



State of Connecticut
GENERAL ASSEMBLY
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

November 21, 2014

The Honorable Dannel P. Malloy
Governor, State of Connecticut
Executive Chambers
State Capitol
Hartford, CT 06106

Senator Martin Looney
President Pro Tempore - Elect
Legislative Office Building, Room 3300
Hartford, CT 06106-1591

Representative Brendan Sharkey
Speaker of the House of Representatives
Legislative Office Building, Room 4100
Hartford, CT 06106-1591

Senator Bob Duff
Senate Majority Leader - Elect
Legislative Office Building
Room 3900
Hartford, CT 06106-1591

Representative Joe Aresimowicz
House Majority Leader
Legislative Office Building, Room 4100
Hartford, CT 06106-1591

Dear Governor Malloy and fellow Legislative Leaders:

It is imperative that we act today to address the state's impending deficit. Based on reports by the Office of Fiscal Analysis, we believe the actual deficit may be much greater than what has been reported by the Office of Policy and Management. Our calculations find the deficit to be surpassing the 1 percent threshold that would trigger deficit mitigation. Therefore, we are asking that you call for a special session to take place no later than December 15, 2014 to cooperatively resolve our financial emergency.

As you are aware, the Office of Policy and Management is reporting a deficit of \$99.5 million. However, this calculation fails to include potential deficits in additional areas of spending, as reported by the Office of Fiscal Analysis, which will significantly impact the state budget.

The \$99.5 million figure does not include, for example, the \$10 million cost of Autism care under Medicaid, \$31.8 million in retiree health expenses, \$1.5 million in state employee healthcare costs, and the Department of Corrections \$10.5 million deficiency – all of which have been reported by OFA. OPM's reported deficit also assumes that the Department of Revenue

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Services will be successful in attaining the additional \$45 million in tax revenue needed to successfully fulfill its \$75 million miscellaneous tax collection target.

When you factor in all these expenses, the potential deficit grows to \$198.3 million, exceeding 1 percent of the state budget.

We cannot reach a solution and properly address the true severity of our current problem unless we sit down together and work across the aisle to change course, and get our finances back on track.

Thank you for your time and consideration.

Sincerely,



Len Fasano
Senate Minority Leader-Elect
State Senator, 34th District



Themis Klarides
House Republican Leader - Elect
State Representative, 114th District