House and Senate Adopt Bipartisan FY 18-19 Biennial Budget

October 26, 2017

On October 26, the Connecticut General Assembly adopted a bipartisan biennial budget that was the result of a month of negotiations between the leadership of Republican and Democratic caucuses in the House and the Senate. The State Senate adopted the budget by a vote of 33-3 and the House of Representatives adopted the budget by a vote of 126-23. Governor Malloy was not involved in negotiations during the last several weeks preceding the vote. He has not yet announced whether he intends to sign or veto the budget, but the votes in the House and Senate exceeded the threshold to override a potential veto.

The budget restores significant funding to nonprofit services that had been cut under the Executive Order, but annualizes cuts to programs that were made during the holdback cuts in Fiscal Year 2017. The budget bill also includes more than $150 million in lapses and allotment reductions for Governor Malloy to make at his discretion from the Executive Branch and $3 million from the Judicial Branch. The budget bill includes $25 million in bond funding for the Nonprofit Grant Program in both years. Notable policy changes made in this budget include:

- Transferring Juvenile Justice services from the Department of Children and Families to the Court Support Services Division of the Judicial Branch
- Providing full funding for new graduates and age-outs in the DDS system and for the conversion of some state-operated Community Living Arrangements to private operation
- Reducing income eligibility for adults to qualify for HUSKY A
- Closing the State Department of Aging and transferring its programs to the Department of Social Services

With regard to revenue, the budget raises over $1 billion in new revenue over the biennium through an increase in the tax on tobacco, lowering the income threshold to qualify for the Earned Income Tax Credit, increasing federal funding received from the provider tax for hospitals, and sweeping a number of dedicated revenue funds to the General Fund, among other changes. The budget also restores significant funding to municipalities and public education in Connecticut.

This document provides an overview of the appropriations made to line items that fund nonprofits. This budget bill includes all the budget elements in one document. The document also includes a summary of other relevant policy changes made in the 881 pages of budget implementer language.

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Court Support Services Division

- The budget transfers Juvenile Justice services from DCF to CSSD. The past, DCF has stated that this change could result in CSSD falling under the *Juan F.* Consent Decree. We do not have any further details of this transfer at this time and will let you know as soon as we do.
- The budget annualizes the FY17 holdbacks for the Alternative Incarceration Program, Juvenile Alternative Incarceration, Juvenile Justice Centers, and Youthful Offender Services.

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
Forensic Sex Evidence Exams	1,348,010	1,348,010	1,348,010	-	-	0%
Alternative Incarceration Program	52,747,603	47,472,843	49,538,792	1,251,242	(3,208,811)	-6%
Justice Education Center, Inc.	466,217	-	466,217	466,217	-	0%
Juvenile Alternative Incarceration	25,788,309	20,683,458	20,683,458	-	(5,104,851)	-20%
Juvenile Justice Centers	2,786,379	-	-	-	(2,786,379)	-100%
Youthful Offender Services	13,311,287	10,445,555	10,445,555	-	(2,865,732)	-22%
Victim Security Account	8,792	8,792	8,792	-	-	0%
Children of Incarcerated Parents	544,503	490,053	544,503	31,989	-	0%
Legal Aid	1,552,382	1,552,382	1,552,382	-	-	0%
Youth Violence Initiative	1,925,318	1,732,786	1,925,318	118,076	-	0%
Youth Services Prevention	3,187,174	2,708,174	3,187,174	479,000	-	0%
Children's Law Center	102,717	92,445	102,717	10,272	-	0%
Juvenile Planning	233,792	210,413	333,792	123,379	100,000	43%
Juvenile Justice Outreach Services (transfer from DCF)	-		5,574,763	5,574,763	5,574,763	
Board and Care for Children - Short-term and Residential (transfer from DCF)	-		3,282,159	3,282,159	3,282,159	

Department of Children and Families

- The budget transfers Juvenile Justice services from DCF to CSSD. This change transfers some of the funding from Juvenile Justice Outreach Services and Board and Care for Children – Short Term Residential. In the past, DCF has stated that this change could result in CSSD falling under the *Juan F.* Consent Decree. We do not have any further details of this transfer at this time and will let you know as soon as we do.
- The budget provides increased funding to come into compliance with the *Juan F.* Consent Decree in a number of line items, but provides less new funding for these line items than was appropriated under the Executive Order.
- The budget transfers Homeless Youth to the Department of Housing.

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
Family Support Services	913,974	937,080	867,677	(69,403)	(46,297)	-5%
Homeless Youth (transfer to DOH)	2,329,087	2,264,136	-	(2,367,909)	(2,329,087)	-100%
Differential Response System	7,748,997	8,346,386	7,809,192	(537,194)	60,195	1%
Regional Behavioral Health Consultation	1,592,156	1,644,271	1,699,624	(20,010)	107,468	7%
Health Assessment and Consultation	949,199	1,402,046	1,349,199	(52,847)	400,000	42%
Grants for Psychiatric Clinics for Children	14,956,541	15,933,208	15,046,541	(886,667)	90,000	1%
Day Treatment Centers for Children	6,740,978	7,208,293	6,815,978	(392,315)	75,000	1%
Juvenile Justice Outreach Services	12,318,836	11,904,730	5,443,769	(6,460,961)	(6,875,067)	-56%
Child Abuse and Neglect Intervention	9,199,620	12,630,122	11,949,620	(680,502)	2,750,000	30%
Community Based Prevention Programs	7,631,690	7,856,202	7,945,305	89,103	313,615	4%
Family Violence Outreach and Counseling	2,316,969	3,458,610	3,061,579	(397,031)	744,610	32%
Supportive Housing	18,479,526	19,840,312	18,479,526	(1,360,786)	-	0%
No Nexus Special Education	1,662,733	2,151,861	2,151,861	-	489,128	29%
Family Preservation Services	5,808,601	6,049,574	6,133,574	84,000	324,973	6%
Substance Abuse Treatment	9,696,273	9,816,296	9,913,559	97,263	217,286	2%
Child Welfare Support Services	2,339,675	1,918,775	1,757,237	(161,538)	(582,438)	-25%
Board and Care for Children - Adoption	96,346,170	97,105,408	97,105,408	-	759,238	1%

Board and Care for Children - Foster	128,733,472	138,087,832	134,738,432	(3,349,400)	6,004,960	5%
Board and Care for Children - Short-term and Residential	102,579,761	96,443,999	92,819,051	(3,624,948)	(9,760,710)	-10%
Individualized Family Supports	9,696,350	6,523,616	6,523,616	-	(3,172,734)	-33%
Community Kidcare	37,912,186	40,896,655	38,268,191	(2,628,464)	356,005	1%
Covenant to Care	140,487	155,600	136,273	(19,327)	(4,214)	-3%
Neighborhood Center	207,047	-		-	(207,047)	-100%

Department of Developmental Services

- The budget restores significant funding from the Executive order and provides $4.9 million in new funding over FY17 levels to Employment Opportunities and Day Services and $1.4 million in new funding to a new line item, ID Partnership Initiatives.
- The budget annualizes the FY17 holdbacks to Family Support Grants, Clinical Services, Rent Subsidy Program, Supplemental Payments for Medical Services, and Behavioral Services Program.
- Residential funding is included in the Department of Social Services budget.

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
Family Support Grants	3,738,222	3,162,537	3,700,840	538,303	(37,382)	-1%
Clinical Services	2,630,408	2,394,873	2,372,737	(22,136)	(257,671)	-10%
Behavioral Services Program	25,303,421	22,478,496	22,478,496	-	(2,824,925)	-11%
Supplemental Payments for Medical Services	4,262,613	3,761,425	3,761,425	-	(501,188)	-12%
ID Partnership Initiatives	-		1,400,000	1,400,000	1,400,000	
Rent Subsidy Program	5,030,212	4,391,919	4,879,910	487,991	(150,302)	-3%
Employment Opportunities and Day Services	237,650,362	213,089,376	242,551,827	19,778,938	4,901,465	2%

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Department of Mental Health and Addiction Services

- The budget restores significant funding from the executive order cuts, but annualizes the FY17 holdbacks across most line items.
- This annualization includes a significant reduction of $3.2 million (15%) from Grants to Substance Abuse Services.
- The budget also consolidates the Jail Diversion, Prison Overcrowding and Persistent Violent Felony Offenders Act line items into a new line item called Forensic Services.

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
Housing Supports and Services	23,989,361	20,590,326	23,269,681	1,735,632	(719,680)	-3%
Managed Service System	58,186,901	51,593,137	56,505,032	2,844,488	(1,681,869)	-3%
Legal Services	921,947	505,999	700,144	194,145	(221,803)	-24%
Connecticut Mental Health Center	8,140,204	6,683,000	7,848,323	1,165,323	(291,881)	-4%
Professional Services	10,636,632	11,200,697	11,200,697	-	564,065	5%
General Assistance Managed Care	41,270,499	37,450,288	41,449,129	2,349,319	178,630	0%
Nursing Home Screening	547,757	636,352	636,352	-	88,595	16%
Young Adult Services	80,902,861	71,835,729	76,859,968	2,951,740	(4,042,893)	-5%
TBI Community Services	9,611,291	8,064,539	8,779,723	394,321	(831,568)	-9%
Jail Diversion	4,260,411	3,823,654	95,000	(3,817,636)	(4,165,411)	-98%
Behavioral Health Medications	5,785,488	6,720,754	6,720,754	-	935,266	16%
Prison Overcrowding	5,860,963	5,229,024	-	(5,417,170)	(5,860,963)	-100%
Medicaid Adult Rehabilitation Option	4,401,704	4,269,653	4,269,653	-	(132,051)	-3%
Discharge and Diversion Services	25,346,328	22,134,660	24,533,818	1,409,506	(812,510)	-3%
Home and Community Based Services	24,021,880	20,832,139	22,168,382	461,697	(1,853,498)	-8%
Persistent Violent Felony Offenders Act	625,145	545,752	-	(570,766)	(625,145)	-100%
Pre-Trial Account	639,538	-	620,352	620,352	(19,186)	-3%
Forensic Services	-	-	10,235,895	10,235,895	10,235,895	
Grants for Substance Abuse Services	20,967,047	16,055,584	17,788,229	996,764	(3,178,818)	-15%

Grants for Mental Health Services	66,738,020	58,937,370	65,874,535	4,211,751	(863,485)	-1%
Employment Opportunities	9,460,957	8,011,633	8,901,815	522,982	(559,142)	-6%

Department of Correction

- The budget restores funding cut during the executive order but annualizes the FY17 holdbacks to Inmate Medical Services, Board of Pardons and Paroles, Program Evaluation, Aid to Paroled and Discharged Inmates, Legal Services to Prisoners, and Community Support Services.

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
Inmate Medical Services	85,297,457	76,405,325	80,426,658	2,021,333	(4,870,799)	-6%
Board of Pardons and Paroles	7,165,288	6,423,794	6,415,288	(8,506)	(750,000)	-10%
STRIDE (transfer from DOL)	-		108,656	108,656	108,656	
Program Evaluation	254,669	-	75,000	75,000	(179,669)	-71%
Aid to Paroled and Discharged Inmates	7,623	3,000	3,000	-	(4,623)	-61%
Legal Services To Prisoners	773,446	797,000	797,000	-	23,554	3%
Community Support Services	34,803,726	31,279,242	33,909,614	1,813,469	(894,112)	-3%

Department of Housing

- The budget restores some of the cuts in the executive order and annualizes several small holdbacks from FY17.
- The budget eliminates funding for the Housing Assistance and Counseling Program.
- The budget transfers Homeless Youth from DCF to DOH.

