought on-budget, so it is cap-neutral.

Legislative

Do not appropriate \$51,481,796 annually beginning in FY 24 for Mashantucket Pequot and Mohegan Grants from the Municipal Revenue Sharing Fund. Instead, this grant will continue to be paid out via the Mashantucket Pequot and Mohegan Fund.

Beginning in FY 24, redirect the sales tax diversion from the Municipal Revenue Sharing Account (MRSA) to the Municipal Revenue Sharing Fund (MRSF). Provide \$549,692,754 from the Municipal Revenue Sharing Fund (MRSF) in both FY 24 and FY 25 for the following grants: (1) \$320,457,874 in both FY 24 and FY 25 for Tiered PILOT (before the funding level increase is considered), (2) \$154,562,410 in both FY 24 and FY 25 for Motor Vehicle Tax Grants (i.e., Municipal Transition grants), and (3) \$74,672,470 in both FY 24 and FY 25 for Supplemental Revenue Sharing Grants (Municipal Stabilization Grant and GF Municipal Revenue Sharing grant combined), as authorized in Section 75 of PA 23-204, the FY 24 and FY 25 Budget.

The amounts above include: (1) an additional \$3,369,732 in both FY 24 and FY 25 to fully fund Tiered PILOT (before the funding level increase is considered); and (2) a reduction of \$775,395 in both FY 24 and FY 25 is made in the Motor Vehicle Tax Grants account to adjust for a district change in Manchester.

Transfer Certain Appropriated Municipal Aid to the Municipal Revenue Sharing Fund

| | | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|-------------------|-------------------|
| Municipal Revenue Sharing | (36,819,135) | (36,819,135) | (36,819,135) | (36,819,135) | - | - |
| Municipal Stabilization Grant | (37,853,335) | (37,853,335) | (37,853,335) | (37,853,335) | - | - |
| Total - General Fund | (74,672,470) | (74,672,470) | (74,672,470) | (74,672,470) | - | - |
| Grants To Towns | (51,481,796) | (51,481,796) | - | - | 51,481,796 | 51,481,796 |
| Total - Mashantucket Pequot and Mohegan Fund | (51,481,796) | (51,481,796) | - | - | 51,481,796 | 51,481,796 |

Background

The Municipal Revenue Sharing Fund (MRSF) is proposed in the Governor's FY 24 and FY 25 Recommended Budget to replace the Municipal Revenue Sharing Account (MRSA). Under the proposal, (1) Tiered PILOT (all three current accounts), (2) the Municipal Transition grant (i.e., Motor Vehicle Tax Grants), (3) Municipal Stabilization grants and GF Municipal Revenue Sharing grants, and (4) Mashantucket Pequot and Mohegan Grants would be paid out from MRSF instead of their current funding processes.

These grants are currently funded through various sources, including: (1) General Fund (GF) appropriations (partially supported by a transfer from Municipal Revenue Sharing Account (MRSA)), (2) direct payments from MRSA, and (3) the Mashantucket Pequot and Mohegan Fund. Under this proposal, the MRSF would be funded via: (1) via the sales tax revenue diversion that currently funds the Municipal Revenue Sharing Account (MRSA) and (2) transfers from the GF and the Mashantucket Pequot and Mohegan Fund.

Governor

Transfer \$126,154,266 in both FY 24 and FY 25 from the GF and the Mashantucket Pequot and Mohegan Fund to the Municipal Revenue Sharing Fund (MRSF) to support grants paid out of the MRSF. These transfers include \$74,672,470 in both FY 24 and FY 25 (combined \$36,819,135 and \$37,853,335) to fund Supplemental Revenue Sharing Grants (combined GF Municipal Revenue Sharing grant and Municipal Stabilization Grant) and \$51,481,796 in both FY 24 and FY 25 for the Mashantucket Pequot and Mohegan Grants. The distribution calculations for the affected grants are unchanged.

