

# OFFICE OF FISCAL ANALYSIS

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sHB-5038

AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET  
RECOMMENDATIONS CONCERNING EDUCATION.

## ***OFA Fiscal Note***

### ***State Impact:***

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Education, Dept.	GF - Cost	See Below	See Below
Education, Dept.	GF - Savings	\$678,953	1.1 million

Note: GF=General Fund

### ***Municipal Impact:***

Municipalities	Effect	FY 23 \$	FY 24 \$
Various Local and Regional School Districts	See Below	See Below	See Below

### ***Explanation***

The bill increases the per-pupil Open Choice grant by \$2,000 to receiving districts for each student from the Hartford (Sheff) region. This results in an additional corresponding revenue gain to local and regional school districts in the Hartford region that participate in Open Choice. This change is implementing language for part of the recent Sheff settlement, which is in effect.

The bill also renews the Alliance District program for FY 23 through FY 27 and phases out the Alliance District portion of the ECS grant to the few towns that will no longer qualify (graduated Alliance Districts), impacting the graduated, new, and continuing Alliance Districts.

Additionally, the bill makes adjustments to ECS that provide: (1) enhanced protection from losses for all towns in FY 23, and for Alliance Districts and graduated Alliance Districts in subsequent years, and (2) a

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smoother phase-in and phase-out process. These changes, combined with the annual updates to ECS calculation data, result in ECS grants that are: (1) in FY 23, \$678,953 less than required under current law; (2) in FY 23, approximately \$6 million less than the FY 23 appropriation; and (3) in FY 24, an estimated \$1.1 million less than current law.

The bill makes various other procedural and operational changes to the technical and career schools, which are not anticipated to result in a fiscal impact.

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

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