

Connecticut General Assembly

OFFICE OF FISCAL ANALYSIS

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With the arrival of the March 1st sequester deadline I wanted to provide a summary of where Connecticut stands and how we got here. States are facing reductions in federal funds as a result of: 1) across-the-board cuts (estimated by the Congressional Budget Office at 5.3% for nondefense discretionary programs and 5.8% for nondefense mandatory programs in Fiscal Year 13) initiated by the March 1st deadline, and 2) a second sequestration on March 27th (estimated at .85% for security programs and .26% for non-security programs) associated with lower discretionary spending caps.

What does this mean for Connecticut?

Connecticut may see a total reduction in certain federal funding of \$58.7 million.^[1] Federal Funds Information for States (FFIS) has compiled estimated reductions by state, based on the data contained in their grants database. This database identifies approximately \$6.5 billion in FFY 13 funding for Connecticut. Of this, approximately \$1 billion is subject to the March 1st sequester, which would yield an **estimated reduction of \$56.1 million**. Attached is a grant by grant listing and the estimated impact (reduction) to Connecticut. It should be noted that most health, income security and social services, and transportation related programs are exempt from sequestration.

In addition, approximately \$977.3 million is covered under the March 27th sequester, which would result in a reduction of about \$2.6 million. If that date arrives without action, we will follow up with more detailed impact associated with it.

How we got here:

The Budget Control Act (BCA) of 2011 included automatic spending reductions, commonly referred to as sequester. The BCA sequester was scheduled for January 2, 2013 and was set to result in cuts of approximately \$984 billion over fiscal years 2013 to 2021 if fully implemented.^[2] Approximately \$109 billion in spending reductions were anticipated in FFY 13, which would have been applied equally between defense and non-defense programs.

The American Taxpayer Relief Act of 2012 (ATRA) delayed the BCA sequester until March 1, 2013 and reduced the anticipated across-the-board (ATB) cuts by \$24 million, bringing the new total to approximately \$85 billion. However, the ATRA also lowered discretionary spending caps, which would take effect when the Continuing Resolution (CR) expires on March 27, 2013.^[3]

If you have any questions please contact Emily Shepard (x0227) or myself.

Alan Calandro, Director

^[1] The final reduction amount is dependent on implementation by the Office of Management and Budget (OMB).

^[2] The total required reduction was \$1.2 trillion, \$216 billion of which was specified for debt services savings.

^[3] In September 2013 Congress passed and the president signed a Continuing Resolution (CR) to extend federal funding from October 1, 2012 through March 27, 2013.

Post-March 1 Sequester (Joint Select Committee Failure) (in thousands)

Source: FFIS

Program	Discretionary or Mandatory	Covered (C)/Exempt (E) under Sequestration	FY 2013 Covered under Sequester	Sequester Reduction (\$)	Sequester Reduction (%)
Citizen Corps	Discretionary	C	0	0	-
Emergency Food and Shelter Program	Discretionary	C	1,394	-78	-5.30%
Emergency Management Performance Grants	Discretionary	C	4,626	-259	-5.30%
State Homeland Security Grant Program	Discretionary	C	2,669	-149	-5.30%
Justice Assistance Grants	Discretionary	C	1,874	-105	-5.30%
Juvenile Accountability Block Grant	Discretionary	C	269	-15	-5.30%
Juvenile Justice Formula Grants	Discretionary	C	381	-21	-5.30%
Res. Substance Abuse Trtmnt - State Prisoners	Discretionary	C	93	-5	-5.30%
State Criminal Alien Assistance Program	Discretionary	C	971	-54	-5.30%
Violence Against Women	Discretionary	C	1,515	-85	-5.30%
Coop State Research Animal Health/Disease	Discretionary	C	24	-1	-5.30%
Coop State Research Coop Forestry	Discretionary	C	346	-19	-5.30%
Coop State Research Hatch Act	Discretionary	C	2,108	-118	-5.30%
Extension Service 1890 Colleges	Discretionary	C	0	0	-
Extension Service Expand Food & Nutrition	Discretionary	C	514	-29	-5.30%
Extension Service Pest Management	Discretionary	C	65	-4	-5.30%
Extension Service Renewable Resources	Discretionary	C	44	-2	-5.30%
Extension Service Smith Lever	Discretionary	C	2,044	-114	-5.30%
Resource Conservation Dev. Tech. Ass't.	Discretionary	C	0	0	-
TEFAP - Emergency Food Asst. Administration	Discretionary	C	430	-24	-5.30%
Watershed - Flood Financial Assistance	Discretionary	C	0	0	-
Watershed Planning	Discretionary	C	0	0	-
WIC - Supplemental Feeding Program	Discretionary	C	45,187	-2,529	-5.30%
WIC Farmers' Market Nutrition Program	Discretionary	C	302	-17	-5.30%
Appalachian Regional Comm - Local Development	Discretionary	C	0	0	-
Coastal Zone Management	Discretionary	C	1,863	-104	-5.30%
21st Century Community Learning Centers	Discretionary	C	7,643	-428	-5.30%
Adult Education Basic Grant	Discretionary	C	4,442	-249	-5.30%
Assistive Technology State Grant Program	Discretionary	C	376	-21	-5.30%
Byrd Honors Scholarships	Discretionary	C	0	0	-
Centers for Independent Living	Discretionary	C	817	-46	-5.30%
Client Assistance State Grants	Discretionary	C	118	-7	-5.30%
College Work-Study	Discretionary	C	10,435	-584	-5.30%
Comp Ed (Title I) - Local Education Agencies	Discretionary	C	100,120	-5,603	-5.30%
Comp Ed (Title I) - Migrant	Discretionary	C	982	-55	-5.30%
Comp Ed (Title I) - State School Improvement Grants	Discretionary	C	3,490	-195	-5.30%
Comp Ed (Title I)- Even Start	Discretionary	C	0	0	-

