

April 20, 2026

The Honorable Sean Scanlon
 State Comptroller
 165 Capitol Avenue
 Hartford, Connecticut 06106

Dear Comptroller Scanlon:

Section 4-66 of the General Statutes requires that my office provide information on the state's General Fund for Fiscal Year 2026. An analysis of the Special Transportation Fund is also provided here due to the significance of this fund.

	FY 2026 Projection			Change in Estimate - <u>Apr vs. Mar</u>	Apr Est. Variance from Budget
	(in millions)				
	Budget	March Estimate	April Estimate		
<u>General Fund</u>					
Revenues	\$ 24,345.4	\$ 24,391.3	\$ 24,391.3	\$ -	\$ 45.9
Expenditures	<u>24,036.4</u>	<u>24,358.3</u>	<u>24,379.6</u>	<u>21.3</u>	<u>343.2</u>
Operating Results - Surplus/(Deficit)	\$ 309.1	\$ 33.0	\$ 11.7	\$ (21.3)	\$ (297.3)
<u>Budget Reserve Fund</u>					
Deposits		\$ 1,810.4	\$ 1,810.4	\$ -	
Withdrawals		<u>(1,656.7)</u>	<u>(1,656.7)</u>	<u>-</u>	
Proj. Net Deposit/(Withdrawal) 6/30		\$ 153.7	\$ 153.7	^{1.} \$ -	
<u>Special Transportation Fund</u>					
Revenues	\$ 2,309.1	\$ 2,325.3	\$ 2,325.3	\$ -	\$ 16.3
Expenditures	<u>2,279.2</u>	<u>2,277.9</u>	<u>2,275.2</u>	<u>(2.7)</u>	<u>(4.0)</u>
Operating Results - Surplus/(Deficit)	\$ 29.8	\$ 47.4	\$ 50.1	\$ 2.7	\$ 20.3
Proj. Fund Balance 6/30		\$ 459.8	\$ 462.5	^{2.} \$ 2.7	
Notes:					
1. BRF withdrawal excludes the remaining \$330.8 million reserve established in S.A. 26-1 and includes the remaining \$1,487.5 million balance pursuant to Sec. 4-30a, CGS, which was deposited as additional contributions to the State Employees Retirement Fund and the Teachers' Retirement Fund and \$169.2 million that was transferred to the General Fund pursuant to S.A. 25-1 (NSS). Estimated deposits excludes forecast General Fund surplus as this will be transferred to the Early Childhood Education Endowment per P.A. 25-93.					
2. STF Fund balance after anticipated transfer to reduce STO debt pursuant to P.A. 25-168, Sec. 389.					

General Fund

The FY 2026 budget, adopted in P.A. 25-168, anticipated a \$309.1 million balance at year end – 1.3% of General Fund appropriations. We currently project an \$11.7 million surplus, down \$21.3 million from last month's forecast as a result of increased expenditure requirements resulting from several large wrongful incarceration settlements as well as other changes as discussed below.

Revenues

No change in General Fund revenue is forecast this month. Note that my office and the Office of Fiscal Analysis will jointly release a consensus forecast on April 30th which could materially alter our projections.

Expenditures

We forecast that FY 2026 expenditures will, in aggregate, be \$343.2 million above the level anticipated in the adopted budget, inclusive of \$169.2 million in increased spending as a result of actions taken to date pursuant to S.A. 25-1 of the November Special Session. This month's estimate reflects an increase of \$21.3 million compared to last month's forecast of projected agency spending. A description of projected shortfalls and lapses follows.

Deficiencies: Shortfalls totaling \$191.0 million are forecast in the following agencies.