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 24 | FY 25 | FY 24 | FY 25 | FY 24 | FY 25 |

Legislative

Do not transfer \$51,481,796 in both FY 24 and FY 25 to the Municipal Revenue Sharing Fund for the Mashantucket Pequot and Mohegan Grants. Instead, this grant will continue to be paid out via the Mashantucket Pequot and Mohegan Fund.

Transfer \$74,672,470 in both FY 24 and FY 25 from the GF to the Municipal Revenue Sharing Fund (MRSF) to support the Supplemental Revenue Sharing Grants (combined GF Municipal Revenue Sharing grant and Municipal Stabilization Grant). The distribution calculations are unchanged.

Increase the Tiered PILOT Funding Percentages

| | | | | | | |
|---|---|---|-------------------|-------------------|-------------------|-------------------|
| Tiered PILOT | - | - | 18,952,293 | 18,952,293 | 18,952,293 | 18,952,293 |
| Total - Municipal Revenue Sharing Fund | - | - | 18,952,293 | 18,952,293 | 18,952,293 | 18,952,293 |

Background

Municipalities and districts receive at least a statutory percentage of their full PILOT calculations based on their Equalized Net Grand List Per Capita (ENGLPC), in any year that PILOT is not fully funded.

Tier 1 (ENGLPC is less than \$100,000) receives 50%.

Tier 2 (ENGLPC is between \$100,000 and \$200,000) receives 40%.

Tier 3 (ENGLPC is greater than \$200,000) receives 30%.

Legislative

Provide funding of \$18,952,293 in both FY 24 and FY 25 to support the increase of the Tiered PILOT percentages by three percentage points each beginning in FY 24, as authorized in Section 139 of PA 23-204, the FY 24 and FY 25 Budget. The new tier funding percentages are:

- Tier 1: 53%
- Tier 2: 43%
- Tier 3: 33%

Provide Funding for a Private Provider Bonus in FY 25

| | | | | | | |
|-----------------------------|---|---|---|-------------------|---|-------------------|
| Private Providers | - | - | - | 53,300,000 | - | 53,300,000 |
| Total - General Fund | - | - | - | 53,300,000 | - | 53,300,000 |

Background

Private provider organizations contract to provide direct health and human services for clients of various state agencies, including: the Departments of Aging and Disability Services, Children and Families, Correction, Developmental Services, Housing, Mental Health and Addiction Services, Public Health, and Social Services, the Office of Early Childhood and the Judicial Department.

Legislative

Provide funding of \$53.3 million in FY 25 for private provider bonuses. Funding for a private provider bonus in FY 24 is provided through carryforward funds as described below.

Provide Funding to East Windsor

| | | | | | | |
|---|---|---|------------------|------------------|------------------|------------------|
| Grants To Towns | - | - | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Total - Mashantucket Pequot and Mohegan Fund | - | - | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |

Background

The Mashantucket Pequot and Mohegan Fund provides grants to towns from casino gaming revenue. Funding is distributed based on PILOT funding, town income and property wealth, population and designation as a Distressed Municipality.

Legislative

Provide additional funding of \$1 million in both FY 24 and FY 25 to the Mashantucket Pequot and Mohegan Fund for the Town of East Windsor.

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 24 | FY 25 | FY 24 | FY 25 | FY 24 | FY 25 |

Provide Additional Funding for Tribal Grants

| | | | | | | |
|---|----------|----------|---------------|---------------|---------------|---------------|
| Grants To Towns | - | - | 60,000 | 60,000 | 60,000 | 60,000 |
| Total - Mashantucket Pequot and Mohegan Fund | - | - | 60,000 | 60,000 | 60,000 | 60,000 |

Legislative

Provide additional funding of \$60,000 in both FY 24 and FY 25 to the Mashantucket Pequot and Mohegan Fund for funding of \$20,000 to each of the three tribes that received grants from this fund in FY 23, as authorized in Section 138 of PA 23-204, the FY 24 and FY 25 Budget.

