



Substitute House Bill No. 5171

Public Act No. 18-35

AN ACT PROHIBITING THE EXECUTIVE BRANCH FROM MAKING RESCISSIONS OR OTHER REDUCTIONS TO THE EDUCATION COST SHARING GRANT DURING THE FISCAL YEAR.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 10-262i of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2018*):

(a) For the fiscal year ending June 30, 1990, and for each fiscal year thereafter, each town shall be paid a grant equal to the amount the town is entitled to receive under the provisions of section 10-262h. Such grant shall be calculated using the data of record as of the December first prior to the fiscal year such grant is to be paid, adjusted for the difference between the final entitlement for the prior fiscal year and the preliminary entitlement for such fiscal year as calculated using the data of record as of the December first prior to the fiscal year when such grant was paid.

(b) The amount due each town pursuant to the provisions of subsection (a) of this section shall be paid by the Comptroller, upon certification of the Commissioner of Education, to the treasurer of each town entitled to such aid in installments during the fiscal year as

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follows: Twenty-five per cent of the grant in October, twenty-five per cent of the grant in January and the balance of the grant in April. The balance of the grant due towns under the provisions of this subsection shall be paid in March rather than April to any town which has not adopted the uniform fiscal year and which would not otherwise receive such final payment within the fiscal year of such town.

(c) All aid distributed to a town pursuant to the provisions of this section and section 10-262u shall be expended for educational purposes only and shall be expended upon the authorization of the local or regional board of education and in accordance with the provisions of section 10-262u. For the fiscal year ending June 30, 1999, and each fiscal year thereafter, if a town receives an increase in funds pursuant to this section over the amount it received for the prior fiscal year, such increase shall not be used to supplant local funding for educational purposes. The budgeted appropriation for education in any town receiving an increase in funds pursuant to this section shall be not less than the amount appropriated for education for the prior year plus such increase in funds.

(d) (1) For the fiscal year ending June 30, 2018, (A) if the amount of the equalization aid grant a town is entitled to pursuant to section 10-262h is greater than its base grant amount, the difference between the amount of such equalization aid grant and such town's base grant amount shall be the aid increase for such town for the fiscal year ending June 30, 2018, and (B) if the amount of the equalization aid grant a town is entitled to pursuant to section 10-262h is less than its base grant amount, the difference between such town's base grant amount and the amount of such equalization aid grant shall be the aid reduction for such town for the fiscal year ending June 30, 2018.

(2) For the fiscal year ending June 30, 2019, (A) if the amount of the equalization aid grant a town is entitled to pursuant to section 10-262h is greater than the equalization aid grant amount such town received

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for the previous fiscal year, the difference between the amount of such town's equalization aid grant for the fiscal year ending June 30, 2019, and the equalization aid grant amount such town received for the previous fiscal year shall be the aid increase for such town for the fiscal year ending June 30, 2019, and (B) if the amount of the equalization aid grant a town is entitled to pursuant to section 10-262h is less than the equalization aid grant amount such town received for the previous fiscal year, the difference between the equalization aid grant amount such town received for the previous fiscal year and the amount of such town's equalization aid grant for the fiscal year ending June 30, 2019, shall be the aid reduction for such town for the fiscal year ending June 30, 2019.

(e) Notwithstanding any provision of the general statutes or any special act, the Governor shall not (1) reduce allotment requisitions or allotments in force pursuant to section 4-85, as amended by this act, or (2) make reductions in allotments in order to achieve budget savings in the General Fund in any budgeted agency of the state, concerning the equalization aid grant that a town is entitled to receive under the provisions of section 10-262h and paid under this section.

Sec. 2. Subsection (e) of section 4-85 of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2018*):

(e) The provisions of this section shall not be construed to authorize the Governor to reduce allotment requisitions or allotments in force concerning (1) aid to municipalities; (2) the equalization aid grant that a town is entitled to receive under the provisions of section 10-262h and paid under section 10-262i, as amended by this act; or [(2)] (3) any budgeted agency of the legislative or judicial branch, except that the Governor may propose an aggregate allotment reduction of a specified amount in accordance with this section for the legislative or judicial branch. If the Governor proposes to reduce allotment requisitions or