- Department of Emergency Services and Public Protection. A net shortfall of \$10.1 million is projected with \$5.0 million in the Personal Services account as a result of increased overtime costs, \$2.77 million in the Other Expenses account and \$2.62 million in the Fleet Purchase account as a result of inflation and replacement costs, and \$75,000 in the Connecticut Firefighter's Association account due to increased claims. Partially offsetting these shortfalls is a projected lapse of \$350,000 in the Law Enforcement Training Partnerships account due to delays in hiring.
- Department of Labor. A \$1.4 million shortfall is anticipated in the Other Expenses account as a result of anticipated operating and IT consultant cost increases as well as required payments to FEMA.
- Department of Housing. A shortfall of \$17.0 million is projected in the Housing / Homeless Services account as a result of rent increases as well as cold weather funding which was not provided for in the budget.
- Department of Mental Health and Addiction Services. A net shortfall of \$8.5 million is anticipated, with \$8.0 million in the Personal Services account and \$1.3 million in Behavioral Health Medications due to rising medication costs and increased reliance on injectable treatments. Partially offsetting these shortfalls are projected lapses, as a result of delayed initiatives, totaling \$650,000 in the Grants for Substance Abuse account and \$150,000 in the Young Adult Services account.
- Department of Social Services. A net shortfall of \$68.6 million is forecast based on \$80.0 million in the Medicaid account as a result of updated expenditure trends. In addition, shortfalls of \$6.4 million in Aid to the Disabled, \$6.1 million in Old Age Assistance, \$2.9 million in the CT Home Care Program, and \$190,000 in Aid to the Blind are forecast, primarily due to higher costs per case than had been budgeted. These shortfalls are partially offset by projected lapses of \$13.9 million in Temporary Family Assistance, \$6.57 million in Substance Use Disorder Waiver Reserve, \$3.1 million in State Administered General Assistance, \$2.0 million in Personal services, and \$1.4 million in the HUSKY B Program.
- Technical Education and Career System. A total shortfall of \$4.1 million is projected, based on \$1.9 million in the Personal Services account and \$2.2 million in the Other Expenses account as a result of increased contractual costs for special education, utilities, and consumables.
- Department of Correction. A net shortfall of \$17.6 million is forecast, with \$18.0 million in the Personal Services account, which is partially offset by a \$400,000 lapse in the Board of Pardons and Paroles account.
- Judicial Department. A \$3.75 million shortfall is projected in the Other Expenses account as a result of increased premises costs.

- State Comptroller – Miscellaneous. We estimate \$41.0 million in expenditures for Adjudicated Claims. No appropriation was made in the enacted budget for payment of these claims.
- Workers’ Compensation Claims – DAS. A net shortfall of \$18.94 million is forecast, with higher than budgeted claim volume in the DOC, DMHAS, DESPP, DCF, UCHC, and statewide accounts, which are partially mitigated by projected lapses in the DDS, UConn and CSCU accounts.

Lapses: P.A. 25-168 included bottom-line savings targets totaling \$116.3 million. We project that aggregate lapses will total \$111.4 million, including \$36.6 million remaining in funds withheld from agencies as part of the rollout of the FY 2026 budget, \$10.0 million in budgeted unallocated lapse that is anticipated to be achieved over the remainder of the year, and \$64.8 million in additional lapses in agencies as identified below.

- Office of Legislative Management. A total lapse of \$5.0 million is projected based on \$3.0 million in the Personal Services account and \$2.0 million in the Other Expenses account.
- Auditors of Public Accounts. A \$175,000 lapse is projected in the Personal Services account.
- Commission on Women, Children, Seniors, Equity and Opportunity. A \$125,000 lapse is projected in the Personal Services account.
- Secretary of the State. A \$900,000 lapse is projected in the Personal Services account.
- Elections Enforcement Commission. A \$350,000 lapse is projected as a result of lower than budgeted Personal Services expenditures.
- Freedom of Information Commission. A \$150,000 lapse is projected as a result of lower than budgeted Personal Services expenditures.
- State Treasurer. A \$125,000 lapse is projected in the Personal Services account.
- Department of Revenue Services. A \$1.5 million lapse is projected in the Personal Services account.
- Office of Governmental Accountability. A total lapse of \$675,000 is forecast, consisting of \$150,000 in the Contracting Standards Board, \$225,000 in the Office of the Child Advocate, and \$300,000 in the Office of the Correctional Ombuds.
- Office of Policy and Management. A \$1.0 million lapse is forecast in the Property Tax Relief for Veterans account.
- Department of Administrative Services. A total of \$7.77 million is projected to lapse, with \$1.5 million in the Personal Services account, \$1.4 million in the Other Expenses account, \$400,000 in the Rents and Moving account, and \$4.5 million in the State Insurance and Risk Management Operations account as a result of a recent decline in claim activity.
- Attorney General. A \$3.5 million lapse is projected in the Personal Services account.
- Division of Criminal Justice. A total lapse of \$385,000 is forecast, with \$275,000 in the Personal Services account and \$110,000 in the Other Expenses account.
- Department of Consumer Protection. A \$750,000 lapse is projected in the Personal Services account.
- Commission on Human Rights and Opportunities. A \$250,000 lapse is projected in the Personal Services account.
- Department of Agriculture. A \$200,000 lapse is projected in the Personal Services account.
- Agricultural Experiment Station. A \$200,000 lapse is projected in the Personal Services account.
- Department of Public Health. A net lapse of \$1.04 million is forecast, with \$900,000 in the Personal Services account and \$744,996 across the Pancreatic Cancer Screening and School Based Health Clinics accounts due to delays in program implementation. Partially offsetting these lapses is a forecast shortfall of \$600,000 in the Other Expenses account due to increases in the cost of lab supplies, utilities, and property management.
- Office of Health Strategy. A \$150,000 lapse is projected in the Personal Services account.