Provide Funding for Artificial Intelligence Policy Development

| | | | | | | |
|-----------------------------|----------|----------|----------------|----------|----------------|----------|
| Other Expenses | - | - | 100,000 | - | 100,000 | - |
| Total - General Fund | - | - | 100,000 | - | 100,000 | - |

Background

PA 23-16 requires OPM to develop and establish policies and procedures concerning the development, procurement, implementation, utilization, and ongoing assessment of systems that employ artificial intelligence and are in use by state agencies.

Legislative

Provide funding of \$100,000 to Other Expenses in FY 24 for artificial intelligence policy development.

Adjust Funding for Staff to Provide Technical Assistance to Towns Regarding Local Planning

| | | | | | | |
|---------------------------------|---------------|----------------|---------------|----------------|----------|----------|
| Personal Services | 71,147 | 213,441 | 71,147 | 213,441 | - | - |
| Total - General Fund | 71,147 | 213,441 | 71,147 | 213,441 | - | - |
| Positions - General Fund | 1 | 3 | 1 | 3 | - | - |

Background

PA 23-207 encourages and assists local planning in communities. The legislation addresses current and emerging development and conservation issues and deems municipalities eligible for incentive grant programs if they meet certain requirements.

Governor

Provide \$71,147 and one position in FY 24 and \$213,441 and a total of three positions in FY 25 to support local planning, within the Office of Responsible Growth in the Office of Policy and Management.

Legislative

Same as Governor

Provide Funding to Support Planning and Service Coordination for Individuals with Intellectual or Developmental Disability

| | | | | | | |
|---------------------------------|---------------|---------------|----------------|----------------|---------------|---------------|
| Personal Services | 90,214 | 90,214 | 181,214 | 181,214 | 91,000 | 91,000 |
| Total - General Fund | 90,214 | 90,214 | 181,214 | 181,214 | 91,000 | 91,000 |
| Positions - General Fund | 1 | 1 | 2 | 2 | 1 | 1 |

Background

As of January 2023, there were 2,007 individuals on the wait list for autism spectrum services and 685 individuals on the DDS wait list for residential services who were not receiving services.

Governor

Provide funding of \$90,214 to Personal Services in both FY 24 and FY 25 and one position to the Health and Human Services Policy and Planning Division in OPM to coordinate autism services across state agencies and school districts that directly provide or oversee services for individuals on the autism spectrum. This position will also review and identify gaps in autism services.

Legislative

Provide funding of \$181,214 in both FY 24 and FY 25 to Personal Services and two positions to the Health and Human Services Policy and Planning Division in OPM to coordinate services across state agencies and school districts that directly provide or oversee services for individuals with intellectual or developmental disability, including individuals on the autism spectrum, as required by Section 14 of PA 23-137. These positions will also review and identify gaps in services.

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 24 | FY 25 | FY 24 | FY 25 | FY 24 | FY 25 |

Provide Funding for Staff to Administer the Nonprofit Grant Program

| | | | | | | |
|---------------------------------|---------------|---------------|---------------|---------------|----------|----------|
| Personal Services | 85,958 | 85,958 | 85,958 | 85,958 | - | - |
| Total - General Fund | 85,958 | 85,958 | 85,958 | 85,958 | - | - |
| Positions - General Fund | 1 | 1 | 1 | 1 | - | - |

Background

This program provides capital support to private providers. Currently there is \$45 million authorized but unallocated for the program and approximately \$9.2 million in previously allocated, but unspent, funds. The Governor's capital budget includes \$25 million in new authorizations for this program in each year of the biennium. Grants were last offered under this program in 2019. There were no allocations to the program from 2019 to 2022.

Governor

Provide funding of \$85,958 to Personal Services and one position in both FY 24 and FY 25 to administer and monitor the nonprofit grant program.

