

Republican Budget Summary
Significant Modifications to General Fund Expenditures and Revenues

<u>Significant Policy Modifications to Expenditures:</u>	<u>FY 2018</u>	<u>FY 2019</u>
Savings Target Associated with the 2017 SEBAC Agreement	(700.9)	(868.6)
Reflect Savings from Updated Valuation with Modifications to Employee Pensions in 2027*	(144.0)	(177.8)
Annualize Some of the FY 2017 Holdbacks (did not roll back against priority social services)	(106.8)	(106.8)
Reductions to Expenditures due to Current Service Adjustments	(104.9)	(204.3)
Fringe Benefit Savings from Policy Changes	(53.5)	(52.3)
Re-estimates of Fringe Benefits based on FY 2017 Actual Experience	(48.5)	(48.5)
Recommend Governor's Flat Funding for Magnet Schools	(46.4)	(55.4)
Recommend Governor's Changes to the Medicare Savings Program	(46.2)	(61.5)
Adopt Governor Recommended Unallocated Lapses	(43.5)	(43.5)
Reductions to Other Expenses	(43.3)	(43.3)
Eliminate Funding for Newer Initiatives under the Constituent Units of Higher Education	(39.2)	(42.3)
Remove Funding for Statutory Rate Increases under DSS	(28.4)	(44.8)
Governmental Reorganization - Deputy Comm, HR, Exec. Secretaries and Assistants	(26.4)	(26.4)
Required Overtime Reduction of 10%	(25.0)	(25.0)
OFA Estimate: Medicaid Reduction Based on Prior Years' Expenditures	(20.0)	(20.0)
Accept Governor's Reduction to Personal Services within the Judicial Branch	(18.0)	(18.0)
Reductions to UConn (Same as Governor)	(16.5)	(16.5)
Eliminate PILOT Funding for Tier 3 Municipalities	(15.2)	(15.2)
OFA Estimated Correction: SCHIP Fix in CMS Claims Submissions	(15.0)	(15.0)
Reduce Funding for the Elderly Circuit Breaker Program	(14.5)	(14.5)
Remove UCHC Fringe Benefit Differential	(13.5)	(13.5)
OPM Reestimate of GAAP Accrual Needs	(12.8)	(10.4)
Create a New Culture, Tourism and Marketing Account	(12.6)	(12.6)
Create a State Parks Pass	(12.0)	(12.0)
OFA Estimated Adjustments to Debt Service Plus Elimination of Green Bank Issuance	(11.6)	(6.7)
Employ a Hard Hiring Freeze for Non-24 Hour Positions	(11.5)	(11.5)
Increase Non-Union Contribution to Retiree Health from 3% to 5%	(10.9)	(10.9)
From Gov Round 3: Teachers' Retirement Retirees Health Service Cost	(10.8)	(14.5)
Reduction to CT Technical College System (Same as Governor)	(10.7)	(10.7)
Reduction to CT State University System (Same as Governor)	(10.7)	(10.7)
Discontinue New Awards Under the State's Higher Education Scholarship Program	(10.1)	(20.1)
From Gov Round 3: Reduce Debt Service	(10.0)	(10.0)
OFA Estimate: State Employee Fringe Benefit Reduction Based on Prior Years' Expenditures	(10.0)	(10.0)
OFA Est: Retired State Employee Fringe Benefit Reduction Based on Prior Years' Expenditures	(10.0)	(10.0)
Accept Governor's Reduction to Debt Service	(10.0)	(10.0)
Continue to Provide One-Quarter of Retired Teachers' Healthcare Expenses	(10.0)	(10.0)
Eliminate Funding for Common Core and Talent Development (SDE Professional Devel)	(9.9)	(9.9)
Eliminate the Enhanced PILOT for Non-Top 5 Municipalities	(9.3)	(9.3)
UConn Policy Change - Purchasing and Contracting Flexibility	(8.0)	(8.0)
Reductions to UCHC (Same as Governor)	(7.5)	(4.1)
Policy Changes to Legislative Management's Budget	(5.9)	(9.5)
Increase UCONN Professor Course Loads - Set by UCONN Board of Trustees Bylaws	(5.2)	(10.4)
OFA Estimated Correction: Temporary Family Assistance	(5.0)	(5.0)
Eliminate Funding for Grants to Distressed Municipalities	(4.9)	(4.9)
Update Estimate of Medicare Part D Clawback Expenditure Requirements	(4.6)	(14.2)
Consolidate Human Resource Functions into Department of Administrative Services	(3.5)	(5.9)
Achieve Wage and Hiring Efficiencies Office of Legislative Management	(3.5)	(3.5)
Roll Forward the FY 2017 Legislative Management Lapse	(3.4)	(3.4)
UConn Policy Change - No Free Tuition for Employees and Dependents of Employees	(3.3)	(3.3)
Defer the FY 2017 Trooper Class	(3.0)	(3.0)
Require the Utilization of PCards	(3.0)	(3.0)
OFA Estimated Correction: Hospital Supplemental Payments	(2.0)	(2.0)
OFA Estimate: Social Security Fringe Benefit Reduction Based on Prior Years' Expenditures	(2.0)	(2.0)
Reduce Support for CT State University System	(1.5)	(1.5)
Employ a Means Test for Parental Support of Pre-K Magnet School Tuition	(1.4)	(1.4)
Accept Govs. Reduction to Funding for the Connecticut Children's Medical Center	(1.3)	(1.3)
From Gov Round 3: University of Connecticut Workers' Compensation Claims	(1.2)	(1.2)