- Department of Aging and Disability Services. A total lapse of \$795,000 is projected, with \$350,000 in Personal Services and \$445,000 in the Educational Aid for Children – Blind and Disabled, Employment Opportunities – Blind & Disabled, and Special Training for the Deaf and Blind accounts.
- Department of Education. A net lapse of \$16.29 million is anticipated based on \$375,000 in the Personal Services account; \$750,000 in the Other Expenses account; \$5.0 million in the Sheff Settlement account due to delays in rolling out programming required by the Sheff Settlement; \$4.96 million in the Sheff Transportation account based on actual transportation costs incurred in the Sheff Region; \$2.5 million in the Aspiring Educators Scholarship Program account based on usage rates; and \$2.5 million in the Magnet School account, \$1.0 million in the Charter School account, and \$1.0 million in the Open Choice account as a result of updated enrollment data. Partially offsetting these lapses is a projected shortfall of \$2.0 million in the Education Cost Sharing account due to prior year adjustments for the Special Education Cost Grants.
- Office of Early Childhood. A net lapse of \$660,000 is anticipated with \$4.0 million in the Early Care and Education account and \$160,000 in the 2Gen-TANF account which is partially offset by a \$3.5 million shortfall in the Birth to Three account as a result of caseload trends.
- Teachers' Retirement Board. A total lapse of \$1.3 million is projected with \$100,000 in the Personal Services account, \$800,000 in the Municipal Retiree Health Insurance Costs account and \$400,000 in the Retirees Health Service Cost account.
- Public Defender Services Commission. A total lapse of \$1.25 million is forecast, with \$900,000 in the Personal Services account and \$346,000 in the Assigned Counsel – Criminal account.
- Debt Service – State Treasurer. A total lapse of \$13.72 million is forecast, with \$7.8 million in the Debt Service account based on results of the Fall GO sale which resulted in a slightly lower interest rate than assumed as well as savings due to refunding sales, \$5.2 million in the UConn 2000 Debt Service account as a result of the timing of interest payments during FY 2026, and \$721,991 in the Municipal Restructuring account as a result of the partial refunding of the Hartford restructuring debt.
- State Comptroller – Fringe Benefits. A net lapse of \$6.56 million is anticipated based on \$33.0 million in the Higher Education Alternative Retirement System account primarily due to a change in the accounting treatment for these expenditures; \$7.0 million in the Employers Social Security Tax account; \$8.0 million in the Other Post Employment Benefits account; and \$1.56 million across the Unemployment Compensation, Pensions and Retirements - Other Statutory, Insurance – Group Life, and SERS Defined Contributions Match accounts. These lapses are partially offset by a \$43.0 million shortfall in the State Employees Health Service Cost account.

Special Transportation Fund

The adopted budget, P.A. 25-168, anticipated a \$29.8 million balance from operations. We currently forecast an operating surplus of \$50.1 million, up \$2.7 million from last month's forecast as a result of updated expenditure projections as discussed below. We project that the Transportation Fund balance on June 30, 2026, will be \$462.5 million after transfers to reduce STO indebtedness totaling \$57.5 million pursuant to section 389 of P.A. 25-168.

Revenues

Projected revenues remain unchanged from last month and continue to reflect the January 15th consensus forecast.

Expenditures

We forecast that net expenditures in the Special Transportation Fund will be \$4.0 million below the level in the adopted budget as described below.