Legislative

Same as Governor

Provide Funding to Farmington for Traffic Safety Enhancements

| | | | | | | |
|-----------------------------|----------|----------|---------------|----------|---------------|----------|
| Other Expenses | - | - | 25,000 | - | 25,000 | - |
| Total - General Fund | - | - | 25,000 | - | 25,000 | - |

Legislative

Provide funding of \$25,000 to Other Expenses in FY 24 to the Town of Farmington for traffic safety enhancements.

Provide Funding to Weston to Reconnect Emergency Service Lights

| | | | | | | |
|-----------------------------|----------|----------|---------------|----------|---------------|----------|
| Other Expenses | - | - | 17,900 | - | 17,900 | - |
| Total - General Fund | - | - | 17,900 | - | 17,900 | - |

Legislative

Provide funding of \$17,900 to Other Expenses in FY 24 for the Town of Weston to reconnect emergency service lights.

Current Services

Transfer Municipal Grant Programs

| | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------|----------|
| Reimbursement to Towns for Loss of Taxes on State Property | (54,944,031) | (54,944,031) | (54,944,031) | (54,944,031) | - | - |
| Reimbursements to Towns for Private Tax-Exempt Property | (108,998,308) | (108,998,308) | (108,998,308) | (108,998,308) | - | - |
| Municipal Transition | (132,331,732) | (132,331,732) | (132,331,732) | (132,331,732) | - | - |
| Tiered PILOT | (83,092,573) | (83,092,573) | (83,092,573) | (83,092,573) | - | - |
| Total - General Fund | (379,366,644) | (379,366,644) | (379,366,644) | (379,366,644) | - | - |

Background

The Municipal Revenue Sharing Account (MRSA) is currently supported via a 0.5 percentage point sales tax diversion to MRSA, from the 6.35% sales tax rate. Transfers from MRSA to the General Fund are intended to support General Fund appropriations for Tiered PILOT (across all three PILOT accounts), plus a portion of the appropriation for Municipal Transition grants (i.e., Motor Vehicle Tax Grants).

Without a transfer from MRSA to the General Fund, Tiered PILOT and the Municipal Transition grants (i.e., Motor Vehicle Tax Grants) will be paid entirely out of MRSA. If there are not enough funds in MRSA to cover Tiered PILOT and the Municipal Transition grants, then Tiered PILOT will be proportionately reduced.

Under the Governor's Recommended Budget, the sales tax diversion will fund the Municipal Revenue Sharing Fund (MRSF) instead of the Municipal Revenue Sharing Account (MRSA).

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 24 | FY 25 | FY 24 | FY 25 | FY 24 | FY 25 |

Governor

Remove funding of \$379,366,644 in both FY 24 and FY 25 from the GF. Instead, fund these grants via the new Municipal Revenue Sharing Fund.

Legislative

Same as Governor

Transfer Private Provider COLA Funding to Agencies

| | | | | | | |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------|----------|
| Private Providers | (147,000,000) | (147,000,000) | (147,000,000) | (147,000,000) | - | - |
| Total - General Fund | (147,000,000) | (147,000,000) | (147,000,000) | (147,000,000) | - | - |

Background

Private provider organizations contract to provide direct health and human services for clients of various state agencies, including: the Departments of Aging and Disability Services, Children and Families, Correction, Housing, Mental Health and Addiction Services, Public Health, and Social Services, the Office of Early Childhood, and the Judicial Department.

Governor

Transfer \$147 million in both FY 24 and FY 25 to agencies for a COLA for private providers of human services.