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
Elderly Rental Registry and Counselors	1,045,889	1,035,431	1,035,431	-	(10,458)	-1%
Homeless Youth	-		2,329,087	2,329,087	2,329,087	
Subsidized Assisted Living Demonstration	2,181,051	2,325,370	2,084,241	(241,129)	(96,810)	-4%
Congregate Facilities Operation Costs	7,359,331	6,969,394	7,336,204	215,501	(23,127)	0%
Housing Assistance and Counseling Program	366,503	-	-	-	(366,503)	-100%
Elderly Congregate Rent Subsidy	2,002,085	1,982,065	1,982,065	-	(20,020)	-1%
Housing/Homeless Services	66,995,503	65,774,097	74,024,210	6,822,123	7,028,707	10%
Housing/Homeless Services - Municipality	592,893	557,617	586,965	17,242	(5,928)	-1%

Department of Labor

- The budget restores some funding cut during the Executive Order, annualizes FY17 holdbacks and makes several additional cuts to programs including Connecticut's Youth Employment Program, and Jobs First Employment Services.
- The budget makes significant cuts to the STRIDE and STRIVE programs and transfers STRIDE funding to DOC.

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
Workforce Investment Act	34,149,177	36,758,476	36,758,476	-	2,609,299	8%
Connecticut's Youth Employment Program	5,225,000	-	108,656	108,656	(5,116,344)	-98%
Jobs First Employment Services	15,169,606	13,769,428	13,869,606	100,178	(1,300,000)	-9%
STRIDE (transfer to DOC)	438,033	-	-	-	(438,033)	-100%
Apprenticeship Program	502,842	465,342	465,342	-	(37,500)	-7%
Connecticut Career Resource Network	157,848	115,108	153,113	38,005	(4,735)	-3%
Incumbent Worker Training	587,976	-	-	-	(587,976)	-100%
STRIVE	200,456	-	108,655	108,655	(91,801)	-46%

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Department of Rehabilitation Services

- The budget restores significant funding cut during the executive order and flat-funds several line items to FY17 levels.
- New funding is provided to Independent Living Centers.
- The budget annualizes holdbacks to Supplementary Relief and Services and the Connecticut Radio Information Services.

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
Educational Aid for Blind and Visually Handicapped Children	4,040,237	1,884,918	4,040,237	2,155,319	-	0%
Employment Opportunities – Blind & Disabled	1,032,521	478,393	1,032,521	514,092	-	0%
Vocational Rehabilitation - Disabled	7,354,087	6,912,843	7,354,087	441,244	-	0%
Supplementary Relief and Services	88,618	41,186	45,762	2,688	(42,856)	-48%
Special Training for the Deaf Blind	268,003	89,626	268,003	174,269	-	0%
Connecticut Radio Information Service	50,724	-	27,474	27,474	(23,250)	-46%
Independent Living Centers	372,967	-	420,962	420,962	47,995	13%

Department of Public Health

- The budget restores significant funding to School Based Health Clinics that was cut during the Executive Order.

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
Community Health Services	2,008,515	2,757,243	1,689,268	(1,630,330)	(319,247)	-16%
Rape Crisis	558,104	485,969	558,104	49,861	-	0%
Local and District Departments of Health	4,083,916	4,639,083	4,144,588	(494,495)	60,672	1%
School Based Health Clinics	11,280,633	8,400,000	11,039,012	1,601,982	(241,621)	-2%

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Department of Social Services

- The budget provides a $21.3m increase in funding to Community Residential Services, the DDS Residential line item over FY17 appropriations. The Alliance believes part of this funding will be used to pay for conversions of state-operated Community Living Arrangements to private operation.
- The budget lowers HUSKY A eligibility from 150% of the federal poverty level ($30,630 for a family of three) to 133% of the federal poverty level ($27,159 for a family of three), effective January 1.
- The budget closes the State Department of Aging and transfers its funding to DSS.
- The budget transfers $10.5 million from OEC to the Medicaid line item for the Birth to Three Program.

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
State-Funded Supplemental Nutrition Assistance Program	430,926	61,882	31,205	31,205	(399,721)	-93%
HUSKY B Program	4,350,000	5,060,000	5,060,000	4,998,118	710,000	16%
Medicaid	2,447,241,261	2,518,320,000	2,619,440,000	101,120,000	172,198,739	7%
Old Age Assistance	38,833,056	38,891,679	38,506,679	(385,000)	(326,377)	-1%
Aid To The Blind	627,276	582,715	577,715	(5,000)	(49,561)	-8%
Aid To The Disabled	61,941,968	61,450,563	60,874,851	(575,712)	(1,067,117)	-2%
Temporary Family Assistance - TANF	89,936,233	75,131,712	70,131,712	(5,000,000)	(19,804,521)	-22%
Community Residential Services	536,616,053	521,640,610	553,929,013	21,255,721	17,312,960	3%
Safety Net Services	2,108,684	1,442,024	1,840,882	398,858	(267,802)	-13%
Services for Persons With Disabilities	477,130	342,271	370,253	15,698	(106,877)	-22%
Nutrition Assistance	400,911	253,624	725,000	449,021	324,089	81%
State Administered General Assistance	22,816,579	20,931,557	19,431,557	(1,500,000)	(3,385,022)	-15%
Community Services	1,004,208	271,735	688,676	416,941	(315,532)	-31%
Human Service Infrastructure Community Action Program	2,736,957	1,435,721	2,994,488	1,055,877	257,531	9%
Teen Pregnancy Prevention	1,456,227	706,270	1,271,286	273,680	(184,941)	-13%
Programs for Senior Citizens (transfer from SDA)	5,895,383		7,895,383	7,895,383	2,000,000	34%
Domestic Violence Shelters	5,158,570	5,003,814	5,304,514	300,700	145,944	3%

Office of Early Childhood

- The budget transfers $10.5 million from OEC to DSS for the Birth to Three Program.
- The budget restores significant funding cuts to Care4Kids made during the executive order.

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
Birth to Three	24,686,804	31,386,804	21,446,804	(11,000,000)	(3,240,000)	-13%
Community Plans for Early Childhood	659,734	-	-	-	(659,734)	-100%
Improving Early Literacy	142,500	-	-	-	(142,500)	-100%
Evenstart	451,250	-	437,713	437,713	(13,537)	-3%
Nurturing Families Network	-	-	10,230,303	10,230,303	10,230,303	
Head Start Services	5,744,162	5,186,978	5,186,978	-	(557,184)	-10%
Care4Kids TANF/CCDF	122,130,084	114,730,084	124,981,059	10,250,975	2,850,975	2%
Child Care Quality Enhancements	2,894,114	2,807,291	6,855,033	4,047,742	3,960,919	137%
Early Head Start-Child Care Partnership	1,165,721	1,130,750	1,130,750	-	(34,971)	-3%
Early Care and Education	111,821,921	111,821,921	104,086,354	(7,735,567)	(7,735,567)	-7%

Office of Policy and Management

- The budget transfers the Criminal Justice Information System to the Department of Emergency Services and Public Protection (DESPP).

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
Justice Assistance Grants	938,648	58,089	910,489	852,400	(28,159)	-3%
Criminal Justice Information System (transfer to DESPP)	920,048	2,392,840	-	(2,392,840)	(920,048)	-100%
Project Longevity	885,000	-	850,000	850,000	(35,000)	-4%

State Department of Aging

- The budget closes the State Department of Aging and transfers its programs to the Department of Social Services.

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
Programs for Senior Citizens (transfer to DSS)	5,895,383	5,224,422	-	(5,419,886)	(5,895,383)	-100%

State Department of Education

- The budget restores some funding from the executive order and annualizes the FY17 holdbacks in a number of line items. The Connecticut Pre-Engineering Program was eliminated during the FY17 holdbacks and that cut is annualized in this budget.
- The budget also cuts a number of line items by a larger margin, including Family Resource Centers.

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
Leadership, Education, Athletics in Partnership (LEAP)	625,045	-	462,534	462,534	(162,511)	-26%
Connecticut Pre-Engineering Program	225,758	-	-	-	(225,758)	-100%
Neighborhood Youth Centers	1,048,664	-	650,172	650,172	(398,492)	-38%
School-Based Diversion Initiative	942,500	848,250	1,000,000	151,750	57,500	6%
American School For The Deaf	9,543,829	8,331,763	8,257,514	(74,249)	(1,286,315)	-13%
Family Resource Centers	7,894,843	3,947,423	5,802,710	1,855,287	(2,092,133)	-26%
Youth Service Bureau Enhancement	668,927	648,859	648,859	-	(20,068)	-3%
Adult Education	20,383,960	20,383,960	20,383,960	-	-	0%
Health and Welfare Services Pupils Private Schools	3,526,579	3,526,579	3,526,579	-	-	0%
After School Program	4,866,695	2,433,347	4,720,695	2,287,348	(146,000)	-3%

Department of Economic and Community Development

- The budget maintains line-item funding for Arts and Culture programs but makes significant cuts to many of the line items.
- The budget increases funding to three Tourism Districts and eliminates the Quinebaug Tourism District.

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
Personal Services	7,792,889	7,025,317	7,145,317	120,000	(647,572)	-8%
Other Expenses	543,644	450,153	527,335	77,182	(16,309)	-3%
Statewide Marketing	6,500,000	0	6,435,000	5,585,000	(65,000)	-1%
Small Business Incubator Program	310,810	0	-	-	(310,810)	-100%
Hartford Urban Arts Grant	358,386	0	242,371	242,371	(116,015)	-32%
New Britain Arts Council	58,230	0	39,380	39,380	(18,850)	-32%
Main Street Initiatives	138,278	0	100,000	100,000	(38,278)	-28%
Office of Military Affairs	193,376	111,000	187,575	76,575	(5,801)	-3%
Hydrogen/Fuel Cell Economy	150,254	0	-	-	(150,254)	-100%
CCAT-CT Manufacturing Supply Chain	715,634	0	497,082	497,082	(218,552)	-31%
Capital Region Development Authority	6,413,253	6,149,121	6,261,621	112,500	(151,632)	-2%
Neighborhood Music School	114,921	0	80,540	80,540	(34,381)	-30%
Nutmeg Games	58,244	0	40,000	40,000	(18,244)	-31%
Discovery Museum	291,141	0	196,895	196,895	(94,246)	-32%
National Theatre of the Deaf	116,456	0	78,758	78,758	(37,698)	-32%
CONNSTEP	447,275	390,471	390,471	-	(56,804)	-13%
Development Research and Economic Assistance	112,591	0	-	-	(112,591)	-100%
Connecticut Science Center	492,810	0	446,626	446,626	(46,184)	-9%
CT Flagship Producing Theaters Grant	384,382	0	259,951	259,951	(124,431)	-32%
Women's Business Center	358,445	0	-	-	(358,445)	-100%
Performing Arts Centers	1,164,559	0	787,571	787,571	(376,988)	-32%

