STATE COMPTROLLER
SEAN SCANLON

FOR IMMEDIATE RELEASE

November 1, 2024

COMPTROLLER SEAN SCANLON PROJECTS $71.2 MILLION SURPLUS, NODS TO CONNECTICUT'S POSITIVE ECONOMIC OUTLOOK

(HARTFORD, CT) – Comptroller Sean Scanlon today, in his monthly financial and economic update, projected a Fiscal Year 2025 General Fund surplus of $71.2 million and a Special Transportation Fund (STF) surplus of $131.6 million, both in general agreement with the Office of Policy and Management's projections.

"With easing inflation, solid wage growth, and our lowest unemployment rate since 2001, Connecticut is well-positioned to continue our fiscal and economic growth," **said Comptroller Scanlon. "**As we prepare for the next legislative session and biennium budget, our state must continue finding a balance between fiscal responsibility and addressing current needs."

While revenues remain unchanged from September, expenditures across state agencies rose $38 million, resulting in the decreased surplus. The STF surplus, however, increased $4.2 million from last month's projection due to lower projected expenditures.

Thanks to recent legislation, the state is slated to use $526.9 million from the STF's large cumulative balance to pay down outstanding Special Tax Obligation debt. This is projected to reduce STF debt service costs by as much as $60 million per year in future fiscal years. The state is making consistent progress paying down long-term liabilities, which frees up debt service funding for other worthwhile purposes.

In a letter to Governor Ned Lamont, Comptroller Scanlon noted that experts are reporting a "soft landing" when it comes to the national economy and the easing of inflation. With the rate cut last month, many Americans will begin to feel relief when it comes to buying a home or taking out a loan for their business. Additionally, September job growth far exceeded expectations with 254,000 jobs added and the unemployment rate ticking down to 4.1%.

In Connecticut, Comptroller Scanlon commended Connecticut reaching its lowest unemployment rate in 20 years at 3.2%. While the state's housing market remains tight, lowered interest rates are expected to boost construction and gradually improve the supply of homes for sale.

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