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OFA Estimated Correction: State Administered General Assistance	(1.0)	(1.0)
Transfer Temporary, Seasonal Positions to a FICA Alternative Retirement	(1.0)	(1.9)
Cease Policy of Compensating Magnet School Parents for Driving Their Kid to School	(0.2)	(0.2)
OFA Estimate: Pension Fringe Benefit Reduction Based on Prior Years' Expenditures	(0.1)	(0.1)
Require UCONN and UCHC to Pay for Fringe Benefit Expenses for Salaries > \$100,000	-	(31.6)
Enact a \$2.0 Billion General Obligation Bond Issuance Cap	-	(24.5)
Require DSS to Eliminate/Establish Caps on Optional Services under Medicaid	-	(22.2)
Phase Out Priority School District Grant with the New Fully Functional ECS Formula	-	(19.1)
Require UCHC to Seek Private Partnerships	-	(18.0)
Continue Support for Dairy Farmers with Temporary Elimination of Comm. Invest. Act	2.5	2.5
Fully Fund Meals on Wheels	2.0	2.0
DDS Intellectual Disability - Rate Equalization and Waiting List Reduction	2.6	2.6
Fully Fund Employment & Day Services for New Graduates with Intellectual Disabilities	6.3	14.1
Increase Special Education Funding to Towns	10.0	10.0
Reopen Care4Kids, Child Care for Low Income Working Families	10.3	20.5
Provide Funds to Reflect Potential Timing Issues with the Late Adoption of Budget	20.0	-
Provide Hospital Medicaid Rate Increase	24.4	58.4
Prioritize Education with a Functional ECS Formula	33.6	136.6
Implement Hospital Proposal	561.8	459.7

Significant Policy Modifications Impacting Revenue:

	<u>FY 2018</u>	<u>FY 2019</u>
Implement Cost Sharing Proposal	344.0	344.0
Elimination of the Municipal Revenue Sharing Account	327.8	335.4
Enact a Graduated Schedule for the Earned Income Tax Credit	75.0	77.8
Net Impact on Federal Revenue	60.0	68.3
Defer GAAP Amortization	57.5	57.5
Reprioritize Tax Revenue Paid for the General Fund	37.6	31.6
Additional Revenue Collection as Estimated by DRS	30.0	30.0
Eliminate Taxpayer Support of Political Campaigns	23.4	11.4
Increase Teachers' Contributions to the Teachers' Retirement Fund	19.0	76.0
Transfer Taxes Currently Diverted to the CT Green Bank to the General Fund	13.0	13.0
Implement Insurance Tax Changes as Requested by the Insurance Industry	10.4	(2.4)
Transfer Proceeds from the Regional Greenhouse Gas Initiative to the General Fund	10.0	10.0
Eliminate Five Single Taxpayer Exemptions	5.7	5.7
Allow Film Production Sales Tax Credits to be Used Against the Sales Tax at Reduced Rates	5.0	5.0
Reflect Deposit of Palmco Settlement	5.0	-
Enact Auditor's Report - Enhance Centralized Collections	4.5	4.5
Suspend the Angel Investor Tax Credit Program	3.0	3.0
Provide Direct Appropriation for Dairy Farmers	2.5	2.5
Increase Fees to Cover Administrative Expenses	-	20.0
Additional Sweeps	-	20.0
Phase in Federal Exemption Level for Inheritance and Estate Tax over 3 Years	-	(15.6)
Create a State Parks Program	(7.3)	(7.3)
Exempt Social Security for Single Filers with an AGI below \$75k and Joint below \$100k	(7.9)	(16.3)
Phase Out Pension Income Taxation for Single Filers < \$75k and Joint Filers < \$100k	-	(16.4)
Transfer 1.5% of Hotel Occupancy Tax to Culture, Tourism and Marketing Account	(12.8)	(13.4)
Carryforward Resources from FY 2018 to FY 2019	(37.0)	37.0

*Modifications to State Employee Pensions on July 1, 2027 include:

- Suspending COLAs until the funded ratio of the SERS equals 80%
- Increasing employee contributions to the national average of 7%
- Eliminating the current practice of providing higher paid state employees a larger percentage of their final average salary
- Eliminate overtime from the final average salary computation