Post-March 1 Sequester (Joint Select Committee Failure) (in thousands)

Source: FFIS

Program	Discretionary or Mandatory	Covered (C)/Exempt (E) under Sequestration	FY 2013 Covered under Sequester	Sequester Reduction (\$)	Sequester Reduction (%)
Comp Ed (Title I)- State Agency Neglect & Delinq.	Discretionary	C	1,534	-86	-5.30%
Drug - Free Schools & Communities State Grants	Discretionary	C	0	0	-
Education For Homeless Youth	Discretionary	C	444	-25	-5.30%
Education Technology State Grants	Discretionary	C	0	0	-
English Literacy and Civics Education State Grants	Discretionary	C	858	-48	-5.30%
Impact Aid - Basic Support Payments	Discretionary	C	4,079	-228	-5.30%
Impact Aid - Construction	Discretionary	C	0	0	-
Impact Aid - Special Education Payment	Discretionary	C	166	-9	-5.30%
Independent Living	Discretionary	C	297	-17	-5.30%
Indian Education - Grants to Local Educ. Agencies	Discretionary	C	0	0	-
Innovative Educ. Prog. Strategies State Grants	Discretionary	C	0	0	-
Language Acquis. Grants	Discretionary	C	5,493	-307	-5.30%
Leveraging Educational Assistance Partnership	Discretionary	C	0	0	-
Mathematics and Science Partnerships	Discretionary	C	846	-47	-5.30%
Protection & Advocacy Individual Rts	Discretionary	C	167	-9	-5.30%
Reading First State Grants	Discretionary	C	0	0	-
Rural and Low-Income Schools Program	Discretionary	C	58	-3	-5.30%
Services for Older Blind Individuals	Discretionary	C	371	-21	-5.30%
Small, Rural School Achievement Program	Discretionary	C	1,112	-62	-5.30%
Special Education Basic State Grant	Discretionary	C	126,501	-7,080	-5.30%
Special Education Infants & Toddlers	Discretionary	C	3,862	-216	-5.30%
Special Education Preschool Grants	Discretionary	C	4,583	-257	-5.30%
State Grants for Improving Teacher Quality	Discretionary	C	21,492	-1,203	-5.30%
State Grants for Workplace and Community Transition Ti	Discretionary	C	0	0	-
State Library Program	Discretionary	C	1,942	-109	-5.30%
State Testing Funds	Discretionary	C	5,219	-292	-5.30%
Supplemental Educ. Opportunity Grants	Discretionary	C	8,256	-462	-5.30%
Supported Employment State Grants	Discretionary	C	286	-16	-5.30%
Voc Ed - Basic State Grant	Discretionary	C	9,226	-516	-5.30%
Voc Ed - Technical Prep	Discretionary	C	0	0	-
Election Reform Requirements Payments	Discretionary	C	0	0	-
Historic Preservation Fund	Discretionary	C	701	-39	-5.30%
State Wildlife Grants	Discretionary	C	456	-26	-5.30%
Surface Mining Reclamation	Discretionary	C	0	0	-
Community Service Employ for Older Americans	Discretionary	C	4,578	-256	-5.30%
Disab. Veterans' Outreach Program	Discretionary	C	974	-55	-5.30%
Employment Service State Grants	Discretionary	C	7,514	-421	-5.30%