Performing Theaters Grant	453,586	0	306,753	306,753	(146,833)	-32%
Arts Commission	1,543,606	0	1,497,298	1,497,298	(46,308)	-3%
Art Museum Consortium	424,842	0	287,313	287,313	(137,529)	-32%
CT Invention Convention	17,924	0	-	-	(17,924)	-100%
Litchfield Jazz Festival	42,560	0	29,000	29,000	(13,560)	-32%
Connecticut River Museum	22,384	0	-	-	(22,384)	-100%
Arte Inc.	22,384	0	20,735	20,735	(1,649)	-7%
CT Virtuosi Orchestra	22,384	0	15,250	15,250	(7,134)	-32%
Barnum Museum	22,384	0	20,735	20,735	(1,649)	-7%
Various Grants	-		130,000	130,000	130,000	
Greater Hartford Arts Council	81,739	0	74,079	74,079	(7,660)	-9%
Stepping Stones Museum for Children	34,053	0	30,863	30,863	(3,190)	-9%
Maritime Center Authority	449,079	0	303,705	303,705	(145,374)	-32%
Tourism Districts	1,133,345	0	-	-	(1,133,345)	-100%
Connecticut Humanities Council	-		850,000	850,000	850,000	
Amistad Committee for the Freedom Trail	36,414	0	36,414	36,414	-	0%
Amistad Vessel	291,140	0	263,856	263,856	(27,284)	-9%
New Haven Festival of Arts and Ideas	612,926	0	414,511	414,511	(198,415)	-32%
New Haven Arts Council	72,786	0	52,000	52,000	(20,786)	-29%
Beardsley Zoo	301,469	0	253,879	253,879	(47,590)	-16%
Mystic Aquarium	476,719	0	322,397	322,397	(154,322)	-32%
Quinebaug Tourism	31,931	0	-	-	(31,931)	-100%
Northwestern Tourism	31,931	0	400,000	400,000	368,069	1153%
Eastern Tourism	31,931	0	400,000	400,000	368,069	1153%
Central Tourism	31,931	0	400,000	400,000	368,069	1153%
Twain/Stowe Homes	89,591	0	81,196	81,196	(8,395)	-9%
Cultural Alliance of Fairfield	72,786	0	52,000	52,000	(20,786)	-29%

UConn Health Center

- The budget cuts the AHEC program by $32,000 (8%).

SID Description	FY17 Appropriation	FY18 Executive Order Appropriation	Adopted Budget FY18 Appropriation	Adjustment to Executive Order	Adjustment to FY17 Appropriation	Percent Change FY17/FY18
AHEC	406,723	390,739	374,566	(16,173)	(32,157)	-8%

Analysis of FY18-19 Biennial Budget Implementer Changes

October 30, 2017

On October 26, the Connecticut General Assembly adopted a bipartisan biennial budget that was the result of a month of negotiations between the leadership of Republican and Democratic caucuses in the House and the Senate. The State Senate adopted the budget by a vote of 33-3 and the House of Representatives adopted the budget by a vote of 126-23. Governor Malloy was not involved in negotiations during the last several weeks preceding the vote. He has not yet announced whether he intends to sign or veto the budget, but the votes in the House and Senate exceeded the threshold to override a potential veto.

Below are excerpts of an analysis from the Office of Legislative Research (OLR) of the 881 pages of budget implementer language, which makes numerous policy changes to state government, many of which will effect nonprofits. The document summarizes relevant sections of the bill. If you would like to read those sections as they appear in law, click here to view the full bill. You can read the full OLR Bill Analysis on the budget here.

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§ 39 — OUTPATIENT CLINIC LICENSE RENEWAL

Increases the frequency of outpatient clinic license renewal

- Increases the frequency of license renewal for outpatient clinics that provide either medical or mental health services, from every four years to every three years. Nonprofit community health agencies are exempted.
  - Section 675 makes this same change, effective December 1, 2017
  - As under current law, (1) the licensing fee is $1,000 and (2) clinics operated by municipal health departments or districts or licensed nonprofit nursing or community health agencies are exempt

§ 40 — TEMPORARY FAMILY ASSISTANCE (TFA) AND STATE ADMINISTERED GENERAL ASSISTANCE (SAGA)

Extends the existing freeze on TFA and SAGA rates

- Extends for FYs 18 and 19 a freeze on payment standards (i.e., maximum benefit amounts) for DSS' TFA and SAGA cash assistance programs at FY 15 rates
- By law, TFA provides temporary cash assistance to families that meet certain income and asset limits
- In general, SAGA provides cash assistance to single or married adults who have very low incomes, do not qualify for other cash assistance programs, and who are considered “transitional” or “unemployable”

§ 41 — BOARDING HOMES
Caps, with exceptions, rates for certain boarding homes

- Generally caps rates paid by DSS for FYs 18 and 19 at FY 17 levels for room and board at private residential facilities and similar facilities operated by regional educational service centers that provide vocational or functional services for individuals with certain disabilities (non-ICF-ID boarding homes)
- Within available appropriations, allows these rates to exceed the FY 17 level for capital improvements made to these facilities that are approved by DDS, in consultation with DSS and made in FY 18 or FY 19 for residents' health and safety

§§42-44, 47-48 -- RATE INCREASE FREEZES
This language tends to be included in the budget every year since rate increases are built into statute and need to be repealed to not increase appropriations.

§§ 42 & 43 — RESIDENTIAL CARE HOMES, COMMUNITY LIVING ARRANGEMENTS, AND COMMUNITY COMPANION HOMES
Freezes rates for certain facilities through FY 19

- Freezes rates at FY 16 levels through FY 19 for residential care homes, community living arrangements, and community companion homes that receive a flat rate from DSS for residential services
- State regulations permit these facilities to have their rates determined on a flat rate basis rather than on the basis of submitted cost reports (Conn. Agency Reg. § 17-311-54)

§ 44 — RESIDENTIAL CARE HOMES
Caps residential care home rates with certain exceptions

- Caps residential care home rates at FY 17 and FY 18 levels for FY 18 and FY 19, respectively, with an exception for residential care homes that receive certain proportional fair rent increases

- Allows DSS to provide the rate increases within available appropriations to homes with documented fair rent additions (1) placed in service in the cost report years ending September 30, 2016, and September 30, 2017, respectively and (2) that are not otherwise included in their rates

§ 47 — INTERMEDIATE CARE FACILITIES FOR INDIVIDUALS WITH INTELLECTUAL DISABILITIES

Caps rates for ICF-IDs at FY 17 levels for FYs 18 and 19, with certain exceptions

- Caps rates DSS pays ICF-IDs for FYs 18 and 19 at FY 17 levels
- Allows the state to pay a higher rate, within available appropriations, to facilities that make a capital improvement, approved by DDS in consultation with DSS, for residents' health or safety during FYs 18 or 19
- Extends, through FYs 18 and 19, a provision allowing the DSS commissioner to provide fair rent increases to facilities that (1) have an approved certificate of need and (2) undergo a material change in circumstance related to fair rent

§ 48 — DCF-LICENSED PRIVATE RESIDENTIAL TREATMENT FACILITIES

Suspends daily and other rate adjustments for FYs 18 and 19 for DCF-licensed private residential treatment facilities

- Freezes daily and other rate adjustments for DCF-licensed private residential treatment facilities in FYs 18 and 19

§ 49 — LIMIT ON NON-EMERGENCY ADULT DENTAL SERVICES

Caps payment for nonemergency dental services for adults to $1,000 per calendar year

- Establishes a cap on DSS' payment for nonemergency dental services for adults at $1,000 per calendar year per individual.
- Exempts medically necessary services, including dentures, from the cap

§ 50 — MEDICARE SAVINGS PROGRAM (MSP)

Reduces income eligibility for the Medicare Savings Program

- Lowers income eligibility for all three MSP tiers (as shown in table below) and makes conforming changes.
- MSP participants receive Medicaid-funded assistance with their Medicare cost sharing (e.g., premiums)

Table: MSP Eligibility Changes

MSP Program Tier	*Cost-Sharing Payments Covered*	*Current Law*		*Under the Bill*	
		Income Limit (% FPL)	*Annual Income Limit (Individual)**	*Income Limit (% FPL)*	*Annual Income Limit (Individual)**
Qualified Medicare Beneficiary Program (QMB)	● Medicare Part B Premium ● All Medicare deductibles ● Co-insurance	Less than 211%	$25,447	Less than 100%	$12,060
Specified Low-Income Medicare Beneficiary Program (SLMB)	● Medicare Part B Premium	211%-231%	$27,859	100% to 120%	$14,472
Qualified Individual (QI)	● Medicare Part B Premium	231%-246%	$29,668	120% to 135%	$16,281

*Income limits calculations are based on 2017 FPL values. FPL values change annually

§§ 51-54 — MEDICAID AND SPECIAL EDUCATION
Requires each local and regional board of education to enroll as a Medicaid provider, participate in DSS's Medicaid School Based Child Health Program, and submit billable service information to DSS

- Requires each local and regional board of education, by December 1, 2017, to (1) enroll as a medical assistance (e.g., Medicaid) provider, (2) participate in DSS's Medicaid School Based Child Health (SBCH) Program, and (3) submit billable service information electronically to DSS or its billing agent

- Allows any local or regional board of education to enter into an agreement with a third-party vendor to comply with these requirements
- Allows such third-party vendor agreements to provide that costs for the above services be paid from, and contingent on receipt of sufficient funds from, grants DSS makes under current law to local and regional boards of education based on Medicaid claims for special education services provided to students in the school district
- Requires, rather than allows, local and regional boards of education to determine a child's Medicaid enrollment status
- Requires planning and placement teams to comply with federal parental consent and written notification requirements prior to billing for services under the SBCH Program
- Requires private schools, hospitals, or other institutions that provide special education instruction under an agreement with a local or regional board of education to submit to the board all documentation required to submit claims to the SBCH Program

§ 55 — SPECIAL TRANSPORTATION FUND (STF)

Removes the requirement that remaining STF funds, after first being used for other specified obligations, pay for DSS' transportation to work program

- Under current law, remaining STF funds must be applied to (1) general obligation bonds issued for transportation projects, (2) budget appropriations for DOT and DMV, (3) DESPP motor patrol work, (4) DEEP boating regulation and enforcement and (5) the DSS transportation for employment independence program
- Removes the requirement that remaining STF funds pay for DSS' transportation program

§ 69 — YOUTH SERVICE BUREAU GRANTS

Expands youth service bureau grant eligibility to those bureaus that applied in FY 19 and met town contribution requirements

- Extends youth service bureau (YSB) grant eligibility to those YSBs that applied for a state grant during FY 17, with prior approval of the town's contribution (by law, a town must contribute an amount equal to the state grant amount)
- Specifies that the state grant amount of $14,000 is awarded to eligible YSBs within available appropriations
- Removes obsolete language from current law

§ 70 — SPECIAL EDUCATION COST MODEL TASK FORCE AND FEASIBILITY STUDY

Creates a task force to study the feasibility of forming a special education cost cooperative or other models to minimize volatility in municipal special education spending and costs

- Establishes a 12-member task force to conduct a feasibility study on alternative methods of funding special education and addressing the factors impacting the increasing cost and predictability of special education services
- Must:
  - examine a state special education predictable cost cooperative model or other alternative model and other models used in other states
  - report back to the Education and Appropriations committees by January 1, 2019 and terminate by that date

Cooperative Definition

- Defines “special education predictable cost cooperative” as a funding model that:
  - consists of several specified components designed to aggregate special education costs at the state level to compensate for local level volatility by a number of means, including providing predictability in special education costs to local and regional boards of education and maintaining current state special education funding, among others
  - is funded by a formula that consists of (1) a community contribution from each school district and (2) the state contribution funded by a reallocation of the excess cost grant and the special education portion of the education cost sharing grant, designed to (a) ensure that a school district's community contribution will be lower than its actual per pupil special education cost, (b) provide all school districts with some state support for special education services, and (c) reimburse school districts for 100% of their actual special education costs for each fiscal year

