

# BLUEPRINT FOR PROSPERITY

## SUPPORTING CONNECTICUT

### Restores Funding, Supports Private Providers & Relief to DDS Waiting List

- Restores Medicaid Husky A to approximately 12,100 people including all pregnant women currently covered and those at lower end of the income spectrum
- Restores current burial benefits for indigent individuals
- Restores funding for safety net services
- Restores funding for nutrition assistance
- Restores the Youth Services Prevention Grant
- Restores \$18.7 million in mental health and substance abuse funding including Regional Action Councils
- Funds a 2% private provider COLA to benefit nursing homes, care facilities and nonprofit social services providers
- Funds CT's Youth Employment Program
- Funds 47 neighborhood youth centers
- Recommends funding under DDS for community programs for high-school graduates
- Appropriates an additional \$15 million to help alleviate DDS wait list for services for 185 intellectually disabled

### Restores Support for Municipalities & Public Safety

- Restores current funding for resident state troopers
- Restores funding for regional fire training schools
- Funds the Cold Case Unit and Shooting Taskforce

### Restores Support for Seniors

- Restores current copay percentages and keeps CT Home Care Program open to new entries
- Restores funding for blind and disabled
- Restores funding to increase long-term care residents' personal needs allowances from \$50 to \$60
- Does not recommend reductions to any of the respite care programs

### Restores Funds for the Environment

- Funds CT State Parks
- Does not transfer revenue from the Community Investment Act, thereby protects affordable housing, farmland preservation, open space and historic preservation activities
- Funds the Kensington fish hatchery & pheasant stocking program

### Restores Funds for Humanities & Tourism

- Restores funding for CT's Regional Tourism Districts
- Restores funding for local venues and groups including CT Humanities Council, Mystic Aquarium, & local arts councils
- Restores funding for libraries

### Reforms Department of Children & Families

- Does not roll forward governor's rescissions to DCF
- Requires legislative oversight before DCF can close a group home and does not count future savings from closing group homes made by the governor
- Creates a truly independent ombudsman office
- Strengthens child fatality review process, implements a quality assurance program and funds an independent review
- Moves juvenile justice programs from DCF to the Judicial Branch

### Honoring our Veterans

- Restores funds for Veterans' funeral Honor Guard
- Restores funds to the Horse Guard

### Restores 80% of Probate Court funding

### Restores Support for Cities

- Removes the governor's cap on Urban and Industrial Site Reinvestment Credits, therefore providing hospitals with tax relief and encouraging urban development

# BLUEPRINT FOR PROSPERITY

## TAX REFORMS

### Business Tax Relief

- Eliminates cap on business tax credits, ensuring businesses continue to invest in Connecticut
- Eliminates the corporate tax surcharge in FY 2017 making CT more business friendly
- Eliminates Business Entity Tax making CT more business friendly
- Does not restrict net operating loss carryforward by corporations, ensuring businesses continue to invest in CT

### Sales Tax Relief

- Restores the exemption on clothing and shoes under \$50 starting June 1, 2016 to help middle income families
- Restores full tax freedom week

### Income Tax Relief

- Phases out the Income Tax on Pension Income under \$100,000 for joint filers to help retirees stay in CT
- Eliminates governor's proposed income tax hike on single filers beginning in income year 2017

### Tax Exemption Reform

- Eliminates the Admissions and Dues Tax exemption for the XL Center and Webster Bank Arena
- Eliminates single taxpayer exemption under the Public Utilities Control Tax

### Hospital Tax Reform

- Provides a total benefit to hospitals of \$102 million in FY 2016 and \$142.6 million in FY 2017
- Provides an equitable tax structure which will benefit our smaller, local community hospitals
- Includes a tax reduction of \$39.4 million compared to governor's budget
- Modifies the proposed Medicaid rate reduction from 5.6% to 2.8% in FY2016 and eliminates the reduction completely in FY2017(cuts governor's proposal by 50% in FY 2016 and 100% in FY 2017)