Post-March 1 Sequester (Joint Select Committee Failure) (in thousands)

Source: FFIS

Program	Discretionary or Mandatory	Covered (C)/Exempt (E) under Sequestration	FY 2013 Covered under Sequester	Sequester Reduction (\$)	Sequester Reduction (%)
Local Veterans Employment Representative Program	Discretionary	C	746	-42	-5.30%
UI State Administration Base Allocation	Discretionary	C	57,550	-3,221	-5.30%
Workforce Investment Act - Adult Training	Discretionary	C	7,558	-423	-5.30%
Workforce Investment Act - Dislocated Workers	Discretionary	C	11,839	-663	-5.30%
Workforce Investment Act - Youth Activities	Discretionary	C	8,380	-469	-5.30%
Natl. Endowment for the Arts- State Programs	Discretionary	C	703	-39	-5.30%
Natl. Endowment for the Humanities	Discretionary	C	2,449	-137	-5.30%
EDA - Economic Adjustment	Discretionary	C	0	0	-
EDA - Planning	Discretionary	C	22	-1	-5.30%
EDA - Public Works	Discretionary	C	2,637	-148	-5.30%
EDA - Technical Assistance	Discretionary	C	83	-5	-5.30%
State Energy Program	Discretionary	C	432	-24	-5.30%
Weatherization Assistance Program	Discretionary	C	1,257	-70	-5.30%
EPA - Clean Water SRF Grants	Discretionary	C	16,663	-933	-5.30%
EPA - Drinking Water SRF Grants	Discretionary	C	8,552	-479	-5.30%
EPA - Hazardous Waste Financial Assistance	Discretionary	C	2,360	-132	-5.30%
EPA - Nonpoint Source (Sec. 319)	Discretionary	C	1,460	-82	-5.30%
EPA - Pesticides Enforcement	Discretionary	C	200	-11	-5.30%
EPA - Pollution Control (Sec. 106)	Discretionary	C	2,116	-118	-5.30%
EPA - Public Water System Supervision	Discretionary	C	1,325	-74	-5.30%
EPA - State and Local Air Quality Management	Discretionary	C	3,778	-211	-5.30%
EPA - Underground Injection Control	Discretionary	C	53	-3	-5.30%
Comm Devel. Block Grant - Entitlement (Locals)	Discretionary	C	22,090	-1,236	-5.30%
Comm Devel. Block Grant - Nonentitlement (States)	Discretionary	C	10,615	-594	-5.30%
Emergency Solutions Grants - Entitlement (Locals)	Discretionary	C	1,126	-63	-5.30%
Emergency Solutions Grants - Nonentitlement (States)	Discretionary	C	1,997	-112	-5.30%
HOME Investment Partnerships - Entitlement (Locals)	Discretionary	C	4,488	-251	-5.30%
HOME Investment Partnerships - Nonentitlement (States)	Discretionary	C	6,438	-360	-5.30%
Housing Opportunities for Persons with AIDS	Discretionary	C	3,076	-172	-5.30%
Public Housing Capital Fund	Discretionary	C	21,430	-1,199	-5.30%
Public Housing Operating Fund	Discretionary	C	56,374	-3,155	-5.30%
FTA - Capital Investment Grants (New Starts)	Discretionary	C	0	0	-
Administration on Aging Congregate Meals	Discretionary	C	4,994	-279	-5.30%
Administration on Aging Home Delivered Meals	Discretionary	C	2,443	-137	-5.30%
Administration on Aging Support Services	Discretionary	C	4,196	-235	-5.30%
Battered Women's Shelters	Discretionary	C	1,207	-68	-5.30%
CAPTA State Grants	Discretionary	C	292	-16	-5.30%

Post-March 1 Sequester (Joint Select Committee Failure) (in thousands)

