



## Agency Legislative Proposal - 2018 Session

**Document Name** (e.g. OPM1015Budget.doc; OTG1015Policy.doc): OPM PDPD 2018 Agency Proposal\_Streamlining

(If submitting electronically, please label with date, agency, and title of proposal – 092611\_SDE\_TechRevisions)

State Agency: Office of Policy and Management

**Liaison:** Jennifer Putetti

**Phone:** 860-418-6423

**E-mail:** jennifer.putetti@ct.gov

Lead agency division requesting this proposal: PDPD

Agency Analyst/Drafter of Proposal: Kelly Sinko

**Title of Proposal:** AAC Streamlining Government

**Statutory Reference:** §4-67s; 4-67x; 4-67y; 8-37r; 8-37nnn; 17b-8; 4-28b; 14-21p; 14-21g; 14-21k

**Proposal Summary:**

This proposal seeks to eliminate obsolete statutes and requirements, make technical changes to OPM administered programs, and streamline the workload and use of state resources by redirecting staff time to providing core agency services. The proposal includes:

- Repeal of the Child Poverty and Prevention Council and related statutes
- Repeal of the Interagency Council on Affordable Housing
- Modification of the block grant allocation plan requirement to include only notification to the General Assembly, and eliminate the approval process of the committees of cognizance
- Modification of the waiver and waiver renewal process to include only notification to the committees of cognizance, and eliminate the approval process
- Technical changes to provisions concerning the United We Stand, Keep Kids Safe, and Amistad number plate grant programs

### PROPOSAL BACKGROUND

◇ **Reason for Proposal**



Please consider the following, if applicable:

- (1) Have there been changes in federal/state/local laws and regulations that make this legislation necessary?
- (2) Has this proposal or something similar been implemented in other states? If yes, what is the outcome(s)?
- (3) Have certain constituencies called for this action?
- (4) What would happen if this was not enacted in law this session?

If this proposal was not enacted into law this session, considerable staff time in both PDPD and the budget division would be utilized in the administrative planning, coordination, and submission of the block grants and waivers to the legislature.

The block grant process of developing and finalizing seven allocations plans for submission to the legislature currently takes over two months. This allocation plan is not required by the federal government, and is a totally new document that is created specifically for the approval of the committees of cognizance. Waiver and waiver renewals also already are required to obtain public notice, and the additional state requirement of a subsequent public hearing and legislative review is unnecessary in light of the rigorous public notice and input process, and the ensuing CMS review, which is already afforded under the federal law.

The removal of these requirements will allow OPM, as well as sister agency staff, to redirect staff time and resources to provide critical core services to the public.

The repeal of the two obsolete councils will reflect that these councils are no longer active or necessary. The clarifying changes to the license plate grant programs will adhere to current practice.

**Origin of Proposal**       **New Proposal**       **Resubmission**

If this is a resubmission, please share:

- (1) What was the reason this proposal did not pass, or if applicable, was not included in the Administration's package?
- (2) Have there been negotiations/discussions during or after the previous legislative session to improve this proposal?
- (3) Who were the major stakeholders/advocates/legislators involved in the previous work on this legislation?
- (4) What was the last action taken during the past legislative session?

This is a partial resubmission. During the 2016 session, sections 25 through 32 of the Governor's human services budget implementer (SB 17) contained language repealing §17b-8, which require DSS to submit application for federal waivers, waiver renewals, and certain proposed amendments to the Medicaid state plan to the committees of cognizance for review and approval before submission to the federal government. The language was not included in the joint favorable substitute report of the Human Services committee. The proposal this year does not include a repeal, but instead modifies the language to include a notification, rather than a submission for approval.

### **PROPOSAL IMPACT**

**AGENCIES AFFECTED** (please list for each affected agency)



**REPEAL OF CHILD POVERTY AND PREVENTION COUNCIL PROGRESS REPORTING**

**Agency Name:** DCF, DDS, SDE, DOH, DOL, DMHAS, DPH, DSS, Judicial Branch/Court Ops, OEC

**Agency Contact (name, title, phone):** Click here to enter text.

**Date Contacted:** Click here to enter text.

Approve of Proposal     YES     NO     Talks Ongoing

**Summary of Affected Agency's Comments**

Pending, based on approval of proposal. As this will remove a reporting requirement for the agencies listed above and many agencies cannot complete the requirement within existing appropriations, it is not expected to be controversial.

**REPEAL OF INTERAGENCY COUNCIL ON AFFORDABLE HOUSING**

**Agency Name:** DSS, DMHAS, DCF, DOC, DECD, SDE, SDA, DDS, DOH

**Agency Contact (name, title, phone):** Click here to enter text.

**Date Contacted:** Click here to enter text.

Approve of Proposal     YES     NO     Talks Ongoing

**Summary of Affected Agency's Comments**

Pending, based on approval of proposal. As this council has not met since July 2014, and its main goal was to assist in the implementation of the new Department of Housing, the council is no longer necessary and it is not expected that agencies will have concerns with the repeal.

**MODIFICATION OF BLOCK GRANT ALLOCATION PLANS STATUTES**

**Agency Name:** DMHAS, DCF, DPH, DSS, DOH

**Agency Contact (name, title, phone):** Click here to enter text.

**Date Contacted:** Click here to enter text.

Approve of Proposal     YES     NO     Talks Ongoing

**Summary of Affected Agency's Comments**

Pending, based on approval of proposal. The agencies listed above prepare the block grant allocation plans for OPM's review, and then they are transmitted with the Governor's signature to the General Assembly.

**MODIFICATION OF WAIVER AND WAIVER RENEWAL STATUTES**

**Agency Name:** DSS

**Agency Contact (name, title, phone):** Click here to enter text.

**Date Contacted:** Click here to enter text.

Approve of Proposal     YES     NO     Talks Ongoing



**Summary of Affected Agency's Comments**  
 Pending, based on approval of proposal. In coordination with OPM, DSS, as the Medicaid agency, is responsible for the submission of these waivers and waiver renewals to the committees of cognizance for their review and approval.

Will there need to be further negotiation?  YES  NO

**TECHNICAL FIXES TO LICENSE PLATE GRANT PROGRAM**  
**Agency Name:** DMW  
**Agency Contact (name, title, phone):** [Click here to enter text.](#)  
**Date Contacted:** [Click here to enter text.](#)  
 Approve of Proposal  YES  NO  Talks Ongoing

**Summary of Affected Agency's Comments**  
 Pending, based on approval of proposal. As these are technical and clarifying changes, it is no anticipated that there will be concerns.

Will there need to be further negotiation?  YES  NO

◇ **FISCAL IMPACT** *(please include the proposal section that causes the fiscal impact and the anticipated impact)*

**Municipal** *(please include any municipal mandate that can be found within legislation)*  
[Click here to enter text.](#)

**State**  
 Minimal savings may be achieved by the reduced staff time and resources spent preparing duplicative plans and duplicative public input processes for the block grant allocation plans and the waiver/waiver renewals.

**Federal**  
[Click here to enter text.](#)

**Additional notes on fiscal impact**  
[Click here to enter text.](#)

◇ **POLICY and PROGRAMMATIC IMPACTS** *(Please specify the proposal section associated with the impact)*

[Click here to enter text.](#)



#### **Repeal of the Child Poverty and Prevention Council and related statutes.**

- §4-67s – This statute contains definitions relevant for the Child Poverty and Prevention Council only. As the Child Poverty and Prevention Council statutorily sunset on June 30, 2015, this language is no longer needed.
- §4-67x – In addition to describing the membership and charge of the currently defunct Child Poverty and Prevention Council, this section specifies that agencies that provide prevention services to children must submit an annual report, within available appropriations, until 2020 to Appropriations, Human Services, and Children committees. In our new economic reality, limited staff time and resources must be directed to the provision of critical core services to the public. This report is administratively burdensome and cannot currently be completed within available appropriations.
- §4-67y – This statute directs the Child Poverty and Prevention Council to constitute the children in recession leadership team to make recommendations for the state’s emergency response to children affected by the 2010 recession. As the Council is terminated and the reporting requirement was addressed in the 2014 Council report, this is an obsolete statute.

