

## DDS Budget Update – April 15, 2010

On Wednesday, April 14, 2010, Governor Rell signed into law [H.B. No. 5545](#) - AN ACT **CONCERNING DEFICIT MITIGATION FOR THE FISCAL YEAR ENDING JUNE 30, 2010**. The bill passed in the House with a vote of 147 to 1 and in the Senate on a unanimous (36 - 0) vote.

**H.B. No. 5545** is a compromise deficit mitigation bill that is designed to substantially close the fiscal year 2010 (FY10) budget gap. The bill contains elements of both the Governor's Deficit Mitigation plan and the Senate Democrat's Deficit Mitigation bill which was passed by the Senate in March, but never voted on in the House. The bill takes cash reserves planned for the FY11 budget and shifts them to the FY10 budget and offsets these cash reserves with FY11 budget cuts. It also sweeps funds in several special accounts, including the Tobacco and Health Trust Fund, into the General Fund and relies on more federal dollars coming back to the state. **The bill anticipates filling \$323 million of the projected \$371 million budget shortfall for the 2010 fiscal year that ends June 30, 2010.** The remaining \$48 million FY10 deficit may be eliminated by an anticipated increase in tax revenues.

This Deficit Mitigation bill does not address the projected deficit of \$750 million for fiscal year 2011 (FY11) beginning July 1, 2010 or any of the estimated billion dollar deficits for fiscal years 2012 or 2013.

The details of the reductions for the **Department of Developmental Services** in H.B. No. 5545 are as follows:

**Personal Services:** H.B. No. 5545 makes a cut of \$6,778, 886 in the DDS personal service account for FY11 including \$2,386,800 reductions through the management of overtime; \$3,211,338 through attrition; and \$1,190,748 through the closing of two buildings at Southbury Training School (STS).

**Early Intervention (Birth to Three):** The bill redirects \$251,946 in Birth to Three provider incentive payments in FY11.

**Voluntary Services Program (VSP):** The bill reduces funding by \$1,696,390 in FY11 to reflect a decrease in VSP caseload.

Other provisions of H.B. No. 5545 decrease sportsman's license fees and increase motor vehicle fines as well as transferring funds from several accounts into the General Fund.