Legislative

Same as Governor

Provide Funding for Existing Wage Agreements

| | | | | | | |
|--|------------------|------------------|------------------|------------------|----------|----------|
| Personal Services | 1,834,323 | 2,090,875 | 1,834,323 | 2,090,875 | - | - |
| Justice Assistance Grants | 14,007 | 14,233 | 14,007 | 14,233 | - | - |
| Total - General Fund | 1,848,330 | 2,105,108 | 1,848,330 | 2,105,108 | - | - |
| Personal Services | 82,693 | 93,155 | 82,693 | 93,155 | - | - |
| Total - Special Transportation Fund | 82,693 | 93,155 | 82,693 | 93,155 | - | - |
| Personal Services | 32,229 | 35,186 | 32,229 | 35,186 | - | - |
| Total - Insurance Fund | 32,229 | 35,186 | 32,229 | 35,186 | - | - |

Background

The Governor's Recommended Budget provides net funding of \$237.2 million in FY 24 and \$394 million in FY 25, across six appropriated funds, to reflect current wage-related adjustments resulting from existing wage agreements.

Governor

Provide funding of \$1,963,252 in FY 24 and \$2,233,449 in FY 25 to reflect this agency's increased wage costs.

Legislative

Same as Governor

Remove Funding for 27th Payroll

| | | | | | | |
|-------------------------------|------------------|------------------|------------------|------------------|----------|----------|
| Personal Services | (450,701) | (450,701) | (450,701) | (450,701) | - | - |
| Justice Assistance Grants | (3,622) | (3,622) | (3,622) | (3,622) | - | - |
| Total - General Fund | (454,323) | (454,323) | (454,323) | (454,323) | - | - |
| Personal Services | (13,510) | (13,510) | (13,510) | (13,510) | - | - |
| Total - Insurance Fund | (13,510) | (13,510) | (13,510) | (13,510) | - | - |

Background

The FY 23 Revised Budget included a total of \$128,456,014 for an extra 27th pay period for six appropriated funds. There are usually 26 pay periods in a fiscal year, but every 11 years there is an additional 27th pay period.

Governor

Remove funding of \$467,833 in both FY 24 and FY 25 to reflect 26 pay periods in each fiscal year.

Legislative

Same as Governor

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 24 | FY 25 | FY 24 | FY 25 | FY 24 | FY 25 |

Adjust Fringe Benefits to Reflect Actual Rates

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---|---|
| Personal Services | - | - | - | - | - | - |
| Fringe Benefits | 24,642 | 24,642 | 24,642 | 24,642 | - | - |
| Total - Insurance Fund | 24,642 | 24,642 | 24,642 | 24,642 | - | - |
| Positions - Insurance Fund | 1 | 1 | 1 | 1 | - | - |
| Fringe Benefits | 11,213 | 11,213 | 11,213 | 11,213 | - | - |
| Total - Consumer Counsel and Public Utility Control Fund | 11,213 | 11,213 | 11,213 | 11,213 | - | - |

Background

The fringe benefits costs for employees supported by funds other than the General Fund are budgeted within their respective agencies, as opposed to the fringe benefit account within the Office of the State Comptroller.

Governor

Provide funding of \$35,855 in both FY 24 and FY 25 and one position in the Insurance Fund to ensure sufficient funds for fringe benefits.

Legislative

Same as Governor

Adjust Funding for Other Expenses

| | | | | | | |
|-----------------------------|----------------|----------------|----------------|----------------|---|---|
| Other Expenses | 241,434 | 241,434 | 241,434 | 241,434 | - | - |
| Total - General Fund | 241,434 | 241,434 | 241,434 | 241,434 | - | - |

Governor

Provide funding of \$241,434 in both FY 24 and FY 25 for Other Expenses.

Legislative

Same as Governor

Reduce Funding to Reflect Lower Cost of Elderly Property Tax Freeze Program

| | | | | | | |
|--|----------------|----------------|----------------|----------------|---|---|
| Property Tax Relief Elderly Freeze Program | (4,000) | (4,000) | (4,000) | (4,000) | - | - |
| Total - General Fund | (4,000) | (4,000) | (4,000) | (4,000) | - | - |

Background

The Property Tax Relief Elderly Freeze Program was established with the 1967 Grand List program year to provide real property tax relief to resident property owners or tenants for life age sixty-five or over (or surviving spouse over fifty) with annual taxable income of \$6,000 or less. Elderly and disabled persons who applied and qualified for tax relief had their property tax frozen at that year's net benefit level. No new applicants have been allowed since the 1978 program year.

