



— STATE COMPTROLLER —
SEAN SCANLON

FOR IMMEDIATE RELEASE

October 1, 2026

COMPTROLLER SEAN SCANLON PROJECTS \$380 MILLION SURPLUS

(HARTFORD, CT) – Comptroller Sean Scanlon today, in his monthly financial and economic update, projected a Fiscal Year 2027 General Fund surplus of \$380.0 million and a Special Transportation Fund surplus of \$209.6 million, both in general agreement with the Office of Policy and Management’s projections.

“Yesterday we officially closed the books on FY 2026, and our year-end report speaks to the continued and growing fiscal health of Connecticut,” **said Comptroller Scanlon**. “Eight consecutive years of surpluses, a record-high \$4.5 billion Rainy Day Fund and another \$1.5 billion of pension debt paid down. Those stats combined with the fact that our state had the 6th fastest growing economy in the United States between summer 2025 and summer 2026 is proof that what we’ve done to turn around our finances and economy is working.”

This month’s Economic Update examines the impacts of rising interest rates on state and local government finances.

“Just this morning, the yield on the 10-year Treasury note hit its highest level since 2002,” **said Comptroller Scanlon**. “Continued turbulence in the in the bond market is driving up costs for state and local governments which is then passed on to taxpayers already getting hit hard by other rising costs. This month’s Economic Update is a well-timed deep dive into what’s driving this and why it matters to Connecticut.”

In a letter to Governor Ned Lamont, Comptroller Scanlon noted there were no reported changes in projected revenue this month. Revenues remain \$63.6 million above what was adopted in the budget. Revisions include Sales and Use Tax (+\$123.8 million) and legislative and administrative changes (-\$78.6 million), among others. Projected spending rose by \$71.8 million, mostly related to fringe benefits.

The Budget Reserve Fund (BRF), also known as the “Rainy Day Fund,” is currently at its legal cap of \$4.48 billion, or 18% of net General Fund appropriations for FY 2027. The BRF is projected to receive an additional \$1.53 billion from the FY 2027 volatility cap deposit, temporarily bringing the balance to \$6.01 billion, or 24.2% of FY 2027 General Fund appropriations. Comptroller Scanlon expects additional transfers to be made to reduce pension debt for any excess above

the 18% cap. The Early Childhood Education Endowment is projected to receive a transfer of \$380.0 million, the full General Fund surplus for FY 2027 under current estimates.

###

Contact: Madi Csejka
Director of Communications
madi.csejka@ct.gov
C: 203-506-0191

osc.ct.gov