#### **Repeal of the Interagency Council on Affordable Housing**

- §8-37nnn – This statute establishes the Interagency Council on Affordable Housing to develop strategies and recommendations for the implementation of the Department of Housing. It is currently chaired by OPM. As the Department of Housing has been in existence since 2013 and has been successfully implemented, and the council has not met since July 2014, this section is recommended for deletion. There are several other entities that currently meet on housing issues that have OPM and state agency representation, including the Interagency Committee on Supportive Housing and several workgroups and committees through the Reaching Home campaign.
- §8-37r – For consistency, the reference in subsection (c) to the Interagency Council on Affordable Housing is removed.

#### **Modification of the block grant allocation plan requirement to include only notification to the General Assembly, and eliminate the approval process of the committees of cognizance**

- §4-28b – The Governor is required to submit allocation plans to the General Assembly that outlines how federal block grant funding is proposed to be expended. The plans are then transmitted to the appropriate committees of cognizance, based on the specific block grant, for review and approval. Currently, Connecticut receives the following block grants that are submitted for legislative review and approval:
  - Preventive Health and Health Services (PHHS) Block Grant
  - Maternal and Child Health (MCH) Block Grant
  - Community Mental Health Services (CMHS) Block Grant
  - Substance Abuse Prevention and Treatment (SAPT) Block Grants
  - Community Services Block Grant (CSBG)
  - Social Services Block Grant (SSBG)
  - Low Income Home Energy Assistance Program (LIHEAP) Block Grant
  - Community Development Block Grant (CDBG)



OPM coordinates the process of agency development and submission of block grant allocation plans. For all plans except for CDBG, guidance is provided in June and agency proposed allocation plans are due in July. Although only the LIHEAP allocation plan has a statutory submittal date of August 1st, plans have historically been submitted as a package in order to facilitate legislative review.

The exercise of drafting and submitting these allocation plans is completed only for this legislative requirement. The federal block grant application does not require legislative review or approval of the applications, and has a number of public and stakeholder input requirements in place to ensure that applications are vetted and developed in coordination with the populations being served. In order to reduce the amount of staff time dedicated to preparing and developing these documents for legislative review and approval, the proposal instead includes a notification to the committees of cognizance of the federal block grant application.

**Modification of the waiver and waiver renewal process to include only notification to the committees of cognizance, and eliminate the approval process.**

- §17b-8 – This statute requires DSS to submit applications for federal waivers, waiver renewals, and certain proposed amendments to the Medicaid state plan to the committees of cognizance for review and approval before submission to the federal government. Modifying this provision to a notification requirement will allow the state to make more timely applications to the federal government for necessary changes in waiver programs that have critical fiscal and programmatic implications if not adopted. In addition, it will eliminate duplicative public notice requirements that are already required by federal law. CMS requires states to obtain public input during the development of a waiver by: providing at least a 30-day public notice and comment period; summarizing public comments received during the public input process; detailing the rationale behind any comments not adopted; and specifying any modifications made to the waiver as a result of the public comments. The additional state requirement of a subsequent public hearing and legislative review is unnecessary in light of the rigorous public notice and input process, and the ensuing CMS review, which is already afforded under the federal law. Finally, the removal of this requirement will enable DSS to redirect staff time and resources to provide critical core services to the public.

**Technical Changes to the United We Stand, Keep Kids Safe, and Amistad License Plate Grant Programs**

- §14-21g – This statute creates a separate, nonlapsing account for the funding DMV collects for “Keep Kids Safe” license plates, and directs OPM to expend the funding for the purposes of innovative programs to further the goal of protecting the safety of children; grants to conduct research, provide public education, establish outreach programs and enhance public awareness of safety issues with regard to children; and reimbursement to DMV for the cost of running the program. The proposal clarifies that OPM does not have to fund each of these purposes by changing “and” to an “or” and conforms to current practice.
- §14-21k– This statute creates a separate, nonlapsing account for the funding DMV collects for “Amistad” license plates, and directs OPM to expend the funding for the purposes of innovative programs to inform the public about Amistad and the resulting court case; grants to conduct research, provide public education, establish outreach programs and enhance public awareness



of the Amistad uprising and its place in American history; and reimbursement to DMV for the cost of running the program. The proposal clarifies that OPM does not have to fund each of these purposes by changing “and” to an “or” and conforms to current practice.

- §14-21p - This statute creates a separate, nonlapsing account for the funding DMV collects for “United We Stand” license plates, and directs OPM to expend the funding for tuition reimbursement for state colleges and, through the establishment of another non-lapsing account, for civil preparedness and support of emergency personnel. The proposal clarifies that OPM does not have to fund each of these purposes by changing “and” to an “or” and also removes the unnecessary second reference to a nonlapsing account. These changes conform to current practice.

### Insert fully drafted bill here

Copy and paste here.

**Section 1.** Section 4-28b of the general statutes is repealed and the following is inserted in lieu thereof (*Effective from passage*):

(a) Notwithstanding any provision of the general statutes: (1) If, during any fiscal year, the state [applies to \[receives\] receive](#) federal block grant funds, the Governor shall submit [notice of any proposed application for receipt of such funds prior to the submission of such application to the federal government \[recommended allocations of such funds\]](#) to the speaker of the House of Representatives and the president pro tempore of the Senate. Within five days of receipt of the recommendations, the speaker and the president pro tempore shall submit the [\[recommended allocations\] application](#) to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and to the joint standing committee or committees of the General Assembly having cognizance of the subject matter relating to such [\[recommended allocations\] application](#), as determined by the speaker and the president pro tempore. [\[Within thirty days of their receipt of the Governor's recommended allocations, the committee having cognizance of matters relating to appropriations and the budgets of state agencies, in concurrence with the committee or committees of cognizance, shall advise the Governor of their approval or modifications, if any, of such recommended allocations. If the joint standing committees do not concur, the committee chairpersons shall appoint a committee on conference which shall be comprised of three members from each joint standing committee. At least one member appointed from each committee shall be a member of the minority party. The report of the committee on conference shall be made to each committee, which shall vote to accept or reject the report. The report of the committee on conference may not be amended. If a joint standing committee rejects the report of the committee on conference, the Governor's recommended allocations shall be deemed approved. If the joint standing committees accept the report, the committee having cognizance of matters relating to appropriations and the budgets of state agencies shall advise the Governor of their approval or modifications, if any, of such recommended allocations, provided if the committees do not act within thirty days, the recommended allocations shall be deemed approved. Disbursement of such funds shall be in accordance with the Governor's recommended allocations as approved or modified by the committees. After such recommended allocations have been so approved or modified, any proposed transfer to or from any specific allocation of a sum or sums of over fifty thousand dollars or ten per cent of any such specific allocation, whichever is less, shall be submitted by the Governor to the speaker and the president pro tempore\]](#)



and approved, modified or rejected by the committees in accordance with the procedures set forth in this subdivision. Notification of all transfers made shall be sent to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and to the committee or committees of cognizance, through the Office of Fiscal Analysis; (2) if, during any fiscal year, federal funding for programs financed by state appropriations with federal reimbursements is reduced below the amounts estimated under the provisions of section 2-35, the Governor shall submit recommendations to the joint standing committee having cognizance of matters relating to appropriations and the budgets of state agencies and to the committee of cognizance, for legislation necessary to modify funding for such programs consistent with such reductions in federal funding.]