Deficiencies: Shortfalls totaling \$7.0 million are forecast in the following agencies:

- State Comptroller – Fringe Benefits. A net shortfall of \$6.69 million is forecast, with \$7.0 million in the State Employees Health Service account and \$150,000 in the Employers' Social Security Tax account. Partially offsetting these shortfalls are lapses totaling \$460,000 in the Unemployment Compensation and Other Post Employment Benefits accounts.
- Workers' Compensation Claims – DAS. A net shortfall of \$350,000 is forecast based on higher than anticipated claim volume.

Lapses: We project the following lapses, totaling \$23.0 million, will more than satisfy the budgeted \$12.0 million bottom-line savings target.

- Office of Policy and Management. A \$120,000 lapse is projected in the Personal Services account.
- Department of Administrative Services. A total lapse of \$1.22 million is projected with \$422,625 in the Personal Services account and \$792,402 in the State Insurance and Risk Management Operations account.
- Department of Motor Vehicles. A \$2.5 million lapse is projected in the Personal Services account.
- Debt Service – State Treasurer. A \$19.2 million lapse is projected in the Debt Service account due to refunding sales and updated debt service costs related to timing.

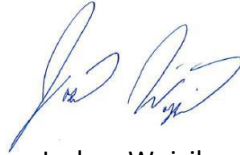
Budget Reserve Fund

Our forecast for the Budget Reserve Fund is depicted below. We project that, after transfers out of the fund and into the State Employees and Teachers' Retirement Systems totaling \$1.49 billion pursuant to the close-out of FY 2025, the balance will stand at \$4.83 billion: temporarily above the statutory 18% threshold as a result of S.A. 25-1 of the November 2025 Special Session and S.A. 26-1 of the 2026 Regular Session, which together established an appropriated reserve totaling \$500 million for responding to federal actions affecting the state budget. We anticipate a volatility cap transfer of \$1.81 billion for FY 2026, which will result in a year-end balance, excluding any unspent portion of the S.A. 26-1 reserve, of \$6.14 billion, or 24.2% of FY 2027 enacted General Fund appropriations. Note that, pursuant to P.A. 25-93, any operating surplus will be transferred to the Early Childhood Education Endowment rather than the Budget Reserve Fund.

Budget Reserve Fund	
	(in millions)
BRF Ending Balance - FY 2025	\$ 6,314.0
Deposit to SERS/TRS pursuant to FY 2025 Closeout	<u>(1,487.5)</u>
Estimated FY 2025 Ending Balance After Transfers to Pensions	\$ 4,826.5
Projected Operating Surplus - FY 2026 (OPM 4/20/26 Est.)	\$ 11.7
Volatility Cap Deposit - FY 2026 (OPM 4/20/26 Est.)	1,810.4
Projected Transfer to Early Childhood Education Endowment	(11.7)
S.A. 25-1 (Nov. Spec. Sess.) Transfers to General Fund	(169.2)
S.A. 26-1 Reserve for Response to Federal Actions	<u>(330.8)</u>
Estimated BRF Ending Balance - FY 2026	\$ 6,136.9
Ending BRF as % of FY 2026 General Fund Appropriations	25.5%
Ending BRF as % of enacted FY 2027 General Fund Appropriations	24.2%

As the year nears its conclusion, these estimates will continue to be revised to reflect the impact of changes in the economy, expenditure patterns, federal fiscal policy, and/or other factors.

Sincerely,



Joshua Wojcik
Secretary

Attachments:

Summary Statements, FY 2026 Revenue and Expenditures

State of Connecticut
Summary of Changes - FY 2026
General Fund and Special Transportation Fund
Projected to June 30, 2026
As of March 31, 2026
(In Millions)

General Fund

Balance from Operations - Prior Estimate		\$	33.0
Revenues			
No Changes	0.0		0.0
Expenditures			
Additional Requirements	(16.4)		
Estimated Lapses	(4.9)		
Increase in Appropriation per S.A. 25-1	0.0		(21.2)
Operating Surplus - FY 2026		\$	11.7