## LABOR REFORM

- Requires the governor fulfill 'shared sacrifice' promise and find a way to reach \$253 million in unmet savings. Savings options available to the governor to achieve the above include but not limited to: additional wage freeze in the first year of the biennium, increased contributions to pension system for current state employees, increased copays for healthcare including prescription drugs, elimination of longevity payments.
- Recommends *not* placing the \$100 million into the account for raises before wages have been negotiated
- Requires a one-year wage freeze for all state employees beginning July 1, 2016
- Transitions seasonal, temporary, part-time employees to contribute to Deferred Compensation Plans, in lieu of Social Security

## OVERTIME

- Reduces funding for overtime by over \$80 million in FY 2016 and over \$140 million in FY 2017
- Creates a new Office of Overtime Accountability with budget of \$150,000

## ADDITIONAL SAVINGS

- Eliminates governor's staff salary increases
- No wage increase for managers in 2016
- Reforms the Board of Regents allowing individual colleges to operate independently for budgeting purposes but collectively for human resources and other administrative services
- Cuts funds to state advertising campaign
- Consolidates permanent commissions
- State employee savings & reduction in overtime (as mentioned above)

# BLUEPRINT FOR PROSPERITY

## LONG-TERM INITIATIVES

**“This is more than a two year budget. It’s a blueprint for prosperity.”**

- **Reduces debt service by instituting a bond allocation cap** and a new policy to use excessive bond premiums or any other lapse in the debt service account for the payment of outstanding debt, resulting in a reduction of debt service for the state and for future generations.
- **Identifies labor savings that roll out into the future and aim to reduce excessive overtime costs** by creating a new Office of Overtime Accountability.
- **Addresses problems related to pension benefits** by recommending the exclusion of overtime and legislative mileage from the calculation of pension benefits and by transitioning new employees to a new hybrid defined benefit/defined contribution pension plan. Identifies exorbitant taxpayer liabilities and reconciles them with current trends.
- **Recommends moving temporary, part-time seasonal state employees to FICA Alternate Retirement Plan**, exercising an option grant to us by the federal government
- **Saves money in the future by reducing Citizens’ Election Fund** by moving part of that burden to supporters of the respective legislator
- **Fully funds a \$67 billion transportation improvement initiative over the next 30 years.** A realistic transportation plan that can begin July 1, 2016.
- **Shores up the STF beginning in FY 2018**, thinking ahead and funding the projected shortfall instead of passing it on to the next legislature.
- **Recommends the installation of a Privatization Planning Committee** to make sure taxpayer dollars are used in the best interest of Connecticut constituents.
- **Recommends expanding the implementation of the LEAN Efficiency Program**
- **Recommends requiring review of UConn professor workloads**, and make policy recommendations, which may include parity in compensation for professors between UConn and the CSU system.
- **Recommends the creation of a web site** so that citizens will be able to make recommendations about ways that state government can save money and make its operations more efficient.
- **Recommends reforming the State’s Vehicle Use Policy** to provide less flexibility in union contracts, which are allowed to override the state’s policies in many cases.
- **Recommends Office of Policy and Management review** state government fuel cost/usage and cell phone allowance.
- **Requests the Department of Motor Vehicles to better track the savings of using AAA** and to maximize the use of AAA services with goal of achieving greater savings in future budgets.

# BLUEPRINT FOR PROSPERITY

BUDGET TOTALS (in millions)			
FY2016			
Fund	Revenue	Appropriations	Surplus/(Deficit)
General	17,831.0	17,830.6	0.4
Transportation	1,503.6	1,420.2	83.4
Other Appropriated	220.2	220.2	-
<b>Total</b>	<b>19,554.8</b>	<b>19,471.0</b>	<b>83.8</b>
FY2017			
Fund	Revenue	Appropriations	Surplus/(Deficit)
General	18,352.3	18,343.9	8.4
Transportation	1,514.4	1,454.8	59.6
Other Appropriated	221.8	221.8	-
<b>Total</b>	<b>20,088.5</b>	<b>20,020.6</b>	<b>67.9</b>

**UNDER THE CAP BY:**

**218.2 Million in FY 2016**

**154.6 Million in FY 2017**