



GOVERNOR LAMONT'S 2024 – 2025 BUDGET

The primary focus of the governor's proposed biennium budget is building economic growth and inclusive opportunity — a reflection of Connecticut's values.

Thanks to improvements in our economy and strong fiscal accountability enacted by State government in recent years, we have a projected operating surplus. The governor proposes investing these additional funds in a smart way that builds on the momentum of the past by creating ladders to inclusive opportunity in the years to come:



Offer Tax Relief for Working Families, the Middle-class, and Small Businesses

A historic \$541 million in tax relief includes the first income tax cut in 27 years



Improve Housing Affordability, Development, and Ownership

Investments that will grow the market, drive down costs, attract new residents, and help fill vacant jobs throughout the state



Invest in Our Children's Future

Increasing funding for childcare while growing per-student investment in public K-12 and higher education



Training the Workforce of Today and Tomorrow

With 100,000 good paying jobs available, these investments and policies are designed with the purpose of filling jobs and supporting businesses

HOW THE BUDGET & LEGISLATIVE PROPOSALS IMPACT YOU

In addition to the governor's budget, his proposed legislative agenda for the upcoming session further builds growth and opportunity for all. Here's how:

BUILDING GROWTH & OPPORTUNITY for Working Families

- Increasing the Earned Income Tax Credit (EITC) from 30.5% to 40%, benefiting 211,000 working families and giving Connecticut the fifth highest EITC in the nation

BUILDING GROWTH & OPPORTUNITY



- Cutting income taxes so families earning less than \$50,000 a year pay no state income tax, and families earning less than \$60,000 a year will pay 20% less
- Increasing funding in Care4Kids, the state's largest provider of childcare for working families, by 10% each year
- Increasing funding by \$11.7M in FY '24 and \$22.7M in FY '25 for CoveredCT, a zero-cost healthcare coverage for working families making just beyond Medicaid thresholds
- Providing \$50M more per year to Time to Own, a program offering forgivable loans on downpayments to buy a home, which the gateway to the middle-class
- Expanding the rights of renters by limiting security deposits to just one month, raising fines for landlords for housing code violations from \$250 to \$1,000, and ending the ability of small landlords to discriminate based on sexual orientation

BUILDING GROWTH & OPPORTUNITY for the Middle Class

- The first major income tax cut in nearly 27 years will put up to \$600 per year back into the pockets of 1.1 million filers, or 63.2% of total income tax filers
- Largest cuts will go to couples making \$100,000 while single filers will benefit by \$300
- Improving prescription drug affordability by facilitating participation in a multistate consortium to negotiate discounts
- Keeping Connecticut one of the safest states in the nation with a comprehensive strategy to prevent and reduce gun violence
- Incentivizing production of new home development in downtown districts close to public transit, making daily commutes quicker and easier

BUILDING GROWTH & OPPORTUNITY for Small Businesses

- Fully restore the pass-through entity tax cut, saving over 120,000 small- and medium-sized businesses thousands and tens of thousands of dollars every year
- Increasing the value of the tax credit for childcare subsidies and development of a childcare center from 5% to 25% of expenses
- \$800M+ in federal support to strengthen our aging roads, bridges, and railways, speeding up transportation time and making it faster for goods, consumers, and workers to commute

BUILDING GROWTH & OPPORTUNITY for Workers

- Provide approximately \$30M in FY '24 and \$9M in FY '25 in additional support for more workforce development initiatives:
 - \$10M in ARPA funds will be used by the State Department of Education to support districts with staffing issues
 - \$8.65M in FY '24 and \$8.9M in FY '25 is provided to support the expansion of bus services with more transportation workers

BUILDING GROWTH & OPPORTUNITY



- \$1M in ARPA funds for the Department of Administrative Services to expand the Healthcare Workforce Recruitment campaign to out-of-state markets
- Additional \$10M in General Fund support to the Department of Labor's CT Youth Employment Program to provide job opportunities and work experiences for economically disadvantaged youth from ages 14-21
- Expanding statewide affordable housing investments by providing \$300M in each year of the biennium through the GO capital budget including \$100M to create workforce housing, approximately doubling the level during the current biennium
- \$100M annually in Workforce Development Housing, which is expected to provide an additional 2,000 units of housing with a focus on those with a household income of 60%-120% area median income
- \$8.7M in FY '24 and \$8.9M in FY '25 to expand bus services to support workforce transportation
- Update Connecticut's first-in-the-nation paid sick leave law to require businesses with 11 or more employees to provide paid sick leave of at least 40 hours per year

BUILDING GROWTH & OPPORTUNITY for Minority & Most Vulnerable Residents

- \$500,000 to provide specialized wheelchairs for state parks to promote accessibility to public parks, trails, and beaches
- Providing targeted outreach to individuals with serious chronic health conditions who are losing Medicaid coverage
- Erasing up to \$2B in medical debt, which disproportionately impacts Black and Latino families, with a \$20M ARPA investment
- \$1.5M from ARPA for IT system upgrades that will improve our automated criminal record erasure, helping these individuals capitalize on better job opportunities
- \$13.1M from ARPA to fill the gap in federal Victims of Crime Act (VOCA) funding for victim services in Connecticut
- \$10M from ARPA for community action agencies to distribute flexible client support funds for individuals and families facing immediate economic hardship (food, housing, and transportation costs)
- \$2M to strengthen Connecticut as a safe harbor state for reproductive rights by supporting out-of-state individuals seeking abortions and contraceptives
- \$500,000 of ARPA funding to increase tree canopies in urban communities by 5%, which decreases "heat island effects" during heatwaves, lowers energy bills, and improves quality of life

BUILDING GROWTH & OPPORTUNITY in our ENVIRONMENT

- DEEP to receive \$5 million in ARPA funds for Green Infrastructure for stormwater management

BUILDING GROWTH & OPPORTUNITY



- DoAg to receive \$200,000 total in ARPA funding over 2 years for cultch oyster bed management and support
- An innovative new waste management proposal supports municipal programs to reduce waste through new diversion programs, organics management, and engaging packaging producers
- Department of Administrative Services - Capital Area System capital needs and planning study for modernization, alternative energy, and required upgrades to the state-owned facility (\$2 million ARPA)
- Require landlords to provide a home energy label when they list homes or apartments for rent, increasing energy efficiency and affordability
- Provide DEEP greater ability to procure clean energy transmission services and infrastructure, which helps us secure greater federal funding while also helping Connecticut drive down the cost of energy