Budget Reserve Fund

Fund Balance as of June 30, 2025		\$	6,314.0
Deposit to SERS/TRS Pursuant to Sec. 4-30a, CGS	(1,487.5)		
Transfer to General Fund Pursuant to S.A. 25-1	(169.2)		
FY 2026 Est. Volatility Cap Deposit	1,810.4		
FY 2026 Est. Balance from Operations	11.7		
Transfer to Early Childhood Education Endowment	(11.7)		
Reserve for Federal Response	(330.8)		(177.1)
Estimated Fund Balance - June 30, 2026		\$	6,136.9
Fund Balance as Percentage of FY 2026 General Fund			25.5%

Special Transportation Fund

Fund Balance as of June 30, 2025		\$	469.9
Transfer to Reduce Indebtedness (P.A. 25-168, Sec. 389)			(57.5)
Balance from Operations - Prior Estimate			47.4
Revenues			
No Changes	0.0		0.0
Expenditures			
Additional Requirements	2.1		
Estimated Lapses	0.6		
Miscellaneous Adjustments/Rounding	0.0		2.7
Estimated Fund Balance - June 30, 2026		\$	462.5

State of Connecticut
General Fund
Statement of FY 2026 Revenues, Expenditures, and Results of Operations
Projected to June 30, 2026
As of March 31, 2026
(In Millions)

	General Assembly Budget Plan ^{1.}	Revised Estimates OPM	Over/ (Under)
REVENUE			
Taxes	\$ 23,909.0	\$ 25,116.0	\$ 1,207.0
Less: Refunds	(2,212.0)	(2,395.8)	(183.8)
Taxes - Net	\$ 21,697.0	\$ 22,720.2	\$ 1,023.2
Other Revenue	1,695.2	1,678.4	(16.8)
Other Sources	953.2	(7.3)	(960.5)
TOTAL Revenue	\$ 24,345.4	\$ 24,391.3	\$ 45.9
 EXPENDITURES			
Initial Current Year Appropriations	\$ 24,130.8	\$ 24,130.8	\$ -
Prior Year Appropriations Continued to FY 2026 ^{2.}		365.9	365.9
TOTAL Initial and Continued Appropriations	\$ 24,130.8	\$ 24,496.7	\$ 365.9
Appropriation Adjustments ^{3.}	-	169.2	169.2
TOTAL Adjusted Appropriations	\$ 24,130.8	\$ 24,665.9	\$ 535.1
 Net Additional Expenditure Requirements		191.0	191.0
Estimated Appropriations Lapsed	(94.2)	(111.4)	(17.2)
Estimated Appropriations to be Continued to FY 2027 ^{2.}		-	-
TOTAL Estimated Expenditures	\$ 24,036.6	\$ 24,745.5	\$ 708.9
 Net Change in Fund Balance - Continuing Appropriations		(365.9)	(365.9)
Miscellaneous Adjustments/Rounding		-	-
 Net Change in Unassigned Fund Balance - 6/30/2026	\$ 308.9	\$ 11.7	\$ (297.1)

1. P.A. 25-168. Note that CGS Sec. 2-33c limits appropriations to 98.75% of General Fund revenue. As a result, \$304.3 million of the budgeted surplus is due to this limitation.

2. CGS Sec. 4-89 and other statutory provisions. Prior appropriations carried forward from FY 2025 included \$365.9 million into FY 2026 and \$36.0 million into FY 2027.

3. Pursuant to Per S.A. 25-1 (Nov. Spec. Sess.) net transfers from BRF to General Fund total \$169.19 million.

State of Connecticut
General Fund
FY 2026 Revenue Estimates
Projected to June 30, 2026
As of March 31, 2026
(In Millions)

