



State of Connecticut
Department of Developmental Services



Dannel P. Malloy
Governor

Morna A. Murray, J.D.
Commissioner

Jordan A. Scheff
Deputy Commissioner

December 11, 2015

To: **DDS Stakeholders**

From: DDS Legislative Affairs Division

Re: **December 8, 2015 Special Session Budget Update**

The Connecticut General Assembly convened in Special Session on Tuesday, December 8, 2015 to vote on a deficit mitigation plan (Senate Bill No. 1601) for the current fiscal year, FY 2016, and also included reductions for FY 2017. The bill passed the Senate by a vote of 20 to 15 and the House by a vote of 75 to 65.

Section 1 of **S.B. No. 1601** reduces the total DDS FY16 allotment by cuts of approximately \$4.3 million to the following accounts:

GENERAL FUND		2015-2016	2016-2017
DEPARTMENT OF DEVELOPMENTAL SERVICES	Personal Services	3,045,968	3,045,968
DEPARTMENT OF DEVELOPMENTAL SERVICES	Other Expenses	412,389	412,389
DEPARTMENT OF DEVELOPMENTAL SERVICES	Cooperative Placements Program	300,000	300,000
DEPARTMENT OF DEVELOPMENTAL SERVICES	Clinical Services	7,132	7,132
DEPARTMENT OF DEVELOPMENTAL SERVICES	Behavioral Services Program	297,312	297,312
DEPARTMENT OF DEVELOPMENTAL SERVICES	Supplemental Payments for Medical Services	250,000	250,000
DDS TOTAL		4,312,801	4,312,801

These reductions are in place of the previously announced September 2015 rescissions, which totaled a reduction of approximately \$7.56 million to DDS's overall FY16 allocation. However, Senate Bill 1601 includes provisions for additional reductions to the department's allotments beyond the above noted cuts as described below.

Section 3 of the bill allows the Secretary of the Office of Policy and Management (OPM) to make reductions in all executive branch agency allotments in each fiscal year (FY 2016 and FY 2017), in order to achieve a total budget savings of \$93,076,192 in the General Fund for each fiscal year. DDS will share information on how these additional reductions will impact DDS when we receive guidance from OPM. The bill prohibits the OPM secretary from reducing (1) executive branch allotments by more than 1% of any appropriation or (2) any such allotment concerning municipal aid.

The deficit mitigation plan also removes \$5 million from DDS to reflect efficiencies achieved at the Southbury Training School and other DDS regional centers. It also includes additional administrative reductions that could potentially impact DDS: \$10 million in savings statewide due to reductions in overtime and \$3.5 million in savings statewide from delaying increases in raises for executive branch managers.

Section 21 requires the Office of Fiscal Analysis (OFA) to issue a report by January 1, 2016 and each following quarter on the overtime each state agency grants to its employees. The report must include an analysis of (1) how much overtime each state agency grants and (2) how many employees receive overtime pay. OFA must submit the reports to the Appropriations Committee.

Section 22 requires the OPM Secretary by March 15, 2016 and March 15, 2017 to report to the Appropriations Committee on efforts to reduce overtime in Executive Branch agencies during FY16 and FY17, respectively.

Section 23 requires the OPM Secretary, in consultation with the DDS Commissioner, to report to the Appropriations and Public Health Committees by December 31, 2016 on a plan to close DDS-operated facilities, including Southbury Training School and regional centers, in order to achieve targeted savings. DDS will share additional information on this process as it becomes available.

Section 25 establishes an efficiency planning task force to (1) identify and evaluate the efficiency of state services that on average cost the state more than two hundred fifty thousand dollars per recipient annually to provide, and (2) make recommendations for any legislation necessary for more efficient provision of such services. The task force will consist of eight legislators, four Democrats and four Republicans. Not later than December 8, 2016, the task force shall report its findings and recommendations to the Appropriations and Government Administration and Elections Committees.

Below are links to Senate Bill No. 1601, its legislative summary, its fiscal note, and Public Act 15-1 of the December 2015 Special Session:

[S.B. No. 1601 Public Act 15-1 of the December 2015 Special Session](#) AN ACT MAKING CERTAIN STRUCTURAL CHANGES TO THE STATE BUDGET AND ADJUSTMENTS TO THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2017:

[Bill Analysis for S.B. No. 1601](#) [Fiscal Note for S.B. No. 1601](#)

Additionally the legislature passed a **[H.J. No. 304 Resolution Act 15-1 of the December 2015 Special Session](#) RESOLUTION PROPOSING A STATE CONSTITUTIONAL AMENDMENT TO PROTECT TRANSPORTATION FUNDS**