



# House of Representatives

General Assembly

**File No. 278**

February Session, 2022

Substitute House Bill No. 5300

*House of Representatives, April 4, 2022*

The Committee on Higher Education and Employment Advancement reported through REP. ELLIOTT of the 88th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT REQUIRING LEGISLATIVE APPROVAL FOR THE MERGER OR CLOSING OF INSTITUTIONS WITHIN THE CONNECTICUT STATE COLLEGES AND UNIVERSITIES AND PROHIBITING THE CONSOLIDATION OF THE REGIONAL COMMUNITY-TECHNICAL COLLEGES.***

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

1 Section 1. Subsection (a) of section 10a-6 of the 2022 supplement to  
2 the general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective from passage*):

4 (a) The Board of Regents for Higher Education shall: (1) Establish  
5 policies and guidelines for the Connecticut State University System, the  
6 regional community-technical college system and Charter Oak State  
7 College; (2) develop a master plan for higher education and  
8 postsecondary education at the Connecticut State University System,  
9 the regional community-technical college system and Charter Oak State  
10 College consistent with the goals identified in section 10a-11c; (3)  
11 establish tuition and student fee policies for the Connecticut State

12 University System, the regional community-technical college system  
13 and Charter Oak State College; (4) monitor and evaluate the  
14 effectiveness and viability of the state universities, the regional  
15 community-technical colleges and Charter Oak State College in  
16 accordance with criteria established by the board; (5) [merge or close]  
17 recommend a merger or closing of institutions within the Connecticut  
18 State University System, the regional community-technical college  
19 system and Charter Oak State College in accordance with criteria  
20 established by the board, provided (A) such [recommended merger or  
21 closing] recommendation shall require a two-thirds vote of the board,  
22 [and] (B) the board shall send notice of such recommended merger or  
23 closing, [shall be sent] in accordance with the provisions of section 11-  
24 4a, to the joint standing committee of the General Assembly having  
25 cognizance [over] of matters relating to higher education, and [to the  
26 General Assembly] (C) such recommended merger or closing shall be  
27 approved by a majority vote of both houses of the General Assembly or  
28 rejected by a majority vote of either house of the General Assembly not  
29 later than one year after receiving notice by the board pursuant to  
30 subparagraph (B) of this subdivision or the adjournment of the next  
31 regular session of the General Assembly, whichever is later, provided,  
32 if the General Assembly fails to act, such recommended merger or  
33 closing shall be deemed approved; (6) review and approve mission  
34 statements for the Connecticut State University System, the regional  
35 community-technical college system and Charter Oak State College and  
36 role and scope statements for the individual institutions and campuses  
37 of such constituent units; (7) review and approve any recommendations  
38 for the establishment of new academic programs submitted to the board  
39 by the state universities within the Connecticut State University System,  
40 the regional community-technical colleges and Charter Oak State  
41 College, and, in consultation with the affected constituent units, provide  
42 for the initiation, consolidation or termination of academic programs;  
43 (8) develop criteria to ensure acceptable quality in (A) programs at the  
44 Connecticut State University System, the regional community-technical  
45 college system and Charter Oak State College, and (B) institutions  
46 within the Connecticut State University System and the regional

47 community-technical college system and enforce standards through  
48 licensing and accreditation; (9) prepare and present to the Governor and  
49 General Assembly, in accordance with section 10a-8, consolidated  
50 operating and capital expenditure budgets for the Connecticut State  
51 University System, the regional community-technical college system  
52 and Charter Oak State College developed in accordance with the  
53 provisions of said section 10a-8; (10) review and make  
54 recommendations on plans received from the Connecticut State  
55 University System, the regional community-technical college system  
56 and Charter Oak State College to implement the goals identified in  
57 section 10a-11c; (11) appoint advisory committees with representatives  
58 from public and independent institutions of higher education to study  
59 methods and proposals for coordinating efforts of the public institutions  
60 of higher education under its jurisdiction with The University of  
61 Connecticut and the independent institutions of higher education to  
62 implement the goals identified in section 10a-11c; (12) evaluate (A)  
63 means of implementing the goals identified in section 10a-11c, and (B)  
64 any recommendations made by the Planning Commission for Higher  
65 Education in implementing the strategic master plan pursuant to section  
66 10a-11b through alternative and nontraditional approaches such as  
67 external degrees and credit by examination; (13) coordinate programs  
68 and services among the Connecticut State University System, the  
69 regional community-technical college system and Charter Oak State  
70 College; (14) assess opportunities for collaboration with The University  
71 of Connecticut and the independent institutions of higher education to  
72 implement the goals identified in section 10a-11c; (15) make or enter into  
73 contracts, leases or other agreements in connection with its  
74 responsibilities under this part, provided all acquisitions of real estate  
75 by lease or otherwise shall be subject to the provisions of section 4b-23;  
76 (16) be responsible for the care and maintenance of permanent records  
77 of institutions of higher education dissolved after September 1, 1969;  
78 (17) prepare and present to the Governor and General Assembly  
79 legislative proposals affecting the Connecticut State University System,  
80 the regional community-technical college system and Charter Oak State  
81 College; (18) develop and maintain a central higher education

82 information system and establish definitions and data requirements for  
 83 the Connecticut State University System, the regional community-  
 84 technical college system and Charter Oak State College; (19) until June  
 85 30, 2024, report all new programs and program changes at the  
 86 Connecticut State University System, the regional community-technical  
 87 college system and Charter Oak State College to the Office of Higher  
 88 Education; and (20) undertake such studies and other activities as will  
 89 best serve the higher educational interests of the Connecticut State  
 90 University System, the regional community-technical college system  
 91 and Charter Oak State College.