In FY 22, there were four individuals who received this property tax relief.

Governor

Reduce funding by \$4,000 in both FY 24 and FY 25 to reflect a decrease in caseload.

Legislative

Same as Governor

Carryforward

Provide Additional Funding to Bridgeport and Waterbury

| | | | | | | |
|--|----------|----------|-------------------|----------|-------------------|----------|
| Supplemental Revenue Sharing Grants | - | - | 12,500,000 | - | 12,500,000 | - |
| Total - Carryforward Municipal Revenue Sharing Fund | - | - | 12,500,000 | - | 12,500,000 | - |

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 24 | FY 25 | FY 24 | FY 25 | FY 24 | FY 25 |

Background

Section 41(b) of PA 23-204 and sections 154, 160, and 163 of PA 23-205 carryforward a total of \$339.6 million in unexpended balances from various FY 23 General Fund accounts for initiatives in FY 24 and FY 25.

Legislative

Provide funding of \$12.5 million in FY 24 (\$7 million to the city of Bridgeport and \$5.5 million to the city of Waterbury) for the Supplemental Revenue Sharing Grants.

Provide Funding for a Private Provider Bonus in FY 24

| | | | | | | |
|--------------------------------------|---|---|-------------------|---|-------------------|---|
| Private Providers | - | - | 53,300,000 | - | 53,300,000 | - |
| Total - Carry Forward Funding | - | - | 53,300,000 | - | 53,300,000 | - |

Background

Private provider organizations contract to provide direct health and human services for clients of various state agencies, including: the Departments of Aging and Disability Services, Children and Families, Correction, Developmental Services, Housing, Mental Health and Addiction Services, Public Health, and Social Services, the Office of Early Childhood and the Judicial Department.

Legislative

Provide funding of \$53.3 million in FY 24 to support private providers. Funding for a private provider bonus in FY 25 is provided through a General Fund appropriation as described above.

Provide Funding to Study the Transfer of Homemaker and Companion Agencies

| | | | | | | |
|--------------------------------------|---|---|----------------|---|----------------|---|
| Other Expenses | - | - | 100,000 | - | 100,000 | - |
| Total - Carry Forward Funding | - | - | 100,000 | - | 100,000 | - |

Legislative

Provide funding of \$100,000 in FY 24 to study the transfer of registration and oversight of homemaker-companion agencies from the Department of Consumer Protection to the Department of Public Health.

American Rescue Plan Act

Provide Funding for Medical Debt Erasure

| | | | | | | |
|---|-------------------|---|------------------|---|---------------------|---|
| ARPA - CSFRF | 20,000,000 | - | 6,500,000 | - | (13,500,000) | - |
| Total - American Rescue Plan Act | 20,000,000 | - | 6,500,000 | - | (13,500,000) | - |

Background

PA 23-204, the FY 24 and FY 25 budget, reallocates federal American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds, resulting in the shifting of approximately \$608.2 million in funding from FY 22 and FY 23 to FY 24 and FY 25.

Governor

Provide funding of \$20 million in FY 24 to relieve residents with medical debt by partnering with a non-profit that buys debt.

Legislative

Provide funding of \$6.5 million in FY 24 to relieve residents with medical debt by partnering with a non-profit that buys debt.

Provide Funding for Grants and Contracts Specialist Positions for State Agency Support

| | | | | | | |
|---|------------------|---|------------------|---|--------------------|---|
| ARPA - CSFRF | 5,736,000 | - | 2,868,000 | - | (2,868,000) | - |
| Total - American Rescue Plan Act | 5,736,000 | - | 2,868,000 | - | (2,868,000) | - |

Governor

Provide funding of \$5,736,000 in FY 24 for eight durational Grants and Contracts Specialists to support grant administration and compliance for approximately the next three years.

