

### OFFICE OF THE FIRST SELECTMAN

# Michael R. Criss First Selectman, Town of Harwinton

## **EDUCATION COMMITTEE**

March 3, 2021

Good Afternoon, my name is Michael R. Criss, I am the First Selectman for the Town of Harwinton and I am submitting testimony regarding S.B. 946 "An Act Concerning the Minimum Budget Requirement."

### S.B. 946 "An Act Concerning the Minimum Budget Requirement"

Thank you for the opportunity to comment and submit testimony on proposed S.B. 946 "An Act Concerning the Minimum Budget Requirement." The Town of Harwinton supports S.B. 946. This bill extends provisions and revises the Minimum Budget Requirement by excluding from the calculation of a school districts budgeted appropriation for education any funds received or used for COVID-19 related expenses and any funds received for school security improvements.

Specifically, the bill would extend provisions passed in the October Special Session by excluding from the MBR calculation costs through fiscal year 2023 associated with COVID-19. This would also include any additional Federal support for education. In these difficult times these specific exclusions in the calculations would be helpful in the future years, hopeful that current health measures associated with COVID-19 need not be necessary. The exclusion of funds to enhance school security measures are typically one-time provisions and should never be considered in the calculation for MBR. Therefore, the Town of Harwinton urges the committee to pass S.B. 946.

Thank you for allowing me to submit testimony on behalf of the Town of Harwinton. If you have any further questions, please feel free to contact me at any time.

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**TOWN OF HARWINTON** 

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General Assembly

Raised Bill No. 946

January Session, 2021

LCO No. 3964



Referred to Committee on EDUCATION

Introduced by: (ED)

#### AN ACT CONCERNING THE MINIMUM BUDGET REQUIREMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Section 10-262j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2021*):
- 3 (a) Except as otherwise provided under the provisions of subsections
- 4 (c) to (h), inclusive, of this section, for [the] any fiscal year, [ending June
- 5 30, 2020,] the budgeted appropriation for education shall be not less
- 6 than the budgeted appropriation for education for the prior fiscal year,
- 7 [ending June 30, 2019,] plus any aid increase described in subsection (d)
- 8 of section 10-262i, as amended by this act, except that a town may reduce
- 9 its budgeted appropriation for education for the fiscal year, [ending
- 10 June 30, 2020, by one or more of the following:
- 11 (1) If a town experiences an aid reduction, as described in subsection
- 12 (d) of section 10-262i, as amended by this act, such town may reduce its
- 13 budgeted appropriation for education in an amount equal to the aid
- 14 reduction;
- 15 (2) If a district experiences a net reduction in its resident student

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count during a period that may include any of the five fiscal years immediately prior to the fiscal year for which the budgeted appropriation for education is calculated, such district may reduce its budgeted appropriation for education in an amount equal to the number of such net reduction multiplied by fifty per cent of the net current expenditures per resident student of such district, provided no district may use the resident student count for any fiscal year that was previously used to reduce its budgeted appropriation for education in any calculation of a net reduction of resident students for purposes of reducing its budgeted appropriation for education pursuant to this subdivision for any subsequent fiscal year;

- (3) Any district (A) that does not maintain a high school and pays tuition to another school district pursuant to section 10-33 for resident students to attend high school in another district, and (B) in which the number of resident students attending high school for such district for October [1, 2018] first of the prior school year, using the data of record as of January [31, 2019] thirty-first of the prior school year, is lower than such district's number of resident students attending high school for October [1, 2017] first of the school year before the prior school year, using the data of record as of January [31, 2019] thirty-first of the school year before the prior school year, may reduce such district's budgeted appropriation for education by the difference in the number of resident students attending high school for such years multiplied by the amount of tuition paid per student pursuant to section 10-33; or
- (4) Any district that realizes new and documentable savings through (A) increased district efficiencies approved by the Commissioner of Education, including, but not limited to, (i) reductions in costs associated with transportation services, school district administration or contracts that are not the result of collective bargaining or other labor agreements, (ii) an agreement to provide medical or health care benefits pursuant to section 7-464b, (iii) a cooperative agreement relating to the performance of administrative and central office functions, such as business manager functions, for the municipality and the school district pursuant to section 10-241b, (iv) reductions in costs associated with the

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purchasing or joint purchasing of property insurance, casualty insurance and workers' compensation insurance, following the consultation with the legislative body of the municipality of such district pursuant to section 10-241c, (v) reductions in costs associated with the purchasing of payroll processing or accounts payable software systems, following the consultation with the legislative body of the municipality of such district to determine whether such systems may be purchased or shared on a regional basis pursuant to section 10-241e, (vi) consolidation of information technology services, and (vii) reductions in costs associated with the care and maintenance of athletic fields, or (B) regional collaboration or cooperative arrangements pursuant to section 10-158a may reduce such district's budgeted appropriation for education in an amount equal to half of the amount of savings experienced as a result of such district efficiencies, regional collaboration or cooperative arrangement, provided such reduction shall not exceed one-half of one per cent of the district's budgeted appropriation for education for the prior fiscal year. [ending June 30, 2019.]

