CONNECTICUT SECRETARY OF THE STATE CAPITAL OFFICE

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# Ned Lamont GOVERNOR STATE OF CONNECTICUT

### STATE OF CONNECTICUT

### **DECLARATION OF THE EXISTENCE OF EXTRAORDINARY CIRCUMSTANCES**

### BY HIS EXCELLENCY

# **NED LAMONT, GOVERNOR**

Pursuant to Article XXVIII of the Amendments to the Connecticut Constitution and Sections 2-33a and 3-20(bb) of the Connecticut General Statutes, I, Ned Lamont, Governor of the State of Connecticut, hereby declare the existence of extraordinary circumstances necessitating (1) the alteration of Section 4-30a of the Connecticut General Statutes to allow the state to temporarily increase the size of the Budget Reserve Fund to prepare for the suspension of or the reduction to the amount of federal funds provided to support programs that Connecticut residents rely upon, and (2) the expenditure of a portion of the resources in such Fund, in excess of the general budget expenditure cap for the fiscal year ending June 30, 2026, to address any immediate needs associated with any action, or inaction, by the federal government that results in a reduction in funding for the Special Supplemental Nutrition Program for Women, Infants, and Children, the Supplemental Nutrition Assistance Program, the Low Income Home Energy Assistance Program, healthcare, school meals, childcare assistance and housing assistance in the state of Connecticut (the "Enumerated Programs").

The declaration is based on the following:

### 1. Federal One Big Beautiful Bill Act

P.L. 119-21, The One Big Beautiful Bill Act, makes program changes whose likely impact will be to reduce funding that the federal government will provide to support programs in the state of Connecticut. Such funding reductions are scheduled to commence during the state fiscal year ending June 30, 2026, and will be fully implemented over the coming years.

# 2. Impending Further Federal Legislation and Administrative Actions

In addition to reductions directly attributable to The One Big Beautiful Bill Act, other pending federal legislation along with potential federal administrative actions threaten to further reduce the funding provided by the federal government to support programs upon which our residents rely.

#### 3. Federal Shutdown

Due to the failure of the United States Congress to enact a budget for the federal fiscal year ending September 30, 2026, the federal government has been shut down since October 1, 2025. Many federal programs crucial to the well-being and safety of Connecticut residents have been halted during the shutdown.

# 4. Budget Reserve Fund

Following transfers required under existing law, the Budget Reserve Fund is projected to be funded to its statutory maximum of \$4,326.6 million by the end of December 2025, which is equal to 18% of net General Fund appropriations for the fiscal year ending June 30, 2026. Under existing law, the Budget Reserve Fund may only be used for specific purposes, which do not include support for programs that have lost federal funding.

# 5. Need to Increase Budget Reserve Fund to Prepare for Federal Reductions

In light of the scheduled and potential reductions in federal funding, it is prudent to transfer an additional \$500 million to the Budget Reserve Fund, and temporarily increase such Fund above its statutory maximum, to guard against the impact that the loss of federal funds may have on our residents. Moreover, as the General Assembly will not return for the 2026 regular legislative session until February 4, 2026, it is also prudent to appropriate such additional \$500 million to the Office of Policy and Management to allow the Executive Branch to immediately respond, if and when necessary, to the impact that federal actions, or inaction, may have on the Enumerated Programs while the General Assembly is not in session.

## 6. Pending Legislative Action

House Bill 8003, as set forth in LCO No. 10926, provides for a temporary \$500 million increase to the Budget Reserve Fund and the ability for the Executive Branch to expend such funds for the purposes of addressing the impact of any federal action or inaction on the Enumerated Programs, if determined to be necessary by the Governor, while the General Assembly is not in session. On February 4, 2026, when the General

Assembly convenes the 2026 regular legislative session, any unencumbered appropriations authorized from the Budget Reserve Fund pursuant to such bill shall lapse and such funds shall remain in or return to, as applicable, the Budget Reserve Fund.

Accordingly, to address these extraordinary circumstances, I declare that it is reasonable and prudent to (1) alter Section 4-30a of the Connecticut General Statutes to allow the state to temporarily increase the size of the Budget Reserve Fund by \$500 million to prepare for the suspension of or the reduction to the amount of federal funds provided to support programs that Connecticut residents rely upon, and (2) expend state resources, in excess of the amount of general budget expenditures allowable under Article XXVIII of the Amendments to the Constitution of the State of Connecticut and Section 2-33a of the Connecticut General Statutes, in the amount of \$500 million, as set forth in House Bill 8003, as set forth in LCO No. 10926, from the Budget Reserve Fund for the purposes of addressing any immediate needs associated with any action, or inaction, by the federal government that results in a reduction in funding for the Enumerated Programs.

Moreover, this additional expenditure shall not be considered general budget expenditures for the fiscal year ending June 30, 2026, for the purposes of determining general budget expenditures for the fiscal year ending June 30, 2027.

Additionally, in accordance with Section 4-85 of the Connecticut General Statutes, I declare that it will be necessary to modify certain allotment requisitions during the fiscal year ending June 30, 2026, due to the changes attributable to these extraordinary circumstances.

This declaration is submitted to the General Assembly for acknowledgement in accordance with Article XXVIII of the Amendments to the Connecticut Constitution and Sections 2-33a and 3-20(bb) of the Connecticut General Statutes.

Dated at Hartford, Connecticut, this 12th day of November 2025.

**NED LAMONT** 

Governor

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