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Program	Discretionary or Mandatory	Covered (C)/Exempt (E) under Sequestration	FY 2013 Covered under Sequester	Sequester Reduction (\$)	Sequester Reduction (%)
CDC - Immunization Grants	Discretionary	C	5,603	-324	-5.47%
CDC: State and Local Capacity	Discretionary	C	7,543	-422	-5.30%
Chafee Education and Training Vouchers	Discretionary	C	463	-26	-5.30%
Child Care & Devel. Block Grant	Discretionary	C	14,235	-797	-5.30%
Child Welfare Services	Discretionary	C	1,765	-99	-5.30%
Community Services Block Grant	Discretionary	C	7,749	-434	-5.30%
Community-Based Child Abuse Prevention	Discretionary	C	916	-51	-5.30%
Consolidated Health Centers	Discretionary	C	32,210	-1,234	-3.69%
Devel Disabilities - Basic Support	Discretionary	C	689	-39	-5.30%
Devel Disabilities - Protection & Advoc.	Discretionary	C	379	-21	-5.30%
Family Caregiver	Discretionary	C	1,786	-100	-5.30%
Head Start	Discretionary	C	56,160	-3,143	-5.30%
Health Services - Black Lung	Discretionary	C	0	0	-
Health Services - Family Planning	Discretionary	C	2,626	-147	-5.30%
Healthy Start	Discretionary	C	1,286	-72	-5.30%
Homeless Mental Health (PATH)	Discretionary	C	818	-46	-5.30%
Hospital Preparedness Program	Discretionary	C	3,983	-223	-5.30%
Low Income Home Energy Assistance	Discretionary	C	75,778	-4,241	-5.30%
Maternal & Child Health Block Grant	Discretionary	C	4,435	-248	-5.30%
Mental Health Block Grant	Discretionary	C	4,254	-238	-5.30%
Nutrition Services Incentive Program	Discretionary	C	1,356	-76	-5.30%
Preventive Health -- Rape Prevention and Education	Discretionary	C	396	-22	-5.30%
Preventive Health Block Grant	Discretionary	C	1,029	-58	-5.30%
Preventive Health Services	Discretionary	C	248	-14	-5.30%
Protection and Advocacy for Individuals with Mental Illness	Discretionary	C	409	-23	-5.30%
Refugee Assistance Cash & Medical	Discretionary	C	812	-45	-5.30%
Refugee Assistance Social Services	Discretionary	C	382	-21	-5.30%
Refugee Targeted Assistance	Discretionary	C	0	0	-
Runaway & Homeless Youth - Basic Center	Discretionary	C	502	-28	-5.30%
Ryan White - HIV/AIDS Part A	Discretionary	C	10,098	-565	-5.30%
Ryan White - HIV/AIDS Part B	Discretionary	C	14,091	-789	-5.30%
Substance Abuse Prevent. & Treatment Block Grant	Discretionary	C	16,086	-900	-5.30%
Voting Access for Individuals with Disabilities - P & A	Discretionary	C	67	-4	-5.30%
Voting Access for Individuals with Disabilities - State	Discretionary	C	0	0	-
Vulnerable Elder Rights Protection Activities	Discretionary	C	247	-14	-5.30%
Boating Safety	Mandatory	C	1,243	-77	-5.80%
Customs Service Misc. Permanent Appr.	Mandatory	C	0	0	-

Post-March 1 Sequester (Joint Select Committee Failure) (in thousands)

Source: FFIS

Program	Discretionary or Mandatory	Covered (C)/Exempt (E) under Sequestration	FY 2013 Covered under Sequester	Sequester Reduction (\$)	Sequester Reduction (%)
Crime Victims Fund - Assistance	Mandatory	C	4,758	-293	-5.80%
Crime Victims Fund - Compensation	Mandatory	C	0	0	-
Forest Service - National Forests	Mandatory	C	0	0	-
Senior Farmer's Market Nutrition Program	Mandatory	C	84	-5	-5.80%
Special Milk Program	Mandatory	C	294	-18	-5.80%
Specialty Crop Block Grant	Mandatory	C	381	-23	-5.80%
Rehab. Services - Basic State Grant	Mandatory	C	20,791	-1,280	-5.80%
Abandoned Mine Reclamation Fund	Mandatory	C	0	0	-
BLM - Payments in Lieu of Taxes	Mandatory	C	28	-2	-5.80%
Coastal Impact Assistance Program	Mandatory	C	0	0	-
Fish & Wildlife - Fish Restoration	Mandatory	C	3,373	-208	-5.80%
Fish & Wildlife - Hunter Safety	Mandatory	C	1,143	-70	-5.80%
Fish & Wildlife - Wildlife Restoration	Mandatory	C	1,436	-88	-5.80%
Minerals Mgmt. Service: Mineral Leasing	Mandatory	C	0	0	-
Social Services Block Grant	Mandatory	C	18,331	-1,129	-5.80%
Promoting Safe and Stable Families	Mandatory/Discretionary	C	1,994	-121	-5.73%
Child Nutrition - Adult & Child Care Food	Mandatory	E	N/A	0	0.00%
Child Nutrition - Commodities	Mandatory	E	N/A	0	0.00%
Child Nutrition - School Breakfast	Mandatory	E	N/A	0	0.00%
Child Nutrition - School Lunch	Mandatory	E	N/A	0	0.00%
Child Nutrition - State Admin Expenses	Mandatory	E	N/A	0	0.00%
Child Nutrition - Summer Food Program	Mandatory	E	N/A	0	0.00%
Commodity Supp. Food Program	Discretionary	E	N/A	0	-
Food Stamp Benefits	Mandatory	E	N/A	0	0.00%
Food Stamp Employment and Training Program	Mandatory	E	N/A	0	0.00%
Food Stamp State Administration	Mandatory	E	N/A	0	0.00%
Nutrition Assistance for Puerto Rico	Mandatory	E	N/A	0	-
TEFAP - Emergency Food Asst. Commodities	Mandatory	E	N/A	0	0.00%
Pell Grants	Discretionary/Mandatory	E	N/A	0	0.00%
Internal Revenue Collections For PR	Mandatory	E	N/A	0	-
Appalachian Regional Comm - Highways	Discretionary	E	N/A	0	-
TVA Payments in Lieu Of Taxes	Mandatory	E	N/A	0	-
Airport Improvement Program	Discretionary	E	N/A	0	0.00%
FHWA - Bridge Replacement & Rehabilitation	Discretionary	E	N/A	0	-
FHWA - Congestion Mitigation & Air Quality	Discretionary	E	N/A	0	0.00%
FHWA - Coordinated Border Infrastructure Program	Discretionary	E	N/A	0	-
FHWA - Equity Bonus	Discretionary	E	N/A	0	-