Study Requirements

- Requires the study to, at a minimum, address a number of specific areas including:
  - state and municipal funding for the possible models, including how towns contribute to the cooperative and how they are compensated for special education costs by the cooperative
  - an actuarial analysis of the cooperative model and other models
  - the legal status of the cooperative model and other models (i.e., state agency, quasi-public agency, not-for-profit organization, or private entity)
  - governance structure including a process for nominating members for the board of directors, and the accountability of the board to the participating towns and boards of education
  - staffing and funding sources for the cost of staff
  - funding sources analysis for necessary capital costs, including the impact on state special education funding if $50 million in state special education funding is used
  - implementation timeline including prerequisites such as the number of voluntarily participating towns necessary for the cooperative model and other models to function or whether participation should be mandatory

- legal analysis of the state and federal laws (including the Individuals With Disabilities Education Act, 20 USC 1400, et seq.) that could affect the model's creation and administration
- accountability to the General Assembly

Task Force Membership

- Must include the Office of Policy and Management secretary and the education commissioner, or their respective designees, plus representatives of the following organizations:
  - Connecticut Association of School Business Officials
  - Connecticut Association of Public School Superintendents
  - Connecticut Council of Administrators of Special Education
  - Connecticut Association of Boards of Education
  - Connecticut Captive Insurance Association
  - Connecticut Association of Schools
  - Connecticut Parent Advocacy Center
  - Connecticut Conference of Municipalities
  - RESC (Regional Educational Service Centers) Alliance and
  - a UConn Actuarial Science Program faculty member

Task Force Administration

- Must hold first meeting within 30 days after the section's effective date and elect a chairperson
- Must not cause any state agency to incur costs of more than $1,000, exclusive of costs associated with reimbursing any agency staff person for mileage expenses
- May receive funds from any not-for-profit organization or accept pro bono services from any public or private entity to conduct the feasibility study with help from the Office of Legislative Management

§§ 86-99 & 731 — DDS AS SUCCESSOR TO OPA'S INVESTIGATION OF ABUSE AND NEGLECT COMPLAINTS
Transfers to DDS, rather than the Department of Rehabilitation Services, oversight of claims of abuse or neglect of individuals with intellectual disability or clients of DSS's Division of Autism Spectrum Disorder Services and makes related changes

- By law, the Office of Protection and Advocacy for Persons with Disabilities (OPA) was eliminated as of July 1, 2017
  - Most of its functions were transferred to a nonprofit entity (Disability Rights Connecticut, Inc.) ("DRCT") designated by the governor to serve as the state's protection and advocacy system for individuals with disabilities
- Makes the Department of Developmental Services (DDS) the successor to OPA regarding investigations of alleged abuse or neglect of individuals (1) with intellectual disability or (2) who receive funding or services under DSS's Division of Autism Spectrum Disorder Services
  - Under current law, the Department of Rehabilitation Services (DORS) is the successor to OPA for this purpose; in practice, DDS has been performing these functions since March 2017 under a memorandum of understanding with DORS
- Requires the DDS commissioner to receive and investigate complaints from such individuals, their legal representatives, or other interested persons
- Makes various other conforming changes to the existing laws on such abuse investigations to effectuate the transfer of these responsibilities to DDS
- Allows the subject of such an investigation, his or her legal representatives, or other interested parties to contact DRCT with any concerns about the conduct of the investigation
- Prohibits the DDS commissioner from taking any action, or threatening to take any action, against any such person who contacts DRCT with such concerns
- Under current law, if an investigation determines that a person with intellectual disability was abused, the matter must be referred to a prosecutor and in some cases, immediately to the police; the bill extends these provisions to investigations of persons receiving services under DSS's Division of Autism Spectrum Disorder services
- Makes other minor and technical changes concerning the investigation process

§§ 100-105 — CRIMINAL JUSTICE INFORMATION SYSTEM (CJIS) GOVERNING BOARD

Transfers the board from OPM to DESPP for administrative purposes; requires DESPP to staff and supply the board and to provide certain information to people who request it

- Transfers the CJIS Governing Board, which oversees criminal justice information systems, from OPM to DESPP for administrative purposes only
  - Requires DESPP, rather than OPM, to provide office space and such staff, supplies, and services as the board's executive director needs to perform his duties, such as overseeing the design and implementation of a comprehensive statewide information system to share criminal justice information according to law
- Requires the DESPP commissioner, rather than the OPM secretary, to provide anyone who submits a Freedom of Information Act request for data from criminal justice agency information systems with the name and address of the agency where the data originated
- Also makes technical changes to the CJIS laws

§ 126 — HEALTH CARE PROVIDERS WITHOUT ELECTRONIC HEALTH RECORD SYSTEMS
Requires certain health care providers to be capable of transmitting secure messages that comply with national specifications published by the National Coordinator for Health Information Technology

- Existing law requires, no later than two years after the Statewide Health Information Exchange begins operation, each health care provider with an electronic health record system capable of connecting to and participating in the exchange to begin doing so
- The bill requires health care providers without an electronic health record system capable of connecting to and participating in the exchange to be capable of sending and receiving secure messages that comply with the Direct Project specifications published by the federal Office of the National Coordinator for Health Information Technology by the same deadline
- By law, an "electronic health record system" is a computer-based information system used to create, collect, store, manipulate, share, exchange, or make available electronic health records for the delivery of patient care

§ 131 — CHRONIC GAMBLERS TREATMENT AND REHABILITATION ACCOUNT
Requires MMCT to contribute $300,000 to the chronic gamblers treatment and rehabilitation account instead of the Connecticut Council on Problem Gambling

- The bill requires MMCT to contribute $300,000 annually to the chronic gamblers treatment and rehabilitation account

§ 135 — REMOVAL OF REQUIREMENT TO ADOPT REGULATIONS FOR LONG-TERM CARE FACILITY AUDITS
Removes a requirement that the DSS commissioner adopt regulations for provisions related to long-term care facility audits, nursing home temporary managers, and state-appropriated weatherization assistance

● Removes a requirement that the DSS commissioner adopt regulations related to the long-term care facility (including residential facilities for persons with intellectual disabilities) audit process, including the sampling methodologies used for such audits

§§ 138 & 139 — DECREASE IN ELIGIBILITY FOR HUSKY A
Lowers the income limit for HUSKY A parents and caretakers from 150% to 138% FPL and requires DSS to review eligibility for those who lose coverage

- By law, DSS provides Medicaid coverage to children younger than age 19 and their parents or caretaker relatives through HUSKY A
- Lowers HUSKY A eligibility by lowering the income limit for non-pregnant adults (i.e., parents or caretaker relatives) from 150% of the federal poverty level (FPL) ($30,630 for a family of three) to 133% FPL ($27,158.60 for a family of three)

- Federal law requires state agencies to include a 5% income disregard when making certain Medicaid eligibility determinations, so, under the bill and including this disregard, the HUSKY A income limit for parents and caretaker relatives is effectively 138% FPL
- Requires DSS to review whether those who lose eligibility under the bill qualify for Medicaid coverage under the same coverage group or a different coverage group before terminating their coverage

§ 140 — NONPROFIT COLLABORATION INCENTIVE GRANT PROGRAM
Eliminates annual solicitation requirements for nonprofit grant program

- Eliminates the annual requirement for the OPM secretary to publish a notice of funding availability and solicit proposals for funding under the nonprofit collaboration incentive grant program
- Under existing law, unchanged by the bill, eligible nonprofit organizations may apply for such funding at times and in a manner the OPM secretary prescribes
- By law, the program provides grants to nonprofit organizations for infrastructure costs related to the consolidation of programs and services resulting from the collaborative efforts of two or more such organizations

§ 141 — TWO-GENERATIONAL INITIATIVE
Makes the two-generational pilot program a permanent statewide initiative

- Replaces the Two-Generational School Readiness and Workforce Development Pilot Program, which expired on June 30, 2017, with a permanent statewide initiative to foster family economic self-sufficiency in low-income households through a comprehensive two-generational service delivery approach
- Expands the expired pilot program's scope and requires the initiative to promote systemic change to create conditions across local and state public sector agencies and the private sector to support early childhood care and education, health and workforce readiness, and self-sufficiency across two generations in the same household
- Establishes the initiative's learning communities in Bridgeport, Enfield, Greater Hartford, Meriden, New Haven, Norwalk, Waterbury, and Windham
- Replaces oversight by the interagency working group with an advisory council whose membership must include legislators, executive and judicial branch officials, representatives of the nonprofit and other sectors, and members of low-income households
- Designates the Office of Early Childhood (OEC) as the initiative's coordinating agency for the executive branch
- Requires the advisory council, by December 31, 2018, to report to the Appropriations, Education, Housing, Human Services, Public Health, and Transportation committees and establishes components of the report

§§ 143 & 144 — DCF MENTAL AND BEHAVIORAL HEALTH PLAN AND ADVISORY BOARD

Adds to entities DCF must consult when developing the children's mental, emotional, and behavioral health plan; requires DCF to submit recommendations to legislative committees on addressing children's mental health needs attributed to increased risk of involvement in the juvenile and criminal justice systems

- Adds children at increased risk of involvement with the juvenile justice system to the entities with which DCF must consult to develop a comprehensive implementation plan to meet children's mental, emotional, and behavioral health needs
- Adds to the plan's required strategies those that identify and address any increased risk of involvement in the juvenile and criminal justice system attributable to children's unmet mental, emotional, and behavioral health needs
- Requires DCF, by July 1, 2018 and in collaboration with the Children's Mental, Emotional, and Behavioral Health Plan Implementation Advisory Board, to submit to the Appropriations and Children's committees recommendations for addressing any unmet mental, emotional, and behavioral health needs of children attributable to an increased risk of involvement in the juvenile and criminal justice systems
- Requires that at least one of the DCF commissioner's four appointees to the Advisory Board must be a service provider to children involved with the juvenile justice system

§ 159 — MEDICAID WAIVERS AND AMENDMENTS NOTIFICATION

Requires DSS to report annually on potential Medicaid waivers and changes to the Medicaid state plan that may result in cost savings and narrows a legislative notification requirement

- Requires the DSS commissioner, annually by December 15, to notify the Appropriations and Human Services committees of potential Medicaid waivers and amendments to the Medicaid state plan that may result in state cost savings
- Under current law, if in developing the next FY's budget, the commissioner considers applying for a federal waiver or submitting a proposed amendment to the federal government, he must notify the Appropriations and Human Services committees
- The bill (1) narrows this requirement to apply to Medicaid waivers and Medicaid state plan amendments and (2) requires the commissioner to notify the committees before he submits the budget for legislative approval
- Existing law, unchanged by the bill, requires the DSS commissioner to submit applications for waivers and waiver renewals to the Appropriations and Human Services committees for approval before submitting them to the federal government

§ 164 — OFFICE OF HEALTH STRATEGY

Establishes an Office of Health Strategy to oversee specified health policy initiatives

- Establishes an Office of Health Strategy, led by an executive director appointed by the governor