(b) Not later than September 1, 2017, and annually thereafter, state agencies in receipt of federal block grant funding shall submit a report to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and to the joint standing committee or committees of the General Assembly having cognizance of the subject matter relating to such federal block grant funding that includes, for the prior federal fiscal year: (1) final expenditures by major program categories and service areas, (2) rationale for the existence of carry forward funds, if any, and (3) a summary of service objectives and activities, including performance measures.

**Section 2.** Section 17b-8 of the general statutes is repealed and the following is inserted in lieu thereof (*Effective from passage*):

(a) The Commissioner of Social Services shall submit notice of any [an] application for a federal waiver or renewal of such waiver of any assistance program requirements, except such application pertaining to routine operational issues, and any proposed amendment to the Medicaid state plan to make a change in program requirements that would have required a waiver were it not for the passage of the Patient Protection and Affordable Care Act, P.L. 111-148, and the Health Care and Education Reconciliation Act of 2010, P.L. 111-152 to the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations and the budgets of state agencies prior to the submission of such application or proposed amendment to the federal government. [Not later than thirty days after the date of their receipt of such application or proposed amendment, the joint standing committees shall: (1) Hold a public hearing on the waiver application, or (2) in the case of a proposed amendment to the Medicaid state plan, notify the Commissioner of Social Services whether or not said joint standing committees intend to hold a public hearing. Any notice to the commissioner indicating that the joint standing committees intend to hold a public hearing on a proposed amendment to the Medicaid state plan shall state the date on which the joint standing committees intend to hold such public hearing, which shall not be later than sixty days after the joint standing committees' receipt of the proposed amendment. At the conclusion of a public hearing held in accordance with the provisions of this section, the joint standing committees shall advise the commissioner of their approval, denial or modifications, if any, of the commissioner's waiver application or proposed amendment. If the joint standing committees advise the commissioner of their denial of the commissioner's waiver application or proposed amendment, the commissioner shall not submit the application for a federal waiver or proposed amendment to the federal government. If such committees do not concur, the committee chairpersons shall appoint a committee of conference which shall be composed of three members from each joint standing committee. At least one member appointed from each joint standing committee shall be a member of the minority party. The report of the committee of conference shall be made to each joint standing committee, which shall vote to accept or reject the report. The report of the committee of conference may not



be amended. If a joint standing committee rejects the report of the committee of conference, that joint standing committee shall notify the commissioner of the rejection and the commissioner's waiver application or proposed amendment shall be deemed approved. If the joint standing committees accept the report, the committee having cognizance of matters relating to appropriations and the budgets of state agencies shall advise the commissioner of their approval, denial or modifications, if any, of the commissioner's waiver application or proposed amendment. If the joint standing committees do not so advise the commissioner during the thirty-day period, the waiver application or proposed amendment shall be deemed approved. Any application for a federal waiver, waiver renewal or proposed amendment submitted to the federal government by the commissioner, pursuant to this section, shall be in accordance with the approval or modifications, if any, of the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations and the budgets of state agencies.

(b) If in developing the budget for the department for the next fiscal year, the commissioner contemplates applying for a federal waiver or submitting a proposed amendment to the federal government, the commissioner shall notify the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and the joint standing committee of the General Assembly having cognizance of matters relating to human services of the possibility of such application or proposed amendment.

(c) (b) Thirty days prior to submission of an application for a waiver from federal law, renewal of such waiver or proposed amendment to the joint standing committees of the General Assembly under subsection (a) of this section, the Commissioner of Social Services shall publish a notice that the commissioner intends to seek such a waiver or waiver renewal, or submit a proposed amendment to the federal government in the Connecticut Law Journal and on the Department of Social Services' Internet web site, along with a summary of the provisions of the waiver application or the proposed amendment and the manner in which individuals may submit comments. The commissioner shall allow thirty days for written comments on the waiver application or proposed amendment prior to submission of the application for a waiver, waiver renewal or proposed amendment to the General Assembly under subsection (a) of this section and shall include all written comments with the waiver, waiver renewal application or proposed amendment in the submission to the General Assembly.

[(d)] The commissioner shall include with any waiver application or proposed amendment submitted to the federal government pursuant to this section [:(1) Any [any](#) written comments received pursuant to [this](#) subsection [(c) of this section; and (2) a complete transcript of the joint standing committee proceedings held pursuant to subsection (a) of this section, including any additional written comments submitted to the joint standing committees at such proceedings. The joint standing committees shall transmit any such materials to the commissioner for inclusion with any such waiver application or proposed amendment].

**Section 3.** Section 8-37r of the general statutes is repealed and the following is inserted in lieu thereof (*Effective on passage*):

(a) There shall be a Department of Housing, which shall be within the Department of Economic and Community Development for administrative purposes only, which shall be the lead agency for all matters relating to housing. The department head shall be the Commissioner of Housing, who shall be appointed by the Governor in accordance with the provisions of sections 4-5 to 4-8, inclusive, with the powers and duties



therein prescribed. Said commissioner shall be responsible at the state level for all aspects of policy, development, redevelopment, preservation, maintenance and improvement of housing and neighborhoods. Said commissioner shall be responsible for developing strategies to encourage the provision of housing in the state, including housing for very low, low and moderate income families.

(b) The Department of Housing shall constitute a successor to the functions, powers and duties of the Department of Economic Development relating to housing, community development, redevelopment and urban renewal as set forth in chapters 128, 129, 130, 135 and 136 in accordance with the provisions of sections 4-38d, 4-38e and 4-39. The Department of Housing is designated a public housing agency for the purpose of administering the Section 8 existing certificate program and the housing voucher program pursuant to the Housing Act of 1937.

(c) [The commissioner shall, in consultation with the interagency council on affordable housing established pursuant to section 8-37nnn, review the organization and delivery of state housing programs and submit a report with recommendations, in accordance with the provisions of section 11-4a, not later than January 15, 2013, to the joint standing committees of the General Assembly having cognizance of matters relating to housing and appropriations.

(d) Any order or regulation of the Department of Housing or Department of Economic and Community Development that is in force on January 1, 2013, shall continue in force and effect as an order or regulation until amended, repealed or superseded pursuant to law.

**Section 4.** Subsection (b) of section 14-21g of the general statutes is repealed and the following is inserted in lieu thereof (*Effective on passage*):

(b) The moneys in said account shall be expended by the Secretary of the Office of Policy and Management for the purposes of (1) innovative community programs to further the goal of protecting the safety of children, including, but not limited to, a bicycle helmet campaign, a child occupant protection program, a child drowning prevention program, a scald burn prevention program and a residential fire detection program; (2) allocation of grants to agencies, institutions or persons to conduct research, provide public education, establish outreach programs and enhance public awareness of safety issues with regard to children; [and] or (3) reimbursement of the Department of Motor Vehicles for the cost of producing, issuing, renewing and replacing Keep Kids Safe number plates, including administrative expenses, pursuant to section 14-21f.

**Section 5.** Subsection (b) of section 14-21k of the general statutes is repealed and the following is inserted in lieu thereof (*Effective on passage*):

(b) The moneys in said account shall be expended by the Secretary of the Office of Policy and Management for the purposes of: (1) Innovative community programs to further the goal of informing the public of the 1839 uprising against the crew of the Spanish slave schooner, The Amistad, and the United States Supreme Court case that arose from such uprising; (2) allocation of grants to agencies, institutions or persons to conduct research, provide public education, establish outreach programs and enhance public awareness of the Amistad uprising and its place in Connecticut's history; [and] or (3) reimbursement to the Department of Motor Vehicles for the cost of producing, issuing, renewing and replacing Amistad commemorative number plates, including administrative expenses, pursuant to section 14-21j.