Post-March 1 Sequester (Joint Select Committee Failure) (in thousands)

Source: FFIS

Program	Discretionary or Mandatory	Covered (C)/Exempt (E) under Sequestration	FY 2013 Covered under Sequester	Sequester Reduction (\$)	Sequester Reduction (%)
FHWA - High Priority Projects	Discretionary	E	N/A	0	-
FHWA - Highway Safety Improvement Program	Discretionary	E	N/A	0	0.00%
FHWA - Interstate Maintenance	Discretionary	E	N/A	0	-
FHWA - Metropolitan Planning	Discretionary	E	N/A	0	0.00%
FHWA - National Highway System	Discretionary	E	N/A	0	-
FHWA - Railway Highway Crossings	Discretionary	E	N/A	0	0.00%
FHWA - Recreational Trails	Discretionary	E	N/A	0	-
FHWA - Safe Routes to School	Discretionary	E	N/A	0	-
FHWA - Surface Transportation Program	Discretionary	E	N/A	0	0.00%
FHWA - Territorial & Puerto Rico Highway Programs	Discretionary	E	N/A	0	-
FHWA - Transportation Alternatives	Discretionary	E	N/A	0	0.00%
FTA - Bus and Bus Facilities	Discretionary	E	N/A	0	0.00%
FTA - Capital Assistance for the Elderly and Disabled	Discretionary	E	N/A	0	0.00%
FTA - Fixed Guideway Modernization	Discretionary	E	N/A	0	0.00%
FTA - Job Access and Reverse Commute	Discretionary	E	N/A	0	0.00%
FTA - Nonurbanized Area Formula	Discretionary	E	N/A	0	0.00%
FTA - Urbanized Area Formula	Discretionary	E	N/A	0	0.00%
State & Community Highway Safety	Discretionary	E	N/A	0	0.00%
Access and Visitation Grants	Mandatory	E	N/A	0	0.00%
Adoption Assistance	Mandatory	E	N/A	0	0.00%
Chafee Foster Care Independence	Mandatory	E	N/A	0	0.00%
Child Care Entitle. Mandatory & Matching	Mandatory	E	N/A	0	0.00%
Child Supp. Enforcement Administration	Mandatory	E	N/A	0	0.00%
Child Supp. Enforcement Fed Share Collection	Mandatory	E	N/A	0	0.00%
Children's Health Insurance Program	Mandatory	E	N/A	0	0.00%
Foster Care	Mandatory	E	N/A	0	0.00%
Medicaid - Administration	Mandatory	E	N/A	0	0.00%
Medicaid - Vendor Payments	Mandatory	E	N/A	0	0.00%
Temporary Assistance For Needy Families	Mandatory	E	N/A	0	0.00%
Vaccines for Children	Mandatory	E	N/A	0	0.00%
FHWA - National Highway Performance Program	Discretionary	E/C	<u>7,540</u>	<u>-464</u>	<u>-0.17%</u>
			1,006,883	-56,136	-5.58%