Legislative

Provide funding of \$2,868,000 in FY 24 for durational Grants and Contracts Specialists for this purpose.

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 24 | FY 25 | FY 24 | FY 25 | FY 24 | FY 25 |

Provide Funding to Stamford

| | | | | | | |
|---|----------|----------|------------------|----------|------------------|----------|
| ARPA - CSFRF | - | - | 1,500,000 | - | 1,500,000 | - |
| Total - American Rescue Plan Act | - | - | 1,500,000 | - | 1,500,000 | - |

Legislative

Provide funding of \$1.5 million in FY 24 to the City of Stamford.

Provide Funding for a Post - Pandemic Structural Review Study of CSCU

| | | | | | | |
|---|----------------|----------|----------------|----------|----------|----------|
| ARPA - CSFRF | 250,000 | - | 250,000 | - | - | - |
| Total - American Rescue Plan Act | 250,000 | - | 250,000 | - | - | - |

Governor

Provide funding of \$250,000 in FY 24 for a structural review of the Connecticut State Colleges and Universities system.

Legislative

Same as Governor

Provide Funding for a Housing Study

| | | | | | | |
|---|----------|----------|----------------|----------|----------------|----------|
| ARPA - CSFRF | - | - | 250,000 | - | 250,000 | - |
| Total - American Rescue Plan Act | - | - | 250,000 | - | 250,000 | - |

Background

Section 71 of PA 23-204, the FY 24 and FY 25 Budget, requires OPM to aggregate data related to existing federal and state housing programs in Connecticut to analyze the impact of the programs on economic and racial segregation and provide a report by January 1, 2024.

Legislative

Provide funding of \$250,000 in FY 24 for the housing study required by Section 71 of PA 23-204.

Provide Funding for a Level of Need and Statutory Definitions Study

| | | | | | | |
|---|----------|----------|----------------|----------------|----------------|----------------|
| ARPA - CSFRF | - | - | 100,000 | 100,000 | 100,000 | 100,000 |
| Total - American Rescue Plan Act | - | - | 100,000 | 100,000 | 100,000 | 100,000 |

Legislative

Provide funding of \$100,000 in both FY 24 and FY 25 for a level of need and statutory definitions study regarding intellectual disability and developmental disabilities as required by Section 4 of PA 23-137.

Provide Funding for IDD Employment Opportunities Study

| | | | | | | |
|---|----------|----------|---------------|---------------|---------------|---------------|
| ARPA - CSFRF | - | - | 50,000 | 50,000 | 50,000 | 50,000 |
| Total - American Rescue Plan Act | - | - | 50,000 | 50,000 | 50,000 | 50,000 |

Legislative

Provide funding of \$50,000 in both FY 24 and FY 25 for an IDD employment opportunities study as required by Section 2 of PA 23-137.

Reduce Funding for COVID Response Measures

Governor

Reduce funding by \$71.5 million in FY 23 for COVID response measures (\$20 million for PPE and Supplies and \$51.5 million for COVID Response Measures). The original combined allocation of \$177.5 million is reduced to \$106 million (\$0 for PPE and Supplies, and \$106 million for COVID Response Measures) based on the Department of Public Health's updated estimates for COVID response measures, including testing, personal protective equipment, and other supplies.

