

OFFICE OF FISCAL ANALYSIS

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sHB-5441

AN ACT CONCERNING CLINICAL PLACEMENTS FOR NURSING STUDENTS, THE ESTABLISHMENT OF REGISTERED APPRENTICESHIPS FOR TEACHERS, REPORTING BY THE OFFICE OF WORKFORCE STRATEGY, PROMOTION OF THE DEVELOPMENT OF THE INSURANCE INDUSTRY AND A STUDENT LOAN SUBSIDY FOR HIGH-DEMAND PROFESSIONS.

As Amended by House "A" (LCO 8392)

House Calendar No.: 173

OFA Fiscal Note

State Impact:

| Agency Affected | Fund-Effect | FY 24 \$ | FY 25 \$ |
|------------------------|---------------------|-----------|-----------|
| Various State Agencies | Various - See Below | See Below | See Below |

Note: Various=Various

Municipal Impact: None

Section 1 creates a task force to develop a plan for establishing clinical placements at State facilities for nursing students at public and independent institutions of higher education, resulting in no fiscal impact to the State because the task force has the expertise to carry out the requirements of the bill.

Section 2 eliminates the sunset date of 10/1/25 for the Office of Workforce Strategy (OWS) to provide an annual report on the workforce training programs funded through the OWS. It is anticipated that OWS can produce this report annually within existing resources. However, the level of funding available for OWS' workforce training programs in is uncertain. The workforce training programs under OWS are primarily funded through \$70 million in American Rescue Plan Act (ARPA) funds, which are required to be fully expended by the end of calendar

year 2026. In addition, \$40 million in state General Obligation (GO) bond funds have been authorized to support OWS' workforce training initiatives, of which \$5 million has been allocated to date.

Section 3 requires the Insurance Commissioner to promote the development and growth of the insurance industry in Connecticut, including employment opportunities, which has no fiscal impact because the Insurance Department can comply with the bill within existing resources.

Sections 4 and 5 expand eligibility for a loan subsidy program through the Connecticut Higher Education Supplemental Loan Authority (CHESLA), which is anticipated to have no fiscal impact, absent separate legislation providing additional funding for the program. The program was financed through the authorization of \$7 million of GO bonds, which were previously fully allocated by the State Bond Commission in December of 2021. No change to debt service is anticipated as all authorized bonds have been made available to the program. The expanded eligibility could change the individuals able to participate in the program, but not the total cost to the program.

Section 6 requires CHESLA to establish a new loan subsidy program and **Sections 7 and 8** expand a different loan subsidy program that is being established in pending legislation (sHB 6689). The bill does not appropriate funds or authorize bond funds for either purpose. Without additional funding it is unclear how CHESLA would operate the program, as they do not have funds available for this purpose.

House "A" strikes the underlying bill and its associated fiscal impact and replaces it with the fiscal impact described above.

The Out Years

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