**Section 6.** Subsection (b) of section 14-21p of the general statutes is repealed and the following is inserted in lieu thereof (*Effective on passage*):

(b) The moneys in said account shall be transferred to the Secretary of the Office of Policy and Management for the purposes of (1) reimbursing boards of trustees or regents for the waiver of tuition and fees pursuant to subsection (e) of section 10a-105, subsection (d) of section 10a-99 and subsection (d) of section 10a-77, **[and (2) establishing a nonlapsing account within the General Fund to provide]** or (2) providing financial support for civil preparedness and related training activities, and for the purchase of supplies and equipment in support of emergency personnel.

**Section 7.** Sections 4-67s, 4-67x, 4-67y and 8-37nnn of the general statutes are repealed.

For your reference, proposed repealed sections are listed below:

**Sec. 4-67s. Child Poverty and Prevention Council: Definitions.** As used in sections 4-67s to 4-67x, inclusive: (1) "Prevention" means policies and programs that promote healthy, safe and productive lives and reduce the likelihood of crime, violence, substance abuse, illness, academic failure and other socially destructive behaviors.

(2) "Research-based prevention" means those prevention programs as defined in this section that have been rigorously evaluated and are found to be effective or represent best practices.

**Sec. 4-67x. Child Poverty and Prevention Council established. Duties. Ten-year plan. Prevention goals, recommendations and outcome measures. Protocol for state contracts. Agency reports. Council report to General Assembly. Termination of council.** (a) There shall be a Child Poverty and Prevention Council consisting of the following members or their designees: The Secretary of the Office of Policy and Management, the president pro tempore of the Senate, the speaker of the House of Representatives, the minority leader of the Senate and the minority leader of the House of Representatives, the Commissioners of Children and Families, Social Services, Correction, Developmental Services, Mental Health and Addiction Services, Transportation, Public Health, Education, Housing, Agriculture and Economic and Community Development, the Labor Commissioner, the Chief Court Administrator, the chairperson of the Board of Regents for Higher Education, the Child Advocate and the executive directors of the Commission on Children, the Office of Early Childhood and the Commission on Human Rights and Opportunities. The Secretary of the Office of Policy and Management, or the secretary's designee, shall be the chairperson of the council. The council shall (1) develop and promote the implementation of a ten-year plan, to begin June 8, 2004, to reduce the number of children living in poverty in the state by fifty per cent, and (2) within available appropriations, establish prevention goals and recommendations and measure prevention service outcomes in accordance with this section in order to promote the health and well-being of children and families.

(b) The ten-year plan shall contain: (1) An identification and analysis of the occurrence of child poverty in the state, (2) an analysis of the long-term effects of child poverty on children, their families and their communities,



(3) an analysis of costs of child poverty to municipalities and the state, (4) an inventory of state-wide public and private programs that address child poverty, (5) the percentage of the target population served by such programs and the current state funding levels, if any, for such programs, (6) an identification and analysis of any deficiencies or inefficiencies of such programs, and (7) procedures and priorities for implementing strategies to achieve a fifty per cent reduction in child poverty in the state by June 30, 2014. Such procedures and priorities shall include, but not be limited to, (A) vocational training and placement to promote career progression for parents of children living in poverty, (B) educational opportunities, including higher education opportunities, and advancement for such parents and children, including, but not limited to, preliteracy, literacy and family literacy programs, (C) housing for such parents and children, (D) day care and after-school programs and mentoring programs for such children and for single parents, (E) health care access for such parents and children, including access to mental health services and family planning, (F) treatment programs and services, including substance abuse programs and services, for such parents and children, and (G) accessible childhood nutrition programs.

(c) In developing the ten-year plan, the council shall consult with experts and providers of services to children living in poverty and parents of such children. The council shall hold at least one public hearing on the plan. After the public hearing, the council may make any modifications that the members deem necessary based on testimony given at the public hearing.

(d) Funds from private and public sources may be accepted and utilized by the council to develop and implement the plan and the provisions of this section.

(e) Not later than January 1, 2005, the council shall submit the plan, in accordance with section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations, human services and children, along with any recommendations for legislation and funding necessary to implement the plan.

(f) (1) On or before January first of each year from 2006 to 2015, inclusive, the council shall report, in accordance with section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, human services and children on the implementation of the plan, progress made toward meeting the child poverty reduction goal specified in subsection (a) of this section and the extent to which state actions are in conformity with the plan. The council shall meet at least two times annually for the purposes set forth in this section.

(2) On or before January first of each year from 2007 to 2015, inclusive, the council shall, within available appropriations, report, in accordance with section 11-4a, to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, education, human services, public health and children on the state's progress in prioritizing expenditures in budgeted state agencies with membership on the council in order to fund prevention services.



The report shall include (A) a summary of measurable gains made toward the child poverty and prevention goals established in this section; (B) a copy of each such agency's report on prevention services submitted to the council pursuant to subsection (g) of this section; (C) examples of successful interagency collaborations to meet the child poverty and prevention goals established in this section; and (D) recommendations for prevention investment and budget priorities. In developing such recommendations, the council shall consult with experts and providers of services to children and families.

(g) (1) On or before November first of each year from 2006 to 2014, inclusive, each budgeted state agency with membership on the council that provides prevention services to children shall, within available appropriations, report to the council in accordance with this subsection. On or before November first of each year from 2015 to 2020, inclusive, each budgeted state agency that provides prevention services to children shall, within available appropriations, report to the joint standing committees of the General Assembly having cognizance of matters related to appropriations, human services and children in accordance with this subsection.

(2) Each agency report shall include at least two prevention services not to exceed the actual number of prevention services provided by the agency. For each prevention service reported by the agency, the agency report shall include (A) a statement of the number of children and families served, (B) a description of the preventive purposes of the service, (C) for reports due after November 1, 2006, a description of performance-based standards and outcomes included in relevant contracts pursuant to subsection (h) of this section, and (D) any performance-based vendor accountability protocols.

(3) Each agency report shall also include (A) long-term agency goals, strategies and outcomes to promote the health and well-being of children and families, (B) overall findings on the effectiveness of prevention within such agency, (C) a statement of whether there are methods used by such agency to reduce disparities in child performance and outcomes by race, income level and gender, and a description of such methods, if any, and (D) other information the agency head deems relevant to demonstrate the preventive value of services provided by the agency. Long-term agency goals, strategies and outcomes reported under this subdivision may include, but need not be limited to, the following:

(i) With respect to health goals, increasing (I) the number of healthy pregnant women and newborns, (II) the number of youths who adopt healthy behaviors, and (III) access to health care for children and families;

(ii) With respect to education goals, increasing the number of children who (I) are ready for school at an appropriate age, (II) learn to read by third grade, (III) succeed in school, (IV) graduate from high school, and (V) successfully obtain and maintain employment as adults;



(iii) With respect to safety goals, decreasing (I) the rate of child neglect and abuse, (II) the number of children who are unsupervised after school, (III) the incidence of child and youth suicide, and (IV) the incidence of juvenile crime; and

(iv) With respect to housing goals, increasing access to stable and adequate housing.

(4) Each agency report shall also include (A) a list of agency programs that provide prevention services, (B) the actual prevention services expenditures for the most recently completed fiscal year, and (C) the percentage of total actual agency expenditures in the most recently completed fiscal year that were actual prevention services expenditures.