92 Sec. 2. (*Effective from passage*) Notwithstanding subdivision (5) of  
 93 subsection (a) of section 10a-6 of the general statutes, as amended by this  
 94 act, the Board of Regents for Higher Education shall not pursue merger,  
 95 closure or consolidation of the regional community-technical colleges  
 96 into one community-technical college through any regional accrediting  
 97 association recognized by the Secretary of the United States Department  
 98 of Education.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	10a-6(a)
Sec. 2	<i>from passage</i>	New section

**Statement of Legislative Commissioners:**

In Section 1(a)(5)(B), "the board shall send" was added and "shall be sent" was bracketed for clarity, and in Section 1(a)(5)(C), "subparagraph (A)" was changed to "subparagraph (B)" for accuracy.

**HED**      *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Board of Regents for Higher Education	Various - Cost	Significant	Significant

Note: Various=Various

**Municipal Impact:** None

**Explanation**

The bill, which prevents community college consolidation, is anticipated to result in a significant cost to the Board of Regents (BOR), potentially beginning in FY 22 and continuing into the future. The bill also establishes a new legislative approval process of certain other community college changes that may occur, which may prevent or delay any associated costs or savings.

**Section 2** ends the community college consolidation process that is currently underway and prevents any similar future effort, effective immediately. This results in a significant cost to the BOR community colleges, which may begin in FY 22, because the board consequently must re-hire numerous campus-level leadership positions for accreditation maintenance of the 12 community colleges. It is anticipated that these costs will exceed, by millions of dollars, the savings from simultaneous layoffs and title downgrading of regional and consolidated-college personnel. In FY 23, it is estimated that the net savings due to the consolidation will be \$10.9 million (savings of \$35 million partially offset by costs of \$24.1 million).

The consolidation, which the BOR began in 2017, has resulted in a net savings through: (1) many manager-level positions at the college level

being held open, combined, or refilled at lower costs on an interim basis; (2) the formation of a regional structure that contains several director-level positions being phased out at the 12 colleges along with new regional president and regional workforce development positions; and (3) the formation of an executive-level structure along with shared services for some administrative functions. The costs of the new positions are substantial but less than the savings at the college level.

A few examples of the position changes at the college level are: (1) the Director of Finance positions are being phased out to the highest college-level position of Associate Director of Finance, as many functions move to shared services and leadership is shifted to the consolidated college; and (2) the Director of Human Resources positions are being phased out to one director position in each of the three regions, with a generalist staff person on each college campus and specialized functions at the consolidated college.

**Section 1** may prevent or delay for up to 12 to 16 months any savings or costs anticipated to result from any other college or university merger or closure recommended by the Board of Regents. The bill requires an affirmative vote of the General Assembly within a specified timeframe equal to 12 to 16 months in order for the merger or closure to proceed (or the recommendation is deemed accepted), which delays any anticipated costs or savings. The length of the delay would be equal to the amount of time between the General Assembly receiving merger or closure notice and the date of an affirmative vote (or deemed acceptance). If within the voting timeframe one chamber of the General Assembly rejects the merger or closure, the merger or closure will be halted, which prevents the realization of any savings or costs that would have resulted.

### ***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis****sHB 5300*****AN ACT REQUIRING LEGISLATIVE APPROVAL FOR THE MERGER OR CLOSING OF INSTITUTIONS WITHIN THE CONNECTICUT STATE COLLEGES AND UNIVERSITIES AND PROHIBITING THE CONSOLIDATION OF THE REGIONAL COMMUNITY-TECHNICAL COLLEGES.*****SUMMARY**

This bill eliminates the Board of Regents for Higher Education's (BOR's) authority to merge or close institutions within the Connecticut State University and regional community-technical college systems and Charter Oak State College. The bill instead authorizes BOR to make merger or closing recommendations to the legislature, except as described below. Relatedly, the bill (1) creates new legislative notice requirements that BOR must follow when recommending an institutional merger or closure and (2) establishes mechanisms for the legislature to approve or reject BOR's recommendations.

The bill prohibits BOR from pursuing merger, closure, or consolidation of the community colleges into a single community college through a U.S. Department of Education-approved regional accrediting association. (The New England Commission of Higher Education (NECHE) is Connecticut's regional accrediting body.) BOR is currently pursuing this type of consolidation with NECHE with the goal of operating as a single institution beginning in the fall 2023 semester.

EFFECTIVE DATE: Upon passage

**BOR'S MERGER AND CLOSURE AUTHORITY**

Under current law, BOR may merge or close the above institutions upon a two-thirds vote of its members and after notifying the General Assembly and the Education Committee about the recommended merger or closure. The bill instead requires (1) BOR to notify only the

Higher Education and Employment Advancement Committee and (2) a majority vote of both the House and Senate to approve a BOR-recommended merger or closure.

Under the bill, if the legislature fails to act within one year after receiving notice or by adjournment of the next regular legislative session, whichever is later, then the merger or closure is deemed approved. Conversely, the merger or closure may be rejected by a majority vote of at least one chamber.

**COMMITTEE ACTION**

Higher Education and Employment Advancement Committee

Joint Favorable Substitute

Yea 19    Nay 4    (03/17/2022)