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- [(b) Except as otherwise provided under the provisions of subsections (c) to (h), inclusive, of this section, for the fiscal year ending June 30, 2021, a town's budgeted appropriation for education shall be not less than the budgeted appropriation for education for the fiscal year ending June 30, 2020, plus any aid increase received pursuant to subsection (d) of section 10-262i, except that a town may reduce its budgeted appropriation for education for the fiscal year ending June 30, 2021, by one or more of the following:
- (1) If a town experiences an aid reduction, as described in subsection (d) of section 10-262i, such town may reduce its budgeted appropriation for education in an amount equal to the aid reduction;
- (2) If a district experiences a net reduction in its resident student count during a period that may include any of the five fiscal years immediately prior to the fiscal year for which the budgeted appropriation for education is calculated, such district may reduce its

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budgeted appropriation for education in an amount equal to the number of such net reduction multiplied by fifty per cent of the net current expenditures per resident student of such district, provided no district may use the resident student count for any fiscal year that was previously used to reduce its budgeted appropriation for education in any calculation of a net reduction of resident students for purposes of reducing its budgeted appropriation for education pursuant to this subdivision for any subsequent fiscal year;

- (3) Any district (A) that does not maintain a high school and pays tuition to another school district pursuant to section 10-33 for resident students to attend high school in another district, and (B) in which the number of resident students attending high school for such district for October 1, 2019, using the data of record as of January 31, 2020, is lower than such district's number of resident students attending high school for October 1, 2018, using the data of record as of January 31, 2020, may reduce such district's budgeted appropriation for education by the difference in the number of resident students attending high school for such years multiplied by the amount of tuition paid per student pursuant to section 10-33; or
- (4) Any district that realizes new and documentable savings through (A) increased district efficiencies approved by the Commissioner of Education, including, but not limited to, (i) reductions in costs associated with transportation services, school district administration or contracts that are not the result of collective bargaining or other labor agreements, (ii) an agreement to provide medical or health care benefits pursuant to section 7-464b, (iii) a cooperative agreement relating to the performance of administrative and central office functions, such as business manager functions, for the municipality and the school district pursuant to section 10-241b, (iv) reductions in costs associated with the purchasing or joint purchasing of property insurance, casualty insurance and workers' compensation insurance, following the consultation with the legislative body of the municipality of such district pursuant to section 10-241c, (v) reductions in costs associated with the purchasing of payroll processing or accounts payable software systems,

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following the consultation with the legislative body of the municipality of such district to determine whether such systems may be purchased or shared on a regional basis pursuant to section 10-241e, (vi) consolidation of information technology services, and (vii) reductions in costs associated with the care and maintenance of athletic fields, or (B) regional collaboration or cooperative arrangements pursuant to section 10-158a, may reduce such district's budgeted appropriation for education in an amount equal to half of the amount of savings experienced as a result of such district efficiencies, regional collaboration or cooperative arrangement, provided such reduction shall not exceed one-half of one per cent of the district's budgeted appropriation for education for the fiscal year ending June 30, 2020.]

- [(c) For the fiscal years ending June 30, 2020, and June 30, 2021,] (b) For any fiscal year, the Commissioner of Education may permit a town to reduce its budgeted appropriation for education in an amount determined by the commissioner if the school district in such town has permanently ceased operations and closed one or more schools in the school district due to declining enrollment at such closed school or schools in the [fiscal years ending June 30, 2013, to June 30, 2020, inclusive] seven fiscal years immediately prior to the fiscal year for which the budgeted appropriation for education is calculated.
- [(d)] (c) Except as otherwise provided under the provisions of [subsection (h)] subsections (g) and (h) of this section, [for the fiscal years ending June 30, 2020, and June 30, 2021,] a town designated as an alliance district, as defined in section 10-262u, shall not reduce its budgeted appropriation for education pursuant to this section.
- [(e) For the fiscal years ending June 30, 2020, and June 30, 2021, the] (d) The provisions of this section shall not apply to any district that is in the top ten per cent of school districts based on the accountability index, as defined in section 10-223e.
- [(f) For the fiscal years ending June 30, 2020, and June 30, 2021, the]
  (e) The provisions of this section shall not apply to the member towns

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of a regional school district during the first full fiscal year following the establishment of the regional school district, provided the budgeted appropriation for education for member towns of such regional school district for each subsequent fiscal year shall be determined in accordance with this section.