	General Assembly Budget Plan ¹ .	Revised Estimates OPM	Over/ (Under)
TAXES			
Personal Income - Withholding	\$ 9,287.2	\$ 9,503.4	\$ 216.2
Personal Income - Estimates and Finals	3,343.7	4,098.4	754.7
Sales and Use	5,103.1	5,279.2	176.1
Corporation	1,659.5	1,306.7	(352.8)
Pass-through Entity Tax	2,115.3	2,440.6	325.3
Public Service Corporations	319.4	324.7	5.3
Inheritance and Estate	176.0	221.0	45.0
Insurance Companies	323.9	368.9	45.0
Cigarettes	228.1	217.1	(11.0)
Real Estate Conveyance	295.2	323.6	28.4
Alcoholic Beverages	79.1	76.2	(2.9)
Admissions and Dues	39.7	43.3	3.6
Health Provider Tax	916.9	891.0	(25.9)
Miscellaneous	21.9	21.9	-
TOTAL - TAXES	\$ 23,909.0	\$ 25,116.0	\$ 1,207.0
Less: Refunds of Taxes	(1,966.8)	(2,150.6)	(183.8)
Earned Income Tax Credit	(235.4)	(235.4)	-
R & D Credit Exchange	(9.8)	(9.8)	-
TOTAL - TAXES - NET	\$ 21,697.0	\$ 22,720.2	\$ 1,023.2
OTHER REVENUE			
Transfers - Special Revenue	\$ 376.3	\$ 372.5	\$ (3.8)
Indian Gaming Payments	334.6	364.6	30.0
Licenses, Permits, Fees	362.9	366.9	4.0
Sales of Commodities and Services	17.3	17.6	0.3
Rents, Fines, Escheats	203.2	228.1	24.9
Investment Income	301.5	273.8	(27.7)
Miscellaneous	189.1	167.1	(22.0)
Refunds of Payments	(89.7)	(112.2)	(22.5)
TOTAL - OTHER REVENUE	\$ 1,695.2	\$ 1,678.4	\$ (16.8)
OTHER SOURCES			
Federal Grants	\$ 1,853.2	\$ 1,827.1	\$ (26.1)
Transfer from Tobacco Settlement Fund	91.8	91.8	-
Transfers From/(To) Other Funds	(261.4)	(92.2)	169.2
Transfers to BRF - Volatility Adjustment ² .	(730.4)	(1,810.4)	(1,080.0)
Transfer to Housing Trust Fund	-	(23.6)	(23.6)
TOTAL - OTHER SOURCES	\$ 953.2	\$ (7.3)	\$ (960.5)
TOTAL - GENERAL FUND REVENUE	\$ 24,345.4	\$ 24,391.3	\$ 45.9

1. Sec. 460 of P.A. 25-168.

2. The volatility cap for the adopted FY 2026 budget is \$4,728.6 million. Total revenue from the Estimates and Finals portion of the Personal Income Tax and the Pass-through Entity Tax that exceeds the volatility cap will be deposited into the Budget Reserve Fund.

State of Connecticut - General Fund
FY 2026 Appropriation Adjustments - Net Additional Requirements
Projected to June 30, 2026
As of March 31, 2026

Department of Emergency Services and Public Protection	\$ 10,110,000
Department of Labor	1,391,487
Department of Housing	17,000,000
Department of Mental Health and Addiction Services	8,500,000
Department of Social Services	68,620,000
Technical Education and Career System	4,100,000
Department of Correction	17,600,000
Judicial Department	3,754,000
State Comptroller - Miscellaneous	41,000,000
Workers' Compensation Claims - DAS	18,935,000
Total	<u>\$ 191,010,487</u>

State of Connecticut
General Fund
Estimated FY 2026 Lapses
Projected to June 30, 2026
As of March 31, 2026

Unallocated Lapse	\$ 20,984,277
Unallocated Lapse - Judicial	5,000,000
Targeted Savings Lapse	20,626,692
Office of Legislative Management	5,000,000
Auditors of Public Accounts	175,000
Commission on Women, Children, Seniors, Equity and Opportunity	125,000
Secretary of the State	900,000
Elections Enforcement Commission	350,000
Freedom of Information Commission	150,000
State Treasurer	125,000
Department of Revenue Services	1,500,000
Office of Governmental Accountability	675,000
Office of Policy and Management	1,000,000
Department of Administrative Services	7,767,100
Attorney General	3,500,000
Division of Criminal Justice	385,000
Department of Consumer Protection	750,000
Commission on Human Rights and Opportunities	250,000
Department of Agriculture	200,000
Agricultural Experiment Station	200,000
Department of Public Health	1,044,996
Office of Health Strategy	150,000
Department of Aging and Disability Services	795,000
Department of Education	16,285,000
Office of Early Childhood	660,000
Teachers' Retirement Board	1,300,000
Public Defender Services Commission	1,246,000
Debt Service - State Treasurer	13,721,991
State Comptroller - Fringe Benefits	6,559,000
Total	<u>\$ 111,425,056</u>

State of Connecticut
 FY 2026 General Fund
 Monthly Summary of Operations
 (In Millions)