- Office is within DPH for administrative purposes only
- On or before July 1, 2018, the office's duties include:
  - developing and implementing a comprehensive health care vision for the state, including a coordinated cost containment strategy;
  - overseeing the all-payer claims database (office serves as successor to Access Health CT for this purpose);
  - overseeing the State Innovation Model (SIM) initiative;
  - coordinating the state's health information technology initiatives;
  - overseeing the Office of Health Care Access; and
  - convening meetings with government and external stakeholders to discuss health care issues to develop health care cost and quality strategies
- Office also serves as a successor to the lieutenant governor's office as to certain other health policy-related duties

§ 166 — BIRTH-TO-THREE PROVIDER PENALTIES

Temporarily prohibits DSS from extrapolating overpayments or assessing penalties against Birth-to-Three early intervention providers

- Prohibits the DSS commissioner from extrapolating overpayments or assessing penalties against providers of Birth-to-Three early intervention services for errors made from November 1, 2017 to April 30, 2018 during the implementation of a fee-for-service payment methodology

§§ 174-177 — BACKGROUND CHECKS FOR CHILD CARE PROVIDERS AND EMPLOYEES

Requires the Office of Early Childhood commissioner to require, within available appropriations, comprehensive background checks of all prospective employees of child care center, group child care homes, family child care homes, and Care 4 Kids providers

- Requires the Office of Early Childhood (OEC) commissioner to require, within available appropriations, comprehensive background checks (that include state and national criminal history records checks already required by existing law) of:
  - prospective employees of child care centers and group child care homes
  - initial applicants and prospective employees of family child care homes (includes each household member who is 16 years of age or older)
  - Care 4 Kids providers
- Specifies that a prospective employee of a child care center or group child care home cannot have unsupervised access to children until the checks are completed and the OEC commissioner approves the hiring
- Requires the comprehensive background checks to be:
  - done at least once every five years
  - waived for any applicant who (1) is currently an employee or was an employee in the past 180 days at a Connecticut child care facility and (2) successfully completed such a check in the previous five years

- Gives the OEC commissioner the discretion to require a child care facility employee to submit to such a check more frequently than every five years
- Makes an additional change regarding background checks for Care 4 Kids providers by eliminating the criminal background check exemption for relatives participating in Care 4 Kids (the state's subsidized child care program) and subjects them to the comprehensive background check

§§ 182, 183 & 732 — DSS CERTIFICATE OF NEED (CON)

Makes changes to DSS CON requirements, such as requiring nursing homes, residential care homes, and ICF-IIDs to obtain a CON to relocate beds to a new or replacement facility and eliminating CON requirements for certain acquisitions of major medical equipment

Bed Relocations

- Requires nursing homes, residential care homes, and intermediate care facilities for individuals with intellectual disability (hereinafter, "facilities") to obtain a CON from DSS before relocating any of their licensed beds to a new or replacement facility
    - Specifies that DSS is not required to hold a public hearing on these CON applications, as it must currently do for applications proposing to terminate or significantly reduce a facility's total bed capacity

Capital Expenditures

- Eliminates the requirement that facilities obtain a CON from DSS when acquiring major medical equipment that requires a capital expenditure over $400,000
    - Also eliminates a corresponding requirement that such facilities obtain a CON from DPH when making such an acquisition of imaging equipment
- Existing law, unchanged by the bill, requires facilities to obtain a CON from DSS for capital expenditures exceeding (1) $1 million that increase the facility's square footage by the greater of 5% or 5,000 square feet or (2) $2 million

Exemption

- Exempts from DSS' CON requirements nursing homes that are associated with a continuing care facility (i.e., continuing care retirement facility) and do not participate in Medicaid

Repealer

- Repeals:

- a provision allowing the DSS commissioner to approve Medicaid bed relocations from a nursing home to a continuing care facility, if the relocation meets certain criteria (CGS § 17b-354b) and
- an obsolete provision allowing certain nursing homes to convert beds from an intermediate to a nursing level of care under certain conditions (CGS § 17b-354c)

§§ 187-199 — BEHAVIOR ANALYST LICENSURE

Subject to certain exemptions, requires behavior analysts to be licensed by DPH; establishes a General Fund account to contain such licensing fee revenue to cover the costs of collecting the fees

- Requires behavior analysts to be licensed by DPH
  - To obtain a license, an applicant must be (1) certified by the Behavior Analyst Certification Board (a national organization) or (2) eligible for licensure by endorsement
  - Sets a $350 license application fee and a $175 annual renewal fee
  - Establishes various exemptions from licensure, such as individuals who provide behavior analysis while acting within the scope of practice of their license and training, as long as they do not hold themselves out to the public as behavior analysts
- Eliminates current provisions on required qualifications for individuals providing applied behavior analysis as part of special education services for students with autism spectrum disorder
  - Instead, requires such individuals to be licensed or qualify under one of the bill's licensure exemptions, just like others providing behavior analysis
- Sets the grounds for disciplinary action against licensees
- Specifies that (1) no new regulatory board is created for behavior analysts and (2) assistant behavior analysts must work under a licensed behavior analyst's supervision. (By law, assistant analysts must be board certified.)
- Creates a separate, nonlapsing General Fund account to contain behavior analyst licensing fees, with the account to be used for covering the expenses incurred collecting the fees
- Makes technical and conforming changes, such as replacing references to “certified” behavior analysts with “licensed” behavior analysts in certain insurance statutes

§ 201 — HUSKY A COST SHARING

Prohibits cost-sharing requirements for preferred and medically necessary nonpreferred prescription drugs for HUSKY A parents and caretakers and adds reporting and notification requirements for cost-sharing for other Medicaid services for this group

- Prohibits DSS from imposing cost-sharing requirements on parents or needy caretaker relatives who receive Medicaid under HUSKY A for purchasing prescription drugs on the preferred drug list
- Prohibits DSS from imposing cost-sharing for nonpreferred prescription drugs if a physician certifies the nonpreferred drug is medically necessary
- Requires the DSS commissioner to notify the Human Services Committee and affected HUSKY A parents and caretakers 30 days before imposing a cost sharing requirement on a HUSKY A parent or caretaker for nonpreferred drugs or other Medicaid services
    - Also requires the commissioner to notify affected parents and caretakers that they will not be denied Medicaid service for inability to meet the cost sharing requirement
- If DSS imposes a cost-sharing requirement on HUSKY A parents or caretakers, requires DSS to report quarterly to the Human Services committee on any:
    - decrease in the number of visits to Medicaid providers made by affected parents or caretakers compared to the same time period before DSS imposed the cost-sharing requirement and
    - difference in the average number of visits to Medicaid providers made by affected parents or caretakers compared to other Medicaid recipients of comparable health not subject to a cost-sharing requirement

§§ 202 & 203 — INSURANCE COVERAGE FOR MENTAL OR NERVOUS CONDITIONS

Repeals the requirement that health insurance policies cover specified services related to mental and nervous conditions

- Eliminates the requirement that certain individual and group health insurance policies cover specified services related to mental and nervous conditions (and, therefore, the state's requirement to pay for them)
    - These services were new mandates imposed effective January 1, 2017 under PA 15-5, June Special Session
    - The state is required to pay for these new mandates under the Affordable Care Act because they exceed the federal essential health benefit requirements
- Specifically, repeals provisions requiring insurers to cover the following:
    - evidence-based maternal, infant, and early childhood home visitation services designed to improve health outcomes for pregnant women, postpartum mothers, and newborns and children, including maternal substance use disorders or depression and relationship-focused interventions for children with mental or nervous conditions or substance use disorders
    - intensive, family- and community-based treatment programs that focus on environmental systems impacting chronic and violent juvenile offenders
    - other home-based therapeutic interventions for children
    - chemical maintenance treatment (i.e., when a person is admitted for the planned use of a prescribed substance under medical supervision)
    - extended day treatment programs for children or youth with emotional disturbance, mental illness, behavior disorders, or multiple disabilities

- Applies to individual and group health insurance policies issued, delivered, renewed, amended, or continued in Connecticut that cover (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; or (4) hospital or medical services, including those provided through an HMO

§ 205 — PROHIBITION ON REQUIRING CASH-ONLY BAIL

Bars courts from requiring cash-only bail for all crimes, not just certain crimes as under current law

- PA 17-145 bars courts from requiring cash-only bail for certain crimes; this provision did not apply to certain serious crimes
- Bill extends this provision to all crimes, thus prohibiting courts from requiring cash-only bail

§ 208 — YOUTH SERVICES GRANTS

Appropriates funds, for FYs 18 and 19, to the Judicial Branch for specified youth services grants

- Appropriates $3,187,174 annually for FYs 18 and 19 to the Judicial Branch for Youth Services Prevention
- Appropriates $3,079,996 of that amount for specific grants to certain specified organizations
- For a breakdown of these grants, please see the addendum at the end of this document.

§ 212 — PERFORMANCE-INFORMED BUDGETING

Requires the governor and the legislature, in developing each biennial budget, to consider performance-informed analyses submitted by selected budgeted agencies

- Requires the legislature to identify at least one budgeted agency for each biennium, beginning July 1, 2017, to transmit specified information and analyses for a performance-informed budget review for the next biennium
- The Office of Fiscal Analysis (OFA) must provide technical support in identifying the agency or agencies
- “Performance-informed budget review” means consideration by the legislature and governor when developing a budget of an analysis by a budgeted agency of each program it administers, including information and analyses the bill specifies, such as program goals, fiscal and staffing data, the populations served, the amount of service provided and its effectiveness, the measurable impact on service recipients' quality of life, and any recommendations to improve the program's performance
- By October 1, 2018, and each October 1 of every even-numbered year thereafter, the administrative head of the agency or agencies selected in the immediately preceding biennium must transmit the required information to the (1) OPM secretary, (2) Appropriations Committee (through OFA), (3) Finance, Revenue and Bonding Committee and (4) relevant committee of cognizance. He or she must do so using the results-based format developed by the Appropriations Committee's accountability subcommittee

- The governor and legislature must consider this information and analysis in developing biennial budgets, and a public review of the reports transmitted by each agency must be incorporated into the budget hearing process conducted by the relevant subcommittees of the Appropriations Committee
- Creates a joint bipartisan subcommittee on performance-informed budgeting consisting of seven members each from the Finance, Revenue and Bonding and Appropriations committees, and specifies the appointing authorities, terms, and how chairpersons are chosen.