Legislative

Reduce funding by \$125.6 million in FY 23 for COVID response measures (reductions of \$20 million for PPE and Supplies, and \$105.6 million for COVID Response Measures). The original combined allocation of \$177.5 million is reduced to \$51.9 million (\$0 for PPE and Supplies, and \$51.9 million for COVID Response Measures).

| Account | Governor Recommended | | Legislative | | Difference from Governor | |
|---------|----------------------|-------|-------------|-------|--------------------------|-------|
| | FY 24 | FY 25 | FY 24 | FY 25 | FY 24 | FY 25 |

Reduce Funding for Invest Connecticut

| | | | | | | |
|---|----------|----------|------------------|----------|------------------|----------|
| ARPA - CSFRF | - | - | 1,666,331 | - | 1,666,331 | - |
| Total - American Rescue Plan Act | - | - | 1,666,331 | - | 1,666,331 | - |

Governor

Reduce funding by \$5,341,308 in FY 23 for the Invest Connecticut allocation. As of March 2023, the allocation was \$62,715,214.

Legislative

Reduce funding for the Invest Connecticut allocation to \$0 in FY 23 and provide funding of \$1,666,331 in FY 24.

Totals

| Budget Components | Governor Recommended | | Legislative | | Difference from Governor | |
|-------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------------|---------------------|
| | FY 24 | FY 25 | FY 24 | FY 25 | FY 24 | FY 25 |
| FY 23 Appropriation - GF | 658,256,040 | 658,256,040 | 658,256,040 | 658,256,040 | - | - |
| Policy Revisions | (74,425,151) | (74,282,857) | (74,191,251) | (20,891,857) | 233,900 | 53,391,000 |
| Current Services | (524,735,203) | (524,478,425) | (524,735,203) | (524,478,425) | - | - |
| Total Recommended - GF | 59,095,686 | 59,494,758 | 59,329,586 | 112,885,758 | 233,900 | 53,391,000 |
| FY 23 Appropriation - TF | 647,790 | 647,790 | 647,790 | 647,790 | - | - |
| Current Services | 82,693 | 93,155 | 82,693 | 93,155 | - | - |
| Total Recommended - TF | 730,483 | 740,945 | 730,483 | 740,945 | - | - |
| FY 23 Appropriation - MF | 51,481,796 | 51,481,796 | 51,481,796 | 51,481,796 | - | - |
| Policy Revisions | (51,481,796) | (51,481,796) | 1,060,000 | 1,060,000 | 52,541,796 | 52,541,796 |
| Total Recommended - MF | - | - | 52,541,796 | 52,541,796 | 52,541,796 | 52,541,796 |
| FY 23 Appropriation - IF | 599,832 | 599,832 | 599,832 | 599,832 | - | - |
| Current Services | 43,361 | 46,318 | 43,361 | 46,318 | - | - |
| Total Recommended - IF | 643,193 | 646,150 | 643,193 | 646,150 | - | - |
| FY 23 Appropriation - PF | 381,452 | 381,452 | 381,452 | 381,452 | - | - |
| Current Services | 11,213 | 11,213 | 11,213 | 11,213 | - | - |
| Total Recommended - PF | 392,665 | 392,665 | 392,665 | 392,665 | - | - |
| FY 23 Appropriation - MU | - | - | - | - | - | - |
| Policy Revisions | 598,580,213 | 598,580,213 | 568,645,047 | 568,645,047 | (29,935,166) | (29,935,166) |
| Total Recommended - MU | 598,580,213 | 598,580,213 | 568,645,047 | 568,645,047 | (29,935,166) | (29,935,166) |

| Positions | Governor Recommended | | Legislative | | Difference from Governor | |
|-------------------------------|----------------------|------------|-------------|------------|--------------------------|----------|
| | FY 24 | FY 25 | FY 24 | FY 25 | FY 24 | FY 25 |
| FY 23 Appropriation - GF | 182 | 182 | 182 | 182 | - | - |
| Policy Revisions | 3 | 5 | 4 | 6 | 1 | 1 |
| Total Recommended - GF | 185 | 187 | 186 | 188 | 1 | 1 |
| FY 23 Appropriation - IF | 2 | 2 | 2 | 2 | - | - |
| Current Services | 1 | 1 | 1 | 1 | - | - |
| Total Recommended - IF | 3 | 3 | 3 | 3 | - | - |