


STATE OF CONNECTICUT
OFFICE OF POLICY AND MANAGEMENT

July 14, 2010

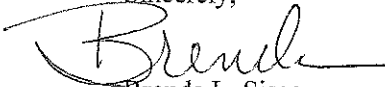
Senator Gayle Slossberg, Co-Chair
Representative James Spallone, Co-Chair
Comm. on Enhancing Agency Outcomes
Hartford, CT 06106-1591
GAE Committee, L.O.B.
Hartford, CT 06106-1591


Dear Senator Slossberg and Representative Spallone:

Section 9 of Public Act 09-2 established a July 1, 2009 due date for a final report from the Commission on Enhancing Agency Outcomes, and Section 49 of Public Act 09-7 of the September Special Session extended that deadline to December 31, 2010. The FY 2010 budget included a \$3.5 million reduction for unspecified savings tied to recommendations of the Commission, yet no specific plan for achieving those savings was offered or adopted by the General Assembly. While the Administration was able to achieve all FY 2010 budgeted lapse targets, including the "Enhancing Agency Outcomes" lapse (though we had no specific direction from the Commission), it should be noted that that was due in large part to \$60 million in rescissions.

As you know, the adopted budget for FY 2011 continues to include bottom-line savings for "Enhancing Agency Outcomes," but the savings amount has been increased to \$50 million—a substantial sum. Fiscal Year 2011 is already underway, and unfortunately the Administration still has no guidance or specific plan from the Commission or the General Assembly for achieving these savings. Waiting until December 31, 2010 for your group to release recommendations will leave less than half of the fiscal year to implement any proposed restructuring, and will result in unachievable savings. Given the precarious nature of the state's recovery from the recession as well as the significant amount of borrowing that was included in the adopted FY 2011 budget, fiscal prudence demands that the Commission on Enhancing Agency Outcomes provide a final plan, endorsed by the General Assembly, as quickly as possible. I ask that you provide this plan within the next 30 days so that we can take action to ensure the state does not end FY 2011 with a deficit. It is the Administration's intention to consider rescissions or other potential reductions within the Governor's authority should the Commission's final plan not be provided in the timeframe requested.

Sincerely,



Brenda L. Sisco
Acting Secretary

cc: Governor Rell
Sen. Donald Williams
Rep. Chris Donovan
Sen. John McKinney
Rep. Larry Cafero