	Budget Plan ¹	July 2025	August 2025	September 2025	October 2025	November 2025	December 2025	January 2026	February 2026	March 2026	April 2026	May 2026	June 2026
REVENUE	\$ 24,345.4	\$ 24,491.8	\$ 24,491.8	\$ 24,491.8	\$ 24,356.8	\$ 24,524.7	\$ 24,465.0	\$ 24,466.3	\$ 24,391.3	\$ 24,391.3			
Appropriations	24,130.8	24,130.6	24,130.6	24,130.6	24,130.8	24,298.7	24,298.7	24,300.0	24,300.0	24,300.0			
Additional Requirements	0.0	105.0	140.0	127.1	151.8	191.9	188.9	200.0	174.6	191.0			
Less: Estimated Lapses	(94.2)	(94.2)	(95.6)	(88.2)	(90.2)	(102.2)	(108.5)	(111.0)	(116.3)	(111.4)			
TOTAL - Estimated Expenditures	24,036.6	24,141.4	24,175.0	24,169.5	24,192.4	24,388.4	24,379.1	24,389.0	24,358.3	24,379.6	0.0	0.0	0.0
Operating Balance	308.9	350.5	316.8	322.3	164.4	136.3	85.9	77.3	33.0	11.7			
Misc. Adjustments/Rounding	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
Est. Operating Balance - 6/30/26	\$308.9	\$350.5	\$316.8	\$322.3	\$164.4	\$136.3	\$85.9	\$77.3	\$33.0	\$11.7	\$0.0	\$0.0	\$0.0

1. P.A. 25-168.

State of Connecticut
Special Transportation Fund
Analysis of FY 2026 Budget Plan
Projected to June 30, 2026
As of March 31, 2026
(In Millions)

	General Assembly <u>Budget Plan</u> ¹ :	Revised Estimates <u>OPM</u>	Over/ (Under)
Fund Balance as of June 30, 2025		\$ 469.9	
Transfer to Reduce Indebtedness ² :		(57.5)	
REVENUE			
Taxes	\$ 1,854.8	\$ 1,868.2	\$ 13.4
Less: Refunds of Taxes	<u>(10.3)</u>	<u>(14.3)</u>	<u>(4.0)</u>
Taxes - Net	\$ 1,844.5	\$ 1,853.9	\$ 9.4
Other Revenue	464.6	471.4	6.8
TOTAL - Revenue	<u>\$ 2,309.1</u>	<u>\$ 2,325.3</u>	<u>\$ 16.3</u>
EXPENDITURES			
Appropriations	\$ 2,291.2	\$ 2,291.2	\$ -
Prior Year Appropriations Continued to FY 2026 ³ :		76.4	76.4
TOTAL Initial and Continued Appropriations	<u>\$ 2,291.2</u>	<u>\$ 2,367.6</u>	<u>\$ 76.4</u>
Appropriation Adjustments	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL Adjusted Appropriations	<u>\$ 2,291.2</u>	<u>\$ 2,367.6</u>	<u>\$ 76.4</u>
Net Additional Expenditure Requirements		7.0	7.0
Estimated Appropriations Lapsed	(12.0)	(23.0)	(11.0)
Estimated Appropriations to be Continued to FY 2027 ³ :		-	-
TOTAL Estimated Expenditures	<u>\$ 2,279.2</u>	<u>\$ 2,351.6</u>	<u>\$ 72.4</u>
Net Change in Fund Balance - Continuing Appropriations		(76.4)	(76.4)
Miscellaneous Adjustments/Rounding		-	-
Net Change in Unassigned Fund Balance - FY 2026	\$ 29.8	\$ 50.1	\$ 20.2
Estimated Fund Balance - June 30, 2026		<u>\$ 462.5</u>	

1. P.A.25-168. Note that CGS Sec. 2-33c limits appropriations to 98.75% of Special Transportation Fund revenue. As a result, \$28.9 million of the budgeted surplus is due to this limitation.

2. P.A. 25-168, Sec. 389 provides for the portion of the STF fund balance that exceeds 18% of current-year appropriations to be transferred to reduce STO indebtedness.