§ 213 — MEDICAID FUNDING FOR FAMILY PLANNING
Allows DSS, with legislative approval, to offset federal funding reductions for family planning services and supplies

- Allows the DSS commissioner to offset any federal funding reductions for providers or recipients of family planning services and supplies under Medicaid
    - Applies to (1) services otherwise covered under the state's medical assistance program and (2) providers who otherwise meet DSS requirements for participation and enrollment in the state's medical assistance program
- The legislature must approve this use of state funds in a vote scheduled within 90 days following the commissioner's notice of a federal funding reduction

§ 214 — ARTWORK IN STATE BUILDINGS
Prohibits, for two years, the state bond commission from allocating a portion of bond proceeds for art work in state building projects

- Prohibits, from January 1, 2018 to January 1, 2020, the state bond commission from allocating, for the purchase of artwork, bond proceeds for constructing, reconstructing, and remodeling state buildings
- Current law requires that the state bond commission allocate at least 1% of bond proceeds for artwork in state building projects
- Applies the prohibition to projects commenced on or after January 1, 2018 to January 1, 2020

§ 218 — FOUR-YEAR TERM LIMIT ON FUTURE SEBAC AGREEMENTS
Limits future SEBAC agreements to four-year terms

- Starting on June 30, 2027, prohibits SEBAC agreements from having a term of more than four years
- By law, the state must negotiate state employee pension and healthcare benefits with a coalition committee that represents all unionized state employees (i.e., SEBAC - the State Employee Bargaining Agent Coalition)

§ 222 — INTELLECTUAL DISABILITY PARTNERSHIP
Requires the Intellectual Disability Partnership to form an advisory committee and makes related changes

- PA 17-61 allowed the DDS commissioner, in collaboration with the OPM secretary and DSS commissioner, to organize and participate in an Intellectual Disability Partnership
- The bill specifies that the commissioners and secretary may designate others to do so in their place
- Requires the partnership to form an advisory committee
- Requires (1) the advisory committee, rather than the partnership, to include broad and diverse representation from families, providers, and advocates and (2) DDS to post online the meetings, agendas, and minutes of the advisory committee rather than the partnership

§ 248 — PRISON HEALTH CARE RFI PROGRESS REPORT
Requires DOC and OPM to submit a progress report to the legislature on a request for information to develop options for providing inmate medical services

- PA 15-1, December Special Session (§ 20) required the Department of Correction (DOC) commissioner and the OPM secretary to issue a request for information (RFI) on inmate medical services options available to the state and the associated costs of such services
- The bill requires DOC and the secretary, by February 1, 2018, to submit a progress report to the legislature on the RFI
- Currently, UConn's Correctional Managed Health Care division provides such services to inmates, under a memorandum of agreement with DOC

§ 249 — REDUCTIONS FOR MUNICIPAL HEALTH DEPARTMENTS AND HEALTH DISTRICTS
Requires DPH to reduce payments to municipal and district health departments in FY 19

- Requires DPH, on a pro rata basis, to reduce payments to municipal and district health departments by a total of $504,218 for FY 19
- By law, to qualify for such funding, among other requirements, (1) municipalities must have a full-time health department and a population of at least 50,000 and (2) health districts must have a total population of at least 50,000 or serve three or more municipalities

§ 250 — FISCAL STABILITY AND ECONOMIC GROWTH COMMISSION
Establishes a 14-member commission to develop and recommend policies to achieve state government fiscal stability and promote economic growth and competitiveness

- Establishes a 14-member Commission on Fiscal Stability and Economic Growth
- Requires the commission to develop and recommend policies to (1) achieve state government fiscal stability and (2) promote economic growth and competitiveness in Connecticut
  - Specifies that it study and make recommendations on state revenues, tax structures, spending, debt, administrative and organizational actions, and related activities, including relevant municipal activities

- Specifies that the purpose of the study and recommendations is to (1) achieve consistently balanced and timely budgets that support family and business interests and revitalizing major cities and (2) materially improve the state's attractiveness for businesses and residents
- Provides that the commission's members include six appointed by the legislative leaders and eight appointed by the governor, all to be made within 30 days after the bill's passage
    - Limits commission members to those with expertise in public finance, economic growth and development, job creation, or public administration
    - Prohibits appointment of current public officials
    - Requires appointing authorities to try to coordinate appointments so to have policy balance and diversity
    - Specifies that any vacancy is to be filled by the appointing authority
    - Requires the governor to select the commission's chairpersons from among the members
    - Requires appointees to abide by Connecticut ethics laws for public officials and prohibits members from receiving compensation for serving on the commission
- Requires the commission's chairpersons to schedule and hold the commission's first meeting within 40 days after the bill's passage
    - Requires the OPM secretary and DECD commissioner to (1) provide staff for the commission and (2) each designate at least one staff member to attend the commission's meetings
    - Requires the legislature's four caucuses, the treasurer, the comptroller, and the attorney general to each appoint a staff member to (1) attend commission meetings if asked and (2) inform their respective agencies about the commission's activities
- Authorizes the commission to ask any state office, department, board, commission, or other agency to provide information and assistance as may be needed or appropriate to fulfill its tasks
- Requires the commission to hold at least one public hearing on its proposals
- Requires the commission, by March 1, 2018, to report to the governor, the legislature, and the Appropriations; Commerce; Finance, Revenue and Bonding; and Planning and Development committees on its findings and recommendations
    - Requires the commission to end on the later of when it submits its report or March 1, 2018
- Requires the Appropriations; Commerce; Finance, Revenue and Bonding; and Planning and Development committees to hold a joint public hearing or individual public hearings on the commission's report by March 30, 2018
- Requires, during the 2018 regular session, (1) at least one of the above legislative committees to introduce, hold a public hearing on, and report out at least one bill with the report's recommendations that are relevant to the committee's cognizance and (2) the legislature to hold a vote on the bill (it is unclear whether this provision is enforceable against future legislatures)

§ 251 — YOUTH EMPLOYMENT AND TRAINING FUNDS
Allocates Youth Employment Program funds

- For FY 18, allocates funds from the Youth Employment Program administered by the Connecticut Department of Labor as follows:
    - $150,000 to the City of Hartford Department of Families, Children, Youth and Recreation
    - $350,000 to the Capital Region Workforce Investment Board
    - $500,000 to the Wilson-Gray YMCA

§§ 261 & 262 — TORRINGTON DSS PILOT PROJECT

Allows DSS to establish a pilot project involving relocating certain department staff to the Torrington community action agency

- Allows the DSS commissioner to establish a 12-month pilot project in partnership with Torrington's community action agency (CAA) to provide streamlined social services to assist eligible, low-income persons to achieve economic independence
    - Defines an "eligible, low-income person" as a person who qualifies for assistance from DSS or a community action agency
    - Under the bill and existing law, a "community action agency" has been designated and authorized to accept funding from the state under the Community Services Block Grant
- Requires that the project include locating, as determined by the department, certain DSS staff from the Torrington office at the Torrington CAA to provide on-site eligibility determinations for DSS-administered assistance programs.
    - Prohibits the DSS commissioner from reducing staff in this transfer
- Requires the Torrington CAA to coordinate community-wide case conference meetings of service providers to address systemic barriers to economic independence faced by eligible low-income people
- Requires the DSS commissioner, in consultation with the Torrington CAA, to report on the pilot project to the Human Services Committee by January 1, 2019, and establishes components of the report
- Appropriates $100,000 to DSS, for FY 18, for rental and overhead expenses associated with relocating DSS staff and for additional costs related to the pilot project
    - Prohibits the governor from reducing any FY 18 allotment for DSS that results in the early termination of the pilot project

§§ 278-319 & 732 — STATE DEPARTMENT ON AGING (SDA) CONSOLIDATION

Consolidates the state Department on Aging (SDA) within the Department of Social Services (DSS); transfers the Long-Term Care Ombudsman Program from SDA to OPM

- Consolidates SDA within DSS and authorizes the governor, with the Finance Advisory Council's approval, to transfer funds between SDA and DSS during FY 18

- Transfers various responsibilities from SDA to DSS, such as (1) serving as the state's designated “state unit on aging” under the federal Older American's Act and administering related programs; (2) administering fall prevention, elderly nutrition, and Medicare counseling programs; and (3) overseeing municipal agents for the elderly
- Transfers the Long-Term Care Ombudsman program from SDA to OPM
- Makes any SDA order or regulation in force upon the bill's passage effective until amended, repealed, or superseded by law
- Revises the membership of various boards and commissions to conform with these changes
- Authorizes the Legislative Commissioners' Office to make technical changes to codify these changes in statute

§§ 321-323 — DELINQUENCY COMMITMENTS AND JUVENILE JUSTICE SERVICES
Prohibits courts, on or after July 1, 2018, from committing children adjudicated delinquent to DCF; establishes transition period during which the Judicial branch may place a child adjudicated delinquent in DCF congregate care or order DCF services; requires the Judicial Branch to expand its juvenile justice services

- For the purposes of these sections, a child is generally a person (1) under age 18 or (2) over age 18 but who allegedly committed a delinquent act when he or she was under age 18
- On and after July 1, 2018, generally prohibits courts from committing children convicted as delinquent to DCF as a result of such conviction (except as noted below)
- In addition to the orders and conditions the court may include when sentencing such a child to probation under existing law (e.g., community service or drug testing), allows the court to include a period of placement in a secure, limited secure, or nonsecure residential facility
- Requires the Judicial Branch to expand its contracted juvenile justice services to include a comprehensive system of graduated responses with an array of services, sanctions, and secure placements available for the court, juvenile probation officers, and other Court Support Services Division (CSSD) staff to use to provide individualized supervision, care, accountability, and treatment to any child convicted as delinquent
    - Requires the court, probation officers, and CSSD staff to apply such services and sanctions and make such a secure placement in a way consistent with public safety and deterrence
- Establishes a transitional period, from July 1, 2018 to no later than January 1, 2019, during which the Judicial Branch may place a child convicted as delinquent in a DCF-operated congregate care setting or order him or her to receive community-based DCF services, if DCF operated the setting or provided such services to delinquent children before July 1, 2018
    - Requires DCF to enter into an agreement with the Judicial Branch to allow the use of such settings and services
    - Under the agreement, the Judicial Branch must pay DCF for the costs of the settings and services

§ 332 — LEGISLATIVE APPROVAL OF STATE EMPLOYEE COLLECTIVE BARGAINING AGREEMENTS
Requires the legislature to affirmatively vote in order to approve state employee collective bargaining agreements and arbitration awards; establishes caps on the time allowed to debate approval; revises the process that occurs after the legislature rejects an agreement or award

- Requires the legislature to affirmatively vote in order to approve state employee collective bargaining agreements and arbitration awards
- They must do so within 30 days after the agreements or awards are filed or submitted to legislature (under current law, the agreements and awards are deemed approved if the legislature fails to vote to approve to reject them this timeframe)
- Limits the time allowed to debate a resolution to approve or reject an agreement or award
  - If the debate occurs during the first 27 days of the 30-day deadline, each chamber may allow no more than six total hours of debate, with those in favor and those opposed each allocated up to three hours to speak
  - If the debate occurs during the last three days of the 30-day deadline, each chamber may allow up to four total hours of debate, with those in favor and those opposed each allocated up to two hours to speak
  - A vote must be taken at the end of the debate
- Requires arbitration, rather than further negotiating, for awards and agreements that the legislature rejects as follows:
  - a rejected arbitration award must return to arbitration; an award from a subsequent arbitration is automatically deemed approved by legislature
  - a rejected collective bargaining agreement goes to arbitration and the subsequent arbitration award must be submitted to the legislature; if rejected, the award goes to further arbitration; an award from this further arbitration is automatically deemed approved by the legislature

§ 389 – NONPROFIT GRANT PROGRAM BOND AUTHORIZATION
This section authorizes bond funding for the Nonprofit Grant Program

- Sec. 389 authorizes $25 million in bonds for the Nonprofit Grant Program

§§ 558 & 572 — HOME HEALTH CARE ADD-ON PAYMENTS
Allows DSS to eliminate home health care add-on payments for FYs 18 and 19, conforming to current practice

- Allows the DSS commissioner to eliminate home health care add-on payments for FYs 18 and 19
- In practice, DSS has already eliminated such payments
- By law, the commissioner can provide the payments to home health care agencies and homemaker-home health aide agencies that apply with evidence of extraordinary costs related to (1) serving people with AIDS, (2) high-risk maternal and child health care, (3) escort services, or (4) extended-hour services

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§ 568 — EVEN START AND TWO-GENERATIONAL INITIATIVE
Integrates Even Start, a family literacy program, into OEC's two-generational initiative

- Specifies the intention to integrate Even Start into the coordinating state planning and implementation of OEC's state-wide two-generational initiative