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[(g) For the fiscal years ending June 30, 2020, and June 30, 2021, any] (f) Any district that has (1) elected to act as a self-insurer, pursuant to section 10-236, (2) experienced a loss incurred as a result of one or more catastrophic events, as declared by a nationally recognized catastrophe loss index provider, during the prior fiscal year, and (3) increased its budgeted appropriation for education during said prior fiscal year as a result of such loss, shall not be required to include the amount of such increase in the calculation of such district's budgeted appropriation for education for the subsequent fiscal year.

[(h)] (g) For the fiscal years ending June 30, 2020, [and June 30, 2021] to June 30, 2023, inclusive, any district that has received (1) a supplemental appropriation from the board of finance for a town having a board of finance, the board of selectmen for a town having no board of finance or the authority making appropriations for the school district, for the purpose of covering costs associated with COVID-19 expenditures because the budgeted appropriation for education for the district was insufficient to cover such costs, or (2) federal funds for the purpose of covering costs associated with COVID-19 expenditures, including, but not limited to, funds received pursuant to the Coronavirus Aid, Relief, and Economic Security Act, P.L. 116-136, as amended from time to time, and the Coronavirus Response and Relief Supplemental Appropriations Act, P.L. 116-260, as amended from time to time, shall not be required to include the amount of such supplemental appropriation or federal funds in the calculation of such district's budgeted appropriation for education for the subsequent fiscal year. As used in this subsection, "COVID-19" means the respiratory disease designated by the World Health Organization on February 11, 2020, as coronavirus 2019, and any related mutation thereof recognized by the World Health Organization as a communicable respiratory

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183 disease.

- (h) For the fiscal years ending June 30, 2022, and June 30, 2023, any district that has been awarded a grant under the school security infrastructure competitive grant program, established pursuant to section 84 of public act 13-3, during the prior fiscal year, shall not be required to include the amount of such grant in the calculation of such district's budgeted appropriation for education for the subsequent fiscal year.
- Sec. 2. Subsection (d) of section 10-262i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1*, 2021):
  - [(d) (1) For the fiscal year ending June 30, 2020, (A) if the amount of the equalization aid grant a town is entitled to pursuant to section 10-262h is greater than such town's equalization aid grant amount for the prior fiscal year, the difference between the amount of such town's equalization aid grant for the fiscal year ending June 30, 2020, and such town's equalization aid grant amount for the prior fiscal year shall be the aid increase for such town for the fiscal year ending June 30, 2020, and (B) if the amount of the equalization aid grant a town is entitled to pursuant to section 10-262h is less than such town's equalization aid grant amount for the prior fiscal year, the difference between such town's equalization aid grant amount for the prior fiscal year and the amount of such town's equalization aid grant for the fiscal year ending June 30, 2020, shall be the aid reduction for such town for the fiscal year ending June 30, 2020.
  - (2) For the fiscal year ending June 30, 2021, (A) if the amount of the equalization aid grant a town is entitled to pursuant to section 10-262h is greater than such town's equalization aid grant amount for the prior fiscal year, the difference between the amount of such town's equalization aid grant for the fiscal year ending June 30, 2021, and such town's equalization aid grant amount for the prior fiscal year shall be the aid increase for such town for the fiscal year ending June 30, 2021,

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and (B) if the amount of the equalization aid grant a town is entitled to pursuant to section 10-262h is less than such town's equalization aid grant amount for the prior fiscal year, the difference between such town's equalization aid grant amount for the prior fiscal year and the amount of such town's equalization aid grant for the fiscal year ending June 30, 2021, shall be the aid reduction for such town for the fiscal year ending June 30, 2021.] (d) For any fiscal year, (1) if the amount of the equalization aid grant a town is entitled to pursuant to section 10-262h is greater than such town's equalization aid grant amount for the prior fiscal year, the difference between the amount of such town's equalization aid grant for the fiscal year, and such town's equalization aid grant amount for the prior fiscal year shall be the aid increase for such town for the fiscal year, and (2) if the amount of the equalization aid grant a town is entitled to pursuant to section 10-262h is less than such town's equalization aid grant amount for the prior fiscal year, the difference between such town's equalization aid grant amount for the prior fiscal year and the amount of such town's equalization aid grant for the fiscal year shall be the aid reduction for such town for the fiscal year.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2021	10-262j
Sec. 2	July 1, 2021	10-262i(d)

#### Statement of Purpose:

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To extend the provisions of and make revisions to the minimum budget requirement for school districts by excluding from the calculation of a school district's budgeted appropriation for education any funds received or used for COVID-19 related expenses and funds received for school security improvements.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

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