3. CGS Sec. 4-89 and other statutory provisions.

State of Connecticut
Special Transportation Fund
FY 2026 Revenue Estimates
Projected to June 30, 2026
As of March 31, 2026
(In Millions)

	General Assembly Budget Plan ¹	Revised Estimates OPM	Over/ (Under)
TAXES			
Motor Fuels	\$ 502.0	\$ 504.2	\$ 2.2
Oil Companies	293.8	292.4	(1.4)
Sales & Use Tax	879.2	899.1	19.9
Sales Tax DMV	118.1	111.7	(6.4)
Highway Use	61.7	60.8	(0.9)
TOTAL - TAXES	\$ 1,854.8	\$ 1,868.2	\$ 13.4
Less: Refunds of Taxes	(10.3)	(14.3)	(4.0)
TOTAL - TAXES - NET	\$ 1,844.5	\$ 1,853.9	\$ 9.4
OTHER REVENUE			
Motor Vehicle Receipts	\$ 282.1	\$ 266.6	\$ (15.5)
Licenses, Permits, Fees	134.9	139.7	4.8
Interest Income	47.0	64.5	17.5
Federal Grants	-	-	-
Transfers (To)/From Other Funds	11.5	11.5	-
Refunds of Payments	(10.9)	(10.9)	-
TOTAL - OTHER REVENUE	\$ 464.6	\$ 471.4	\$ 6.8
TOTAL - SPECIAL TRANSPORTATION FUND REVENUE	\$ 2,309.1	\$ 2,325.3	\$ 16.2

1. Sec. 461 of P.A. 25-168.

Statement 3T
April 20, 2026

State of Connecticut
Special Transportation Fund
FY 2026 Appropriation Adjustments - Net Additional Requirements
Projected to June 30, 2026
As of March 31, 2026

State Comptroller - Fringe Benefits	\$ 6,690,000
Workers' Compensation Claims - DAS	350,000
Total	<u>\$ 7,040,000</u>

State of Connecticut
Special Transportation Fund
FY 2026 Estimated Lapses
Projected to June 30, 2026
As of March 31, 2026

Unallocated Lapse	\$	-
Office of Policy and Management		120,000
Department of Administrative Services		1,215,027
Department of Motor Vehicles		2,500,000
Debt Service - State Treasurer		19,200,000
Total	<u>\$</u>	<u>23,035,027</u>

State of Connecticut
FY 2026 Special Transportation Fund
Monthly Summary of Operations
(In Millions)

	Budget Plan ¹ .	July 2025	August 2025	September 2025	October 2025	November 2025	December 2025	January 2026	February 2026	March 2026	April 2026	May 2026	June 2026
Beginning Balance ² .	\$ 410.3	\$ 410.3	\$ 410.3	\$ 410.3	\$ 412.4	\$ 412.4	\$ 412.4	\$ 412.4	\$ 412.4	\$ 412.4			
Revenue	2,309.1	2,298.8	2,298.8	2,298.8	2,328.8	2,328.8	2,325.3	2,325.3	2,325.3	2,325.3			
Total Available	2,719.4	2,709.1	2,709.1	2,709.1	2,741.2	2,741.2	2,737.7	2,737.7	2,737.7	2,737.7	0.0	0.0	0.0
Appropriations	2,291.2	2,291.2	2,291.2	2,291.2	2,291.2	2,291.2	2,291.2	2,291.2	2,291.2	2,291.2			
Additional Requirements	0.0	0.0	7.6	7.5	7.9	7.9	8.4	9.5	9.1	7.0			
Less: Estimated Lapses	(12.0)	(12.0)	(12.0)	(13.9)	(14.0)	(20.6)	(20.9)	(21.8)	(22.4)	(23.0)			
TOTAL - Estimated Expenditures	2,279.2	2,279.2	2,286.8	2,284.8	2,285.1	2,278.5	2,278.8	2,278.9	2,277.9	2,275.2	0.0	0.0	0.0
Operating Balance	29.8	19.6	12.0	14.0	43.7	50.3	46.5	46.4	47.4	50.1			
Misc. Adjustments/Rounding	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
Estimated Operating Balance 6/30/26	\$440.1	\$429.9	\$422.3	\$424.3	\$456.2	\$462.7	\$458.9	\$458.8	\$459.8	\$462.5	\$0.0	\$0.0	\$0.0

1. P.A. 25-168.

2 Estimated by the Office of Policy and Management after transfers to reduce STO debt pursuant to P.A. 25-168, Sec. 389. October based on Treasurer 11/12/2025 estimate.