(h) Not later than July 1, 2006, the Office of Policy and Management shall, within available appropriations, develop a protocol requiring state contracts for programs aimed at reducing poverty for children and families to include performance-based standards and outcome measures related to the child poverty reduction goal specified in subsection (a) of this section. Not later than July 1, 2007, the Office of Policy and Management shall, within available appropriations, require such state contracts to include such performance-based standards and outcome measures. The Secretary of the Office of Policy and Management may consult with the Commission on Children to identify academic, private and other available funding sources and may accept and utilize funds from private and public sources to implement the provisions of this section.

(i) For purposes of this section, the Secretary of the Office of Policy and Management, or the secretary's designee, shall be responsible for coordinating all necessary activities, including, but not limited to, scheduling and presiding over meetings and public hearings.

(j) The council shall terminate on June 30, 2015.

**Sec. 4-67y. Child Poverty and Prevention Council to constitute the children in the recession leadership team.**

**Duties. Report.** (a) The Child Poverty and Prevention Council, established pursuant to section 4-67x, shall constitute the children in the recession leadership team to make recommendations for the state's emergency response to children affected by the recession. The council may establish a subcommittee to act for it under this section. For purposes of this section, the council or a subcommittee established under this subsection shall meet quarterly if the unemployment rate of the state, as reported by the Labor Commissioner, is eight per cent or greater for the preceding three months.

(b) The council shall work in consultation with other government agencies to develop and promote policies, practices and procedures, within available appropriations, that (1) mitigate the long-term impact of economic recessions on children; (2) provide appropriate assistance and resources to families to minimize the number of children who enter poverty as a result of the recession; and (3) reduce human and fiscal costs of recessions, including foreclosures, child hunger, family violence, school failure, youth runaways, homelessness, child abuse and neglect.



(c) For purposes of this section, the council, within available appropriations, shall utilize strategies to mitigate the impact of the recession on children that include, but are not limited to, the following: (1) Resource information sharing and strategic planning to address emergency response to children in the recession; (2) training of pertinent personnel on the availability of services, access points and interventions across agencies, including child trauma treatment; (3) development of linkages between job training and education programs and services; (4) development and implementation of efforts to coordinate outreach and improve access to services, including the establishment of multiple enrollment sites where feasible; (5) reduction of current response times to clients for safety net programs, including, but not limited to, the federal Supplemental Nutrition Assistance Program, the federal Special Supplemental Food Program for Women, Infants and Children, the National School Lunch Program and other federal child nutrition programs, the temporary family assistance program, the child care subsidy program, heating and rental assistance, eviction prevention services and free and reduced preschool meal programs; (6) identification of appropriate revisions to regulations and procedures to be streamlined to increase program access; (7) maximization of availability of targeted case management and intervention services; (8) assessment of the unique needs of children of soldiers serving or returning from war or other military service; and (9) maximization of all federal funding opportunities.

(d) Not later than January 1, 2011, the council shall prepare a report on (1) the progress in implementing the provisions of this section; and (2) other government actions taken to reduce the impact of the recession on children and families. Such report shall be submitted to the select committee of the General Assembly having cognizance of matters relating to children and to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies and human services.

**Sec. 8-37nnn. Interagency council on affordable housing.** (a) There is established an interagency council on affordable housing to advise and assist the commissioner of the Department of Housing in the planning and implementation of the department.

(b) The council shall consist of the following members: (1) The Commissioners of Social Services, Mental Health and Addiction Services, Children and Families, Correction, Economic and Community Development, Education, Aging and Developmental Services, or their designees; (2) the Secretary of the Office of Policy and Management, or his or her designee; (3) the executive director of the Partnership for Strong Communities, or his or her designee; (4) the executive director of the Connecticut Housing Coalition, or his or her designee; (5) the executive director of the Connecticut Coalition to End Homelessness, or his or her designee; (6) the executive director of the Connecticut Housing Finance Authority, or his or her designee; (7) the president of the Connecticut chapter of the National Association of Housing and Redevelopment Officials, or his or her designee; (8) two members, appointed by the members specified in subdivisions (1) to (6), inclusive, of this subsection, who shall be tenants receiving state housing assistance; and (9) one member, appointed by the members specified in subdivisions (1) to (6), inclusive, of this subsection, who shall be a state resident eligible to receive state housing assistance. The Governor shall designate a member of the council to serve as chairperson.

(c) The council shall convene on or before July 15, 2012, to develop strategies and recommendations for the implementation of the Department of Housing. The council shall: (1) Assess the housing needs of low income individuals and families; (2) review and analyze the effectiveness of existing state programs in meeting those needs; (3) identify barriers to effective housing delivery systems; and (4) develop strategies and



recommendations to enhance the availability of safe and affordable housing in communities across the state through the Department of Housing.

(d) On or before January 15, 2013, the council shall submit, in accordance with the provisions of section 11-4a, a report to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, housing and human services on the implementation of the Department of Housing. The report shall address recommendations concerning: (A) Programs to be transferred to the Department of Housing and a timeline for implementation; (B) effective changes to the state's housing delivery systems; (C) prioritization of housing resources; and (D) enhanced coordination among and across housing systems. Not later than fifteen days after receipt of the report submitted pursuant to this subsection, the committees shall hold a public hearing on said report.

DRAFT



## Agency Legislative Proposal - 2018 Session

**Document Name** (e.g. OPM1015Budget.doc; OTG1015Policy.doc): OPM PDPD 2018 Agency Proposal\_THTF

(If submitting electronically, please label with date, agency, and title of proposal – 092611\_SDE\_TechRevisions)

State Agency: Office of Policy and Management

**Liaison:** Jennifer Putetti

**Phone:** 860-418-6423

**E-mail:** jennifer.putetti@ct.gov

Lead agency division requesting this proposal: PDPD

Agency Analyst/Drafter of Proposal: Kelly Sinko

**Title of Proposal:** PLACEHOLDER – potential insertion into budget implementer

**Statutory Reference:** §4-28f

**Proposal Summary:**

This proposal provides three statutory options to relieve the Tobacco and Health Trust Fund (THTF) board from its meeting and reporting requirements during a fiscal year in which there is no funding within the THTF.

### PROPOSAL BACKGROUND

◇ **Reason for Proposal**

*Please consider the following, if applicable:*

- (1) *Have there been changes in federal/state/local laws and regulations that make this legislation necessary?*
- (2) *Has this proposal or something similar been implemented in other states? If yes, what is the outcome(s)?*
- (3) *Have certain constituencies called for this action?*
- (4) *What would happen if this was not enacted in law this session?*

Under current law, the THTF Board is required to meet twice a year and submit certain reports once a year, regardless of whether there is money in the THTF to be disbursed. Historically, there have been fiscal years where transfers from the Tobacco Settlement Fund to the THTF have been instead transferred to the General Fund, or funding in the THTF has been transferred to the General Fund. The THTF Board does not need to meet or report on its activities when there is no funding on which to make recommendations. If this is not enacted in law this session, OPM will continue to utilize staff and time resources to fulfill statutory obligations that are not relevant or necessary.