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allotments in force for any budgeted agency of the legislative or judicial branch, the Secretary of the Office of Policy and Management shall, at least five days before the effective date of such proposed reductions, notify the president pro tempore of the Senate and the speaker of the House of Representatives of any such proposal affecting the legislative branch and the Chief Justice of any such proposal affecting the judicial branch. Such notification shall include the amounts, effective dates and reasons necessitating the proposed reductions. Not later than three days after receipt of such notification, the president pro tempore or the speaker, or both, or the Chief Justice, as appropriate, may notify the Secretary of the Office of Policy and Management and the chairpersons and ranking members of the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, in writing, of any objection to the proposed reductions. The committee may hold a public hearing on such proposed reductions. Such proposed reductions shall become effective unless they are rejected by a two-thirds vote of the members of the committee not later than fifteen days after receipt of the notification of objection to the proposed reductions. If the committee rejects such proposed reductions, the Secretary of the Office of Policy and Management shall present an alternative plan to achieve such reductions to the president pro tempore and the speaker for any such proposal affecting the legislative branch or to the Chief Justice for any such proposal affecting the judicial branch. If proposed reductions in allotment requisitions or allotments in force for any budgeted agency of the legislative or judicial branch are not rejected, such reductions shall be achieved as determined by the Joint Committee on Legislative Management or the Chief Justice, as appropriate. The Joint Committee on Legislative Management or the Chief Justice, as appropriate, shall submit such reductions to the Governor through the Secretary of the Office of Policy and Management not later than ten days after the proposed reductions become effective.

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Sec. 3. Section 13 of public act 17-2 of the June special session is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The Secretary of the Office of Policy and Management may make reductions in allotments for the executive branch, except allotments for equalization aid grants paid to a town pursuant to section 10-262i of the general statutes, as amended by this act, for the fiscal years ending June 30, 2018, and June 30, 2019, in order to achieve budget savings in the General Fund of \$42,250,000 in the fiscal year ending June 30, 2018, and \$45,000,000 in the fiscal year ending June 30, 2019.

(b) The Secretary of the Office of Policy and Management may make reductions in allotments for the legislative branch for the fiscal years ending June 30, 2018, and June 30, 2019, in order to achieve budget savings of \$1,000,000 in the General Fund during each such fiscal year. Such reductions shall be achieved as determined by the president pro tempore and majority leader of the Senate, the speaker and majority leader of the House of Representatives, the Senate Republican president pro tempore and the minority leader of the House of Representatives.

(c) The Secretary of the Office of Policy and Management may make reductions in allotments for the judicial branch for the fiscal years ending June 30, 2018, and June 30, 2019, in order to achieve budget savings in the General Fund of \$3,000,000 in the fiscal year ending June 30, 2018, and \$8,000,000 in the fiscal year ending June 30, 2019. Such reductions shall be achieved as determined by the Chief Justice and Chief Public Defender.

Sec. 4. Section 14 of public act 17-2 of the June special session is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The Secretary of the Office of Policy and Management may make reductions in allotments in any budgeted agency of the state, except allotments for equalization aid grants paid to a town pursuant to section

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10-262i of the general statutes, as amended by this act, in order to achieve targeted budget savings in the General Fund of \$111,814,090 for the fiscal year ending June 30, 2018, and \$150,878,179 for the fiscal year ending June 30, 2019.

Sec. 5. Subsection (d) of section 12-170f of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2018*):

(d) The secretary shall (1) select one or more grants of state financial assistance provided to a municipality pursuant to any provision of the general statutes to withhold or reduce for purposes of this section, except the equalization aid grant paid to a town pursuant to section 10-262i, as amended by this act, (2) not later than June 30, 2018, and each fiscal year thereafter, withhold or reduce such state financial assistance provided to a municipality in an amount equal to fifty per cent of any grant payments made pursuant to this section to renters in such municipality for the most recent application period, provided the aggregate amount withheld or reduced shall not exceed two hundred fifty thousand dollars per municipality for any fiscal year, and (3) transfer such amounts withheld or reduced to the Office of Policy and Management for purposes of making grant payments pursuant to this section. For purposes of this subsection "state financial assistance" means any grant funded by an appropriation authorized by public or special act of the General Assembly, but excluding any grant or loan financed from the proceeds of the state's general obligation bond issued pursuant to any authorization, allocation or approval of the State Bond Commission.

Vetoed June 1, 2018