§ 569 — STATE SUPPLEMENT PROGRAM (SSP)
Extends the freeze on SSP benefits for FYs 18 and 19 and eliminates a requirement that DSS, when determining SSP eligibility and benefits, annually increase the income disregard based on SSI COLAs

- Eliminates a requirement that the DSS commissioner annually increase the amount of unearned income he disregards when determining eligibility and benefits for SSP
    - Under current law, the commissioner must increase the disregard by the amount of the annual cost-of-living adjustment (COLA), if any, provided to Supplemental Security Income (SSI) recipients
- Extends the current freeze on SSP payment standards for the next two fiscal years (FYs 18 and 19)
    - The law generally requires the commissioner to annually increase SSP payment standards based on the consumer price index for urban consumers (a measure of inflation) within certain parameters
- Generally, under SSP, DSS provides cash assistance to supplement federal SSI payments

§ 626 — FILM AND DIGITAL MEDIA PRODUCTION TAX CREDITS
Permanently bars the issuance of film and digital media tax credits to certain motion pictures; allows the credits to be used against the gross receipts tax on cable, satellite, and competitive video services

- Restores and makes permanent the moratorium on issuing film and digital media production tax credits to certain motion pictures
    - Prior moratorium expired on July 1, 2017
    - Moratorium does not apply to motion pictures that conduct at least 25% of their principal photography days in a Connecticut facility that receives at least $25 million in private investment and opens for business on or after July 1, 2013
- Starting January 1, 2018, allows credits to also be claimed against the gross receipts tax on cable, satellite, and competitive video services
- Under current law, credits may only be claimed against the insurance premium and corporation business tax
- Limits the extent to which transferred credits may be claimed against the gross receipts tax on cable, satellite, and competitive video services as follows:
    - For the income year beginning on or after January 1, 2018, transferred credits may be claimed against such tax (1) only if there is common ownership of at least 50% between the transferor and transferee and (2) at 92% of face value

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    - For income years beginning on or after January 1, 2019, transferred credits may be claimed against such tax (1) at 92% of face value if there is at least 50% common ownership between the transferee and transferor or (2) at 95% of face value if transfer is to another taxpayer

§§ 637 & 639 — TOURISM FUND
Establishes a tourism fund and capitalizes it by transferring 10% of the room occupancy tax

- Establishes a separate and nonlapsing tourism fund and capitalizes it with 10% of the revenue generated by the room occupancy tax
- Requires the revenue services commissioner to deposit 10% of the revenue generated by the room occupancy tax in the fund
- The fund must also contain any other money the law requires to be deposit in the fund

§ 644 — PROPERTY TAX CREDIT
Limits eligibility for the property tax credit against the personal income tax to seniors and taxpayers with dependents for the 2017 and 2018 tax years

- For the 2017 and 2018 tax years, limits eligibility for the property tax credit against the personal income tax to people who (1) are age 65 or older before the end of the applicable tax year or (2) validly claim at least one dependent on their federal income tax return for that year

§ 645 — EARNED INCOME TAX CREDIT (EITC)
Reduces the EITC from 30% to 23%

- Reduces the EITC from 30% to 23%
- EITC was temporarily reduced to 27.5% for the 2014 through 2016 tax years, but under current law returns to 30% beginning with the 2017 tax year

§ 646 — NEIGHBORHOOD ASSISTANCE ACT (NAA) TAX CREDIT
Lowers, from $10 million to $5 million, the annual cap on NAA tax credits

- Lowers the annual aggregate NAA tax credit cap from $10 million to $5 million
- Cap was increased from $5 million to $10 million in PA 15-5, June Special Session, but the increase did not go into effect until July 1, 2017

§ 662 — CONNECTICUT TELEVISION NETWORK (CT-N) REDUCTION
Reduces by half the amount of specified tax revenue that must be reserved for CT-N

- Reduces, from $3.2 million to $1.6 million, the amount of revenue that is reserved for CT-N from the gross receipts tax on cable, satellite, and competitive video services companies

§ 666 — CRIMINAL HISTORY RECORD CHECK FEE INCREASES

Increases fees for certain criminal history record-related searches

- Increases, from $50 to $75, the fees for the following criminal history record searches: fingerprint, personal record, letters of good conduct, bar association, and criminal history record information

§§ 681-698 — TRANSFERS TO GENERAL FUND

Transfers funds from various sources to the General Fund for FY 18 and FY 19

- Transfers money to the General Fund from various sources in FY 18 and FY 19, as shown in the table below
- Requires the Comptroller, after the accounts for FY 18 are closed, to credit $17,800,000 of the unappropriated surplus to the General Fund for FY 19 (§ 698)

Table: Transfers to the General Fund

§	*Source*	*Amount*	
		FY 18	*FY 19*
681	School Bus Seat Belt Account	$2,000,000	$2,000,000
682	Regional Greenhouse Gas Account	10,000,000	10,000,000
683	Energy Conservation and Loan Management Fund	63,500,000	63,500,000
684	Consumer Counsel and Public Utility Control Fund	2,500,000	----
685	Clean Energy Fund	14,000,000	14,000,000
686	State of Connecticut Health and Educational Facilities Authority	900,000	900,000

687	State Banking Fund	11,200,000	9,200,000
688	Emissions Enterprise Fund	1,500,000	----
689	Technical Services Revolving Fund	3,000,000	----
690	Correctional Commissaries Account, Department of Correction	1,000,000	----
691	Correctional Industries Account, Department of Correction	1,000,000	----
692	Ed-Net Account	1,000,000	----
693	Probation Transition-Technical Violation Account, Judicial Department	8,300,000	----
694	Tobacco Litigation Settlement Account, OPM	5,000,000	----
695	Judicial Data Processing Revolving Fund	100,000	100,000
696	Passport to the Parks Account	2,600,000	5,000,000
697	Community Investment Account	5,000,000	5,000,000

§§ 704, 707, 708 & 729 — BUDGET RESERVE FUND TRANSFERS

Diverts specified income tax revenue exceeding a $3.15 billion threshold to the Budget Reserve Fund; increases the BRF's maximum balance, from 10% to 15% of net General Fund appropriations and expands its allowable uses; repeals provisions, currently scheduled to take effect July 1, 2019, establishing a mechanism for diverting to the BRF projected surpluses in certain revenue

- Requires the state treasurer to transfer, to the Budget Reserve Fund (BRF), revenue the state receives each fiscal year in excess of $3.15 billion from personal income tax estimated and final payments (i.e., the income tax revenue generated from taxpayers who make estimated income tax payments on a quarterly basis)
- Requires consensus revenue estimates, beginning with those due by November 10, 2017, to include a line item, designated as the volatility adjustment, reflecting this estimated transfer (consensus revenue estimates are the basis for the governor's proposed budget and the revenue statement included in the budget act the legislature passes)

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- Requires, beginning in FY 18, that consensus revenue estimates and the revenue statement included in the state budget act itemize the withholding, estimated, and final payment components of personal income tax revenue; By law, a similar requirement applies beginning in FY 20 as part of a revenue volatility mechanism the bill repeals (see below)
- Increases the BRF's maximum balance from 10% to 15% of net General Fund appropriations for the current fiscal year; Repeals a provision scheduled to take effect July 1, 2019, that increases the maximum balance to 15% or more of such appropriations
    - Under current law, once the BRF reaches the maximum, any remaining surplus is deemed appropriated for (1) reducing the unfunded liability of the State Employee Retirement Fund by up to 5% and (2) paying off outstanding state debt
    - Bill instead requires the treasurer to transfer any remaining surplus, as she determines to be in the state's best interests, for reducing either the State Employee Retirement Fund's or Teachers' Retirement Fund's unfunded liability by up to 5%
    - Any remaining surplus funds may be used to make additional payments to either retirement system, as the treasurer determines to be in the state's best interests, in addition to paying off other forms of outstanding state debt specified under current law
    - Authorizes the legislature to transfer funds from the BRF to pay unfunded pension liabilities when the fund's balance equals 5% or more of net General Fund appropriations for the current fiscal year; allows it to transfer funds above the 5% threshold amount to either retirement system, as it determines to be in the state's best interests, in consultation with the treasurer
- Expands the purposes for which the legislature may transfer funds from the BRF to the General Fund
    - If any consensus revenue estimate for the current biennium projects a decline in General Fund revenue for the current biennium of at least 1% from the total amount of General Fund revenue on which the budget act (or any adjusted appropriation and revenue plan) was based, the legislature may transfer funds from the BRF to the General Fund at any time during the remainder of the current biennium
    - If any April 30 consensus revenue estimate projects a decline in General Fund revenue in either year or both years of the subsequent biennium of at least 1% from the total General Fund appropriations for the current year, the legislature may transfer funds from the BRF to the General Fund in the fiscal year for which the deficit is projected
    - As under existing law, BRF funds are deemed appropriated in any fiscal year in which the comptroller has certified a deficit for the immediately preceding fiscal year
- Repeals provisions in current law, effective July 1, 2019, establishing a mechanism for diverting to the BRF projected surpluses in (1) corporation income tax and (2) personal income tax estimated and final payments; the mechanism requires mid-year diversions of these revenues, based on a threshold level calculated using the average revenue from these two sources over 10 years
    - In eliminating this volatility mechanism, the bill repeals a number of related provisions that are also scheduled to take effect July 1, 2019; these provisions generally concern the calculation and reporting of the threshold level and BRF deposits, as well as the use of funds in the BRF

§ 705 — CAP ON GENERAL FUND AND SPECIAL TRANSPORTATION FUND APPROPRIATIONS

Beginning FY 20, imposes a new cap on General Fund and STF appropriations, but allows the General Assembly to exceed it under certain circumstances

- In addition to the existing statutory spending cap, the bill imposes a new cap on General Fund and Special Transportation Fund (STF) appropriations beginning in FY 20, but allows the General Assembly to exceed it under certain circumstances
  - Prohibits the General Assembly from authorizing General Fund and STF appropriations for any fiscal year that, in the aggregate, exceed a specified percentage of the estimated revenues included in the budget act (i.e., the statement of estimated revenues, supplied by the Finance, Revenue and Bonding Committee, that is based on the most recent consensus revenue estimates); the below table lists the specified percentages:

Table: Cap on General Fund and STF Appropriations

FY	***Percentage of Estimated Revenue***
20	99.5%
21	99.25
22	99.0
23	98.75
24	98.5
25	98.25
26 and thereafter	98.0

  - For example, for FY 20, the bill caps the total amount of General Fund and STF appropriations at 99.5% of estimated General Fund and STF revenue
- General Assembly may authorize General Fund and STF appropriations for any fiscal year that, in the aggregate, exceed the percentage of estimated revenues specified above if either of the following conditions is met:
  - (1) the governor declares an emergency or the existence of extraordinary circumstances, specifying the nature of the emergency or circumstances; (2) at least three-fifths of the members of each chamber of the General Assembly vote to exceed the percentage for the emergency or circumstances; and (3) the appropriation is limited to the fiscal year in progress; or

- The General Assembly approves the appropriation, by majority vote, for an adjusted appropriation and revenue plan

§ 706 — BOND COVENANT TIED TO BRF, SPENDING CAP, AND GO BOND CAP LAWS
Requires certain state bonds to include a pledge to bondholders that the state will comply with the BRF law, spending caps, and GO and credit revenue bond caps, except under limited circumstances