◇ **Origin of Proposal**

**New Proposal**

**Resubmission**

### PROPOSAL IMPACT



◇ **AGENCIES AFFECTED** *(please list for each affected agency)*

<p><b>Agency Name:</b> Click here to enter text.</p> <p><b>Agency Contact (name, title, phone):</b> Click here to enter text.</p> <p><b>Date Contacted:</b> Click here to enter text.</p> <p>Approve of Proposal    <input type="checkbox"/> YES    <input type="checkbox"/> NO    <input type="checkbox"/> Talks Ongoing</p> <p>Will there need to be further negotiation?    <input type="checkbox"/> YES    <input type="checkbox"/> NO</p>
--

◇ **FISCAL IMPACT** *(please include the proposal section that causes the fiscal impact and the anticipated impact)*

<p><b>Municipal</b> <i>(please include any municipal mandate that can be found within legislation)</i></p> <p>Click here to enter text.</p>
<p><b>State</b></p> <p>Click here to enter text.</p>
<p><b>Federal</b></p> <p>Click here to enter text.</p>
<p><b>Additional notes on fiscal impact</b></p> <p>Suspending the operations of the THTF will not have a fiscal impact.</p>

◇ **POLICY and PROGRAMMATIC IMPACTS** *(Please specify the proposal section associated with the impact)*

<p>Section 4-28f of the general statutes requires the Tobacco and Health Trust Fund (THTF) Board to meet biannually and produce annual reports on: (1) the board’s activities and accomplishments and (2) disbursements from the THTF and evaluations of each program receiving funds. This proposal provides three statutory options to relieve the Tobacco and Health Trust Fund (THTF) board from its meeting and reporting requirements during a fiscal year in which there is no funding within the THTF.</p> <p><u>Option 1:</u> Removes biannual meeting requirement and specifies which fiscal years reporting is suspended. While this option matches historical precedence (see FYs 2003-2005), it also would continue to require more changes outside the biennium if funding is swept after FY 2019.</p> <p><u>Option 2:</u> Removes biannual meeting requirement, suspends reporting in a fiscal year in which no funding is contained in the THTF. This option will clarify that any fiscal year in which there is not funding, reporting will not be required.</p> <p><u>Option 3:</u> General suspension of THTF board operations in a fiscal year in which no funding is contained in the THTF. Instead of only amending the meeting and reporting requirement sections, this language</p>
---



makes it clear that if the THTF has no funding, the THTF board does not have to engage in any of its requirements.

### Insert fully drafted bill here

#### **Three Options:**

1. [OPTION 1](#): Removes biannual meeting; specifies which fiscal years reporting is suspended
2. [OPTION 2](#): Removes biannual meeting; suspends reporting in a fiscal year in which no funding is contained in the THTF
3. [OPTION 3](#): General suspension of operations in a fiscal year in which no funding is contained in the THTF

#### **OPTION 1: Removes biannual meeting; specifies which fiscal years reporting is suspended**

Section 1. Section 4-28f of the general statutes is repealed and the following is inserted in lieu thereof (*Effective from passage*):

(a) There is created a Tobacco and Health Trust Fund which shall be a separate nonlapsing fund. The purpose of the trust fund shall be to create a continuing significant source of funds to (1) support and encourage development of programs to reduce tobacco abuse through prevention, education and cessation programs, (2) support and encourage development of programs to reduce substance abuse, and (3) develop and implement programs to meet the unmet physical and mental health needs in the state.

(b) The trust fund may accept transfers from the Tobacco Settlement Fund and may apply for and accept gifts, grants or donations from public or private sources to enable the trust fund to carry out its objectives.

(c) The trust fund shall be administered by a board of trustees, except that the board shall suspend its operations from July 1, 2003, to June 30, 2005, inclusive. The board shall consist of seventeen trustees. The appointment of the initial trustees shall be as follows: (1) The Governor shall appoint four trustees, one of whom shall serve for a term of one year from July 1, 2000, two of whom shall serve for a term of two years from July 1, 2000, and one of whom shall serve for a term of three years from July 1, 2000; (2) the speaker of the House of Representatives and the president pro tempore of the Senate each shall appoint two trustees, one of whom shall serve for a term of two years from July 1, 2000, and one of whom shall serve for a term of three years from July 1, 2000; (3) the majority leader of the House of Representatives and the majority leader of the Senate each shall appoint two trustees, one of whom shall serve for a term of one year from July 1, 2000, and one of whom shall serve for a term of three years from July 1, 2000; (4) the minority leader of the House of Representatives and the minority leader of the Senate each shall appoint two trustees, one of whom shall serve for a term of one year from July 1, 2000, and one of whom shall serve for a term of two years from July 1, 2000; and (5) the Secretary of the Office of Policy and Management, or the secretary's designee, shall serve as an ex-officio voting member. Following the expiration of such initial terms, subsequent trustees shall serve for a term of three years. The period of suspension of the board's operations from July 1, 2003, to June 30, 2005, inclusive, shall not be included in the term of any trustee serving on July 1, 2003. The trustees shall



serve without compensation except for reimbursement for necessary expenses incurred in performing their duties. The board of trustees shall establish rules of procedure for the conduct of its business which shall include, but not be limited to, criteria, processes and procedures to be used in selecting programs to receive money from the trust fund. The trust fund shall be within the Office of Policy and Management for administrative purposes only. The board of trustees [shall meet not less than biannually, except during the fiscal years ending June 30, 2004, and June 30, 2005 and], not later than January first of each year, except during the fiscal years ending June 30, 2004, [and] June 30, 2005, June 30, 2017, June 30, 2018 and June 30, 2019, shall submit a report of its activities and accomplishments to the joint standing committees of the General Assembly having cognizance of matters relating to public health and appropriations and the budgets of state agencies, in accordance with section 11-4a.

(d) (1) During the period commencing July 1, 2000, and ending June 30, 2003, the board of trustees, by majority vote, may recommend authorization of disbursement from the trust fund for the purposes described in subsection (a) of this section and section 19a-6d, provided the board may not recommend authorization of disbursement of more than fifty per cent of net earnings from the principal of the trust fund for such purposes. For the fiscal year commencing July 1, 2005, and each fiscal year thereafter, the board may recommend authorization of the net earnings from the principal of the trust fund for such purposes. For the fiscal year ending June 30, 2009, and each fiscal year thereafter, the board may recommend authorization of disbursement for such purposes of (A) up to one-half of the annual disbursement from the Tobacco Settlement Fund to the Tobacco and Health Trust Fund from the previous fiscal year, pursuant to section 4-28e, up to a maximum of six million dollars per fiscal year, and (B) the net earnings from the principal of the trust fund from the previous fiscal year. For the fiscal year ending June 30, 2014, and each fiscal year thereafter, the board may recommend authorization of disbursement of up to the total unobligated balance remaining in the trust fund after disbursement in accordance with the provisions of the general statutes and relevant special and public acts for such purposes, not to exceed twelve million dollars per fiscal year. The board's recommendations shall give (i) priority to programs that address tobacco and substance abuse and serve minors, pregnant women and parents of young children, and (ii) consideration to the availability of private matching funds. Recommended disbursements from the trust fund shall be in addition to any resources that would otherwise be appropriated by the state for such purposes and programs.

(2) Except during the fiscal years ending June 30, 2004 and June 30, 2005, the board of trustees shall submit such recommendations for the authorization of disbursement from the trust fund to the joint standing committees of the General Assembly having cognizance of matters relating to public health and appropriations and the budgets of state agencies. Not later than thirty days after receipt of such recommendations, said committees shall advise the board of their approval, modifications, if any, or rejection of the board's recommendations. If said joint standing committees do not concur, the speaker of the House of Representatives, the president pro tempore of the Senate, the majority leader of the House of Representatives, the majority leader of the Senate, the minority leader of the House of Representatives and the minority leader of the Senate each shall appoint one member from each of said joint standing committees to serve as a committee on conference. The committee on conference shall submit its report to both committees, which shall vote to accept or reject the report. The report of the committee on conference may



not be amended. If a joint standing committee rejects the report of the committee on conference, the board's recommendations shall be deemed approved. If the joint standing committees accept the report of the committee on conference, the joint standing committee having cognizance of matters relating to appropriations and the budgets of state agencies shall advise the board of said joint standing committees' approval or modifications, if any, of the board's recommended disbursement. If said joint standing committees do not act within thirty days after receipt of the board's recommendations for the authorization of disbursement, such recommendations shall be deemed approved. Disbursement from the trust fund shall be in accordance with the board's recommendations as approved or modified by said joint standing committees.

(3) After such recommendations for the authorization of disbursement have been approved or modified pursuant to subdivision (2) of this subsection, any modification in the amount of an authorized disbursement in excess of fifty thousand dollars or ten per cent of the authorized amount, whichever is less, shall be submitted to said joint standing committees and approved, modified or rejected in accordance with the procedure set forth in subdivision (2) of this subsection. Notification of all disbursements from the trust fund made pursuant to this section shall be sent to the joint standing committees of the General Assembly having cognizance of matters relating to public health and appropriations and the budgets of state agencies, through the Office of Fiscal Analysis.

(4) The board of trustees shall, not later than February first of each year, except during the fiscal years ending June 30, 2004, **[and]** June 30, 2005, [June 30, 2017, June 30, 2018 and June 30, 2019](#), submit a report to the General Assembly, in accordance with the provisions of section 11-4a, that includes all disbursements and other expenditures from the trust fund and an evaluation of the performance and impact of each program receiving funds from the trust fund. Such report shall also include the criteria and application process used to select programs to receive such funds.



**OPTION 2: Removes biannual meeting; suspends reporting in a fiscal year in which no funding is contained in the THTF**

Section 1. Section 4-28f of the general statutes is repealed and the following is inserted in lieu thereof  
(Effective from passage):

(a) There is created a Tobacco and Health Trust Fund which shall be a separate nonlapsing fund. The purpose of the trust fund shall be to create a continuing significant source of funds to (1) support and encourage development of programs to reduce tobacco abuse through prevention, education and cessation programs, (2) support and encourage development of programs to reduce substance abuse, and (3) develop and implement programs to meet the unmet physical and mental health needs in the state.

(b) The trust fund may accept transfers from the Tobacco Settlement Fund and may apply for and accept gifts, grants or donations from public or private sources to enable the trust fund to carry out its objectives.

(c) The trust fund shall be administered by a board of trustees, except that the board shall suspend its operations from July 1, 2003, to June 30, 2005, inclusive. The board shall consist of seventeen trustees. The appointment of the initial trustees shall be as follows: (1) The Governor shall appoint four trustees, one of whom shall serve for a term of one year from July 1, 2000, two of whom shall serve for a term of two years from July 1, 2000, and one of whom shall serve for a term of three years from July 1, 2000; (2) the speaker of the House of Representatives and the president pro tempore of the Senate each shall appoint two trustees, one of whom shall serve for a term of two years from July 1, 2000, and one of whom shall serve for a term of three years from July 1, 2000; (3) the majority leader of the House of Representatives and the majority leader of the Senate each shall appoint two trustees, one of whom shall serve for a term of one year from July 1, 2000, and one of whom shall serve for a term of three years from July 1, 2000; (4) the minority leader of the House of Representatives and the minority leader of the Senate each shall appoint two trustees, one of whom shall serve for a term of one year from July 1, 2000, and one of whom shall serve for a term of two years from July 1, 2000; and (5) the Secretary of the Office of Policy and Management, or the secretary's designee, shall serve as an ex-officio voting member. Following the expiration of such initial terms, subsequent trustees shall serve for a term of three years. The period of suspension of the board's operations from July 1, 2003, to June 30, 2005, inclusive, shall not be included in the term of any trustee serving on July 1, 2003. The trustees shall serve without compensation except for reimbursement for necessary expenses incurred in performing their duties. The board of trustees shall establish rules of procedure for the conduct of its business which shall include, but not be limited to, criteria, processes and procedures to be used in selecting programs to receive money from the trust fund. The trust fund shall be within the Office of Policy and Management for administrative purposes only. The board of trustees [shall meet not less than biannually, except during the fiscal years ending June 30, 2004, and June 30, 2005 and], not later than January first of each year, except during the fiscal years ending June 30, 2004, and June 30, 2005 or during any fiscal years in which the trust fund does not contain moneys, shall submit a report of its activities and accomplishments to the joint standing committees of the General Assembly having cognizance of matters relating to public health and appropriations and the budgets of state agencies, in accordance with section 11-4a.



(d) (1) During the period commencing July 1, 2000, and ending June 30, 2003, the board of trustees, by majority vote, may recommend authorization of disbursement from the trust fund for the purposes described in subsection (a) of this section and section 19a-6d, provided the board may not recommend authorization of disbursement of more than fifty per cent of net earnings from the principal of the trust fund for such purposes. For the fiscal year commencing July 1, 2005, and each fiscal year thereafter, the board may recommend authorization of the net earnings from the principal of the trust fund for such purposes. For the fiscal year ending June 30, 2009, and each fiscal year thereafter, the board may recommend authorization of disbursement for such purposes of (A) up to one-half of the annual disbursement from the Tobacco Settlement Fund to the Tobacco and Health Trust Fund from the previous fiscal year, pursuant to section 4-28e, up to a maximum of six million dollars per fiscal year, and (B) the net earnings from the principal of the trust fund from the previous fiscal year. For the fiscal year ending June 30, 2014, and each fiscal year thereafter, the board may recommend authorization of disbursement of up to the total unobligated balance remaining in the trust fund after disbursement in accordance with the provisions of the general statutes and relevant special and public acts for such purposes, not to exceed twelve million dollars per fiscal year. The board's recommendations shall give (i) priority to programs that address tobacco and substance abuse and serve minors, pregnant women and parents of young children, and (ii) consideration to the availability of private matching funds. Recommended disbursements from the trust fund shall be in addition to any resources that would otherwise be appropriated by the state for such purposes and programs.

(2) Except during the fiscal years ending June 30, 2004 and June 30, 2005, the board of trustees shall submit such recommendations for the authorization of disbursement from the trust fund to the joint standing committees of the General Assembly having cognizance of matters relating to public health and appropriations and the budgets of state agencies. Not later than thirty days after receipt of such recommendations, said committees shall advise the board of their approval, modifications, if any, or rejection of the board's recommendations. If said joint standing committees do not concur, the speaker of the House of Representatives, the president pro tempore of the Senate, the majority leader of the House of Representatives, the majority leader of the Senate, the minority leader of the House of Representatives and the minority leader of the Senate each shall appoint one member from each of said joint standing committees to serve as a committee on conference. The committee on conference shall submit its report to both committees, which shall vote to accept or reject the report. The report of the committee on conference may not be amended. If a joint standing committee rejects the report of the committee on conference, the board's recommendations shall be deemed approved. If the joint standing committees accept the report of the committee on conference, the joint standing committee having cognizance of matters relating to appropriations and the budgets of state agencies shall advise the board of said joint standing committees' approval or modifications, if any, of the board's recommended disbursement. If said joint standing committees do not act within thirty days after receipt of the board's recommendations for the authorization of disbursement, such recommendations shall be deemed approved. Disbursement from the trust fund shall be in accordance with the board's recommendations as approved or modified by said joint standing committees.



(3) After such recommendations for the authorization of disbursement have been approved or modified pursuant to subdivision (2) of this subsection, any modification in the amount of an authorized disbursement in excess of fifty thousand dollars or ten per cent of the authorized amount, whichever is less, shall be submitted to said joint standing committees and approved, modified or rejected in accordance with the procedure set forth in subdivision (2) of this subsection. Notification of all disbursements from the trust fund made pursuant to this section shall be sent to the joint standing committees of the General Assembly having cognizance of matters relating to public health and appropriations and the budgets of state agencies, through the Office of Fiscal Analysis.