- For each fiscal year during which state general obligation (GO) or credit revenue bonds issued from May 15, 2018 to June 30, 2020, are outstanding, expressly requires the state to comply with the following requirements in the bill and existing law:
    - BRF law, as amended by the bill (§ 704)
    - Cap on General Fund and STF expenditures in effect as of the bill's effective date (§ 705)
    - Statutory spending cap, as amended by the bill (§ 709)
    - Caps on GO and credit revenue bond authorizations, allocations, issuances, and expenditures, as established by the bill (§§ 710-712)
- Also requires, for such bonds issued during this timeframe, that the treasurer include a pledge to bondholders that the state will not enact any laws taking effect from May 15, 2018 to June 30, 2028, that change the state's obligation to comply with the laws listed above until the bonds are fully paid off, unless the following conditions are met:
    - bondholders are protected in another way or
    - (1) the governor declares an emergency or the existence of extraordinary circumstances in which he invokes the statute allowing him at his discretion, and requiring him whenever the comptroller projects a General Fund budget deficit greater than 1%, to reduce appropriated accounts by up to 5% and total fund appropriations by up to 3% (CGS § 4-85), (2) at least three-fifths of the members of each house of the General Assembly approve the change in compliance, and (3) the change is limited to the fiscal year in progress
- Under the bill, the pledge must apply for 10 years from the bonds' first issuance date, but not to refunding bonds issued to pay the original bonds

§ 709 — STATUTORY SPENDING CAP DEFINITIONS
Modifies definitions used to calculate the state's statutory spending cap and requires a base adjustment under certain circumstances

- Existing statutory spending cap bars the legislature from authorizing an increase in “general budget expenditures” for any fiscal year that exceeds the greater of the “increase in personal income” or “increase in inflation,” unless (1) the governor declares an emergency or the existence of extraordinary circumstances and (2) at least three-fifths of each house of the legislature approves the extra expenditure for those purposes (CGS § 2-33a)
- Current law defines the “increase in personal income” as the state's average annual increase in personal income for the preceding five years, based on United States Bureau of Economic Analysis data; bill instead defines it as the compound annual growth rate of the personal income in the state over the preceding five calendar years

- Bill excludes food and energy items from the consumer price index for urban consumers (CPI-U) used to calculate the “increase in inflation,” and requires it to be calculated on a calendar year basis (December over December basis)
- Modifies the definition of “general budget expenditures” by:
  - Eliminating the exclusion for statutory grants to distressed municipalities if the grants were in effect on July 1, 1991
  - Excluding expenditures of federal funds granted to the state or state agencies
  - Requiring expenditures for federal programs in which the state is participating as of the bill's passage and receiving federal matching funds to be subject to the cap; Expenditures for such programs in which the state begins participating after the bill's passage are excluded from the cap for the first fiscal year in which they are authorized, but must be considered general budget expenditures for that year for purposes of determining the following year's general budget expenditures
- Temporarily excludes from the cap certain payments for unfunded pension liabilities
  - For FYs 18 through 22, excludes annual expenditures for the portion of the actuarially determined employer contribution (ADEC) representing the unfunded liability for that fiscal year for any retirement system or alternative retirement program administered by the State Employees Retirement Commission, other than the teachers' retirement system
  - For FYs 18 through 26, excludes annual expenditures for the portion of the ADEC representing the unfunded liability for that fiscal year for the teachers' retirement system
- Requires that a base adjustment be made in any fiscal year in which an expenditure's funding source is converted, from the previous fiscal year, from (1) an appropriation to state bonding, a revenue intercept, or a nonappropriated source, or (2) any of these three funding sources to an appropriation

§§ 710-712 — CAP ON GENERAL OBLIGATION (GO) AND CREDIT REVENUE BOND ALLOCATIONS, ISSUANCES, AND SPENDING
Imposes caps on the amount of GO and credit revenue bonds (1) the State Bond Commission may allocate each calendar year starting January 1, 2017; (2) the treasurer may issue each fiscal year starting July 1, 2018; and (3) for which the governor may approve allotment requisitions in any fiscal year

- Imposes caps on GO and credit revenue bond allocations, issuances, and spending, with certain exclusions
  - Beginning January 1, 2017, imposes a $2 billion aggregate cap on the amount of GO and credit revenue bonds the State Bond Commission may authorize (i.e., allocate) in any calendar year (allocation cap)
  - Beginning July 1, 2018, imposes a $1.9 billion aggregate cap on the amount of GO bonds or notes and credit revenue bonds the treasurer may issue in any fiscal year (issuance cap)
  - Prohibits the governor from approving allotment requisitions (i.e., expenditures) that would result in the issuance of more than $1.9 billion in GO bonds or notes or credit revenue bonds in any fiscal year (spending cap)
- Excludes from the issuance and spending caps bonds issued as part of the Connecticut State University 2020 or UConn 2000 infrastructure programs

- Requires the caps to be annually adjusted for inflation (based on the change in the consumer price index for all urban consumers for the preceding calendar year, less food and energy)
- Annually, beginning by January 1, 2018, requires the treasurer to provide the governor with a list of allocated but unissued bonds (i.e. bonds authorized by the legislature and allocated by the State Bond Commission, but not yet issued by the treasurer); requires the governor to post the list on the Governor's office webpage
- Beginning by April 1, 2018, requires the governor annually to provide the treasurer with a list of GO and credit revenue bond expenditures of up to $1.9 billion that can be made on the following July first; requires him to post the list on the Governor's office website
- Existing law, unchanged by the bill, limits the total amount of General Fund-supported state debt the legislature can authorize to 1.6 times the estimated net General Fund tax receipts for the fiscal year of the authorization (CGS § 3-21)

Addendum

§ 208 — YOUTH SERVICES GRANTS

Appropriates funds, for FYs 18 and 19, to the Judicial Branch for specified youth services grants, in the following amounts:

Agency	Amount
Advocacy Academy Accomplish Education Inc.	$8,000
Archipelago Inc. Project Music	$37,500
Arte Inc.	$80,000
Artist Collective	$10,000
Artist Collective	$10,000
Beat the Street Community Center	$15,000
BIMEC (Believe in Me Corp)	$15,000
Boys & Girls Club of Greater Waterbury	$18,333
Boys & Girls Club of Greater Waterbury	$18,333
Boys & Girls Club of Southeastern Connecticut	$5,000
Boys and Girls Club of Lower Naugatuck Valley	$30,000

Boys and Girls Club of Meriden	$10,000
Boys and Girls Club of Stamford	$37,500
Boys and Girls Club/Chandler Street	$30,000
BREGAMOS THEATER	$10,000
Bridgeport Caribe Youth Leaders, Inc.	$25,000
Bridgeport Caribe Youth League, Inc.	$85,000
BSL Education Foundation	$20,000
Buddy Jordan Foundation	$40,000
C.U.R.E.T	$10,000
C.U.R.E.T	$10,000
Caribe Youth Leaders	$55,000
Central CT Coast YMCA/Hamden	$40,000
Central CT Coast YMCA/Valley	$40,000
CHAMP Community Hands in Action Mentoring Program	$10,000
Charter Oak Boxing	$15,000
Church of the Good Shepard	$110,000
Citadel of Love	$20,000
City of Meriden/Police Cadets	$10,000
Computer Center Pope Park	$30,000
Cross Street Training and Academic Center, Inc.	$5,000
East Hampton Youth and Family Services	$55,000
Ebonyhorse Woman, Inc.	$10,000
Ebonyhorse Woman, Inc.	$10,000

Family Reentry Organization, Inc./Transition Mentoring Program	$10,000
Friends of Pope Park Troop 105	$35,000
Garde Arts Center	$15,000
Girls, Inc.	$10,000
Goodworks, Inc.	$10,000
Goodworks, Inc.	$10,000
GVI	$25,000
Haitian Woman Association - Anacaona Youth Enrichment Program	$25,000
Hartford Drill, Drum and Dance Corp.	$20,000
Hartford Urban League	$7,500
Hartford Urban League	$7,500
Headquarters & Church Care of Kanaan Baptist Church	$110,000
Heavy Hitters USA	$5,000
HIGHER HEIGHTS YOUTH EMPOWERMENT PROGRAMS, INC	$20,000
Hispanic Coalition of Greater Waterbury, Inc.	$18,333
Hispanic Coalition of Greater Waterbury, Inc.	$18,333
Historically Black College Alumni, Inc.	$5,000
Human Resources Agency of New Britain, Inc.	$65,000
Kids Kook Association, Inc.	$10,000
M.G. LL	$45,000
McGivney Center	$25,000
Meriden Wallingford Chrysalis	$15,000
Meriden YMCA	$10,000

Mi Casa	$40,000
Middlesex United Way	$85,000
Mount Olive Ministries	$15,000
New Haven Reads Community Book Bank	$50,000
New London Babe Ruth League, Inc.	$5,000
New London Football League	$15,000
New London Little League, Inc.	$10,000
New London NAACP	$5,000
New Opportunities of Greater Meriden/Boys to Men Program	$12,000
NH Symphony Orchestra	$25,000
O.P.M Afterschool Program	$25,000
Oddfellows Playhouse	$20,000
OIC	$25,000
Orcutt Boys and Girls Club	$55,000
Original Works Inc.	$10,000
Our Piece of the Pie	$10,000
Our Piece of the Pie	$10,000
Pathways Sandero Center/Greater New Britain Teen Pregnancy Prevention Inc	$20,000
Patrons of the Trumbull Nature & Arts Center, Inc.	$20,000
Police Activity League of Waterbury C/O Waterbury YMCA	$18,333
Police Activity League of Waterbury C/O Waterbury YMCA	$18,333
Police Athletic League/ NH PAL	$45,000
Project Overcome Inc.	$20,000

r' Kids, Inc.	$35,000
Riv Memorial Foundation Inc.	$18,333
Riv Memorial Foundation Inc.	$18,333
Rushford Hospital youth Program	$10,000
Safe Futures, Inc.	$20,000
Solar Youth	$40,000
Sound Community Services, Inc.	$10,000
St. Margaret Willow Plaza NRZ, Assoc. Inc.	$18,333
St. Margaret Willow Plaza NRZ, Assoc. Inc.	$18,333
Stamford YMCA	$10,000
Stamford YMCA	$40,000
Stratford Police Athletic League	$10,000
Sullivan Basketball Academy, Inc.	$20,000
Supreme Athletes	$15,000
Take A Chance Foundation Inc.	$20,000
The Pillar	$10,000
The Village Initiative Project, Inc.	$25,000
The Walter E. Luckett Jr. Foundation	$100,000
Town of Clinton/Partner in Community	$55,000
Town of East Hartford: Youth Services/Youth Task Force	$55,000
Town of Manchester	$55,000
United Mentoring Academy, Inc.	$20,000
Upper Albany Collaborative	$12,500

Upper Albany Collaborative	$12,500
Upper Albany Collaborative	$32,500
Upper Albany Collaborative	$32,500
VETTS, Inc.	$65,000
Village Initiative Project, Inc.	110,000
Walnut Orange Walsh Neighborhood Revitalization Zone Association Inc.	$18,333
Walnut Orange Walsh Neighborhood Revitalization Zone Association Inc.	$18,333
William E Edwards Academic College Tours, Inc.	$15,000
Windsor Collaborative	$10,000
Windsor Collaborative	$10,000
Windsor Collaborative	$5,000
Windsor Collaborative	$5,000
With These Hands	$70,000
Women & Family Center	$10,000
Writer's Block Ink	$15,000