(4) The board of trustees shall, not later than February first of each year, except during the fiscal years ending June 30, 2004, and June 30, 2005, [or during any fiscal years in which the trust fund does not contain moneys](#), submit a report to the General Assembly, in accordance with the provisions of section 11-4a, that includes all disbursements and other expenditures from the trust fund and an evaluation of the performance and impact of each program receiving funds from the trust fund. Such report shall also include the criteria and application process used to select programs to receive such funds.



### **OPTION 3: General suspension of operations in a fiscal year in which no funding is contained in the THTF**

Section 1. Section 4-28f of the general statutes is repealed and the following is inserted in lieu thereof  
(*Effective from passage*):

(a) There is created a Tobacco and Health Trust Fund which shall be a separate nonlapsing fund. The purpose of the trust fund shall be to create a continuing significant source of funds to (1) support and encourage development of programs to reduce tobacco abuse through prevention, education and cessation programs, (2) support and encourage development of programs to reduce substance abuse, and (3) develop and implement programs to meet the unmet physical and mental health needs in the state.

(b) The trust fund may accept transfers from the Tobacco Settlement Fund and may apply for and accept gifts, grants or donations from public or private sources to enable the trust fund to carry out its objectives.

(c) The trust fund shall be administered by a board of trustees, except that the board shall suspend its operations from July 1, 2003, to June 30, 2005, inclusive. The board shall consist of seventeen trustees. The appointment of the initial trustees shall be as follows: (1) The Governor shall appoint four trustees, one of whom shall serve for a term of one year from July 1, 2000, two of whom shall serve for a term of two years from July 1, 2000, and one of whom shall serve for a term of three years from July 1, 2000; (2) the speaker of the House of Representatives and the president pro tempore of the Senate each shall appoint two trustees, one of whom shall serve for a term of two years from July 1, 2000, and one of whom shall serve for a term of three years from July 1, 2000; (3) the majority leader of the House of Representatives and the majority leader of the Senate each shall appoint two trustees, one of whom shall serve for a term of one year from July 1, 2000, and one of whom shall serve for a term of three years from July 1, 2000; (4) the minority leader of the House of Representatives and the minority leader of the Senate each shall appoint two trustees, one of whom shall serve for a term of one year from July 1, 2000, and one of whom shall serve for a term of two years from July 1, 2000; and (5) the Secretary of the Office of Policy and Management, or the secretary's designee, shall serve as an ex-officio voting member. Following the expiration of such initial terms, subsequent trustees shall serve for a term of three years. The period of suspension of the board's operations from July 1, 2003, to June 30, 2005, inclusive, shall not be included in the term of any trustee serving on July 1, 2003. The trustees shall serve without compensation except for reimbursement for necessary expenses incurred in performing their duties. The board of trustees shall establish rules of procedure for the conduct of its business which shall include, but not be limited to, criteria, processes and procedures to be used in selecting programs to receive money from the trust fund. The trust fund shall be within the Office of Policy and Management for administrative purposes only. The board of trustees shall meet not less than biannually, except during the fiscal years ending June 30, 2004, and June 30, 2005 and, not later than January first of each year, except during the fiscal years ending June 30, 2004, and June 30, 2005, shall submit a report of its activities and accomplishments to the joint standing committees of the General Assembly having cognizance of matters relating to public health and appropriations and the budgets of state agencies, in accordance with section 11-4a.



(d) (1) During the period commencing July 1, 2000, and ending June 30, 2003, the board of trustees, by majority vote, may recommend authorization of disbursement from the trust fund for the purposes described in subsection (a) of this section and section 19a-6d, provided the board may not recommend authorization of disbursement of more than fifty per cent of net earnings from the principal of the trust fund for such purposes. For the fiscal year commencing July 1, 2005, and each fiscal year thereafter, the board may recommend authorization of the net earnings from the principal of the trust fund for such purposes. For the fiscal year ending June 30, 2009, and each fiscal year thereafter, the board may recommend authorization of disbursement for such purposes of (A) up to one-half of the annual disbursement from the Tobacco Settlement Fund to the Tobacco and Health Trust Fund from the previous fiscal year, pursuant to section 4-28e, up to a maximum of six million dollars per fiscal year, and (B) the net earnings from the principal of the trust fund from the previous fiscal year. For the fiscal year ending June 30, 2014, and each fiscal year thereafter, the board may recommend authorization of disbursement of up to the total unobligated balance remaining in the trust fund after disbursement in accordance with the provisions of the general statutes and relevant special and public acts for such purposes, not to exceed twelve million dollars per fiscal year. The board's recommendations shall give (i) priority to programs that address tobacco and substance abuse and serve minors, pregnant women and parents of young children, and (ii) consideration to the availability of private matching funds. Recommended disbursements from the trust fund shall be in addition to any resources that would otherwise be appropriated by the state for such purposes and programs.

(2) Except during the fiscal years ending June 30, 2004 and June 30, 2005, the board of trustees shall submit such recommendations for the authorization of disbursement from the trust fund to the joint standing committees of the General Assembly having cognizance of matters relating to public health and appropriations and the budgets of state agencies. Not later than thirty days after receipt of such recommendations, said committees shall advise the board of their approval, modifications, if any, or rejection of the board's recommendations. If said joint standing committees do not concur, the speaker of the House of Representatives, the president pro tempore of the Senate, the majority leader of the House of Representatives, the majority leader of the Senate, the minority leader of the House of Representatives and the minority leader of the Senate each shall appoint one member from each of said joint standing committees to serve as a committee on conference. The committee on conference shall submit its report to both committees, which shall vote to accept or reject the report. The report of the committee on conference may not be amended. If a joint standing committee rejects the report of the committee on conference, the board's recommendations shall be deemed approved. If the joint standing committees accept the report of the committee on conference, the joint standing committee having cognizance of matters relating to appropriations and the budgets of state agencies shall advise the board of said joint standing committees' approval or modifications, if any, of the board's recommended disbursement. If said joint standing committees do not act within thirty days after receipt of the board's recommendations for the authorization of disbursement, such recommendations shall be deemed approved. Disbursement from the trust fund shall be in accordance with the board's recommendations as approved or modified by said joint standing committees.



(3) After such recommendations for the authorization of disbursement have been approved or modified pursuant to subdivision (2) of this subsection, any modification in the amount of an authorized disbursement in excess of fifty thousand dollars or ten per cent of the authorized amount, whichever is less, shall be submitted to said joint standing committees and approved, modified or rejected in accordance with the procedure set forth in subdivision (2) of this subsection. Notification of all disbursements from the trust fund made pursuant to this section shall be sent to the joint standing committees of the General Assembly having cognizance of matters relating to public health and appropriations and the budgets of state agencies, through the Office of Fiscal Analysis.

(4) The board of trustees shall, not later than February first of each year, except during the fiscal years ending June 30, 2004, and June 30, 2005, submit a report to the General Assembly, in accordance with the provisions of section 11-4a, that includes all disbursements and other expenditures from the trust fund and an evaluation of the performance and impact of each program receiving funds from the trust fund. Such report shall also include the criteria and application process used to select programs to receive such funds.

(e) Notwithstanding subsections (c) and (d) of this section, in any fiscal year in which no monies are contained in the trust fund, the board of trustees may suspend its operations, and shall not be required to adhere to the meeting and reporting provisions contained within this section.