



House of Representatives

General Assembly

File No. 518

January Session, 2011

Substitute House Bill No. 6294

House of Representatives, April 13, 2011

The Committee on Planning and Development reported through REP. GENTILE of the 104th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE CONSOLIDATION OF NONEDUCATIONAL SERVICES.

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

1 Section 1. Subsection (a) of section 10-222 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2011*):

4 (a) Each local board of education shall prepare an itemized estimate
5 of the cost of maintenance of public schools for the ensuing year and
6 shall submit such estimate to the board of finance in each town or city
7 having a board of finance, to the board of selectmen in each town
8 having no board of finance or otherwise to the authority making
9 appropriations for the school district, not later than two months
10 preceding the annual meeting at which appropriations are to be made.
11 The board of finance, board of selectmen or appropriating authority
12 shall, not later than ten days after the date the board of education
13 submits such estimate, make spending recommendations and

14 suggestions to such board of education as to how such board of
15 education may consolidate noneducational services and realize
16 financial efficiencies. Such board of education may accept or reject the
17 suggestions of the board of finance, board of selectmen or
18 appropriating authority and shall state the reason for any rejection on
19 the record. The money appropriated by any municipality for the
20 maintenance of public schools shall be expended by and in the
21 discretion of the board of education. Except as provided in this
22 subsection, any such board may transfer any unexpended or
23 uncontracted-for portion of any appropriation for school purposes to
24 any other item of such itemized estimate. Boards may, by adopting
25 policies and procedures, authorize designated personnel to make
26 limited transfers under emergency circumstances if the urgent need for
27 the transfer prevents the board from meeting in a timely fashion to
28 consider such transfer. All transfers made in such instances shall be
29 announced at the next regularly scheduled meeting of the board and
30 an explanation of such transfer shall be provided to the legislative
31 body of the municipality. Expenditures by the board of education shall
32 not exceed the appropriation made by the municipality, with such
33 money as may be received from other sources for school purposes. If
34 any occasion arises whereby additional funds are needed by such
35 board, the chairman of such board shall notify the board of finance,
36 board of selectmen or appropriating authority, as the case may be, and
37 shall submit a request for additional funds in the same manner as is
38 provided for departments, boards or agencies of the municipality and
39 no additional funds shall be expended unless such supplemental
40 appropriation shall be granted and no supplemental expenditures shall
41 be made in excess of those granted through the appropriating
42 authority. The annual report of the board of education shall, in
43 accordance with section 10-224, include a summary showing (1) the
44 total cost of the maintenance of schools, (2) the amount received from
45 the state and other sources for the maintenance of schools, and (3) the
46 net cost to the municipality of the maintenance of schools. For
47 purposes of this subsection, "meeting" means a meeting, as defined in
48 section 1-200, and "itemized estimate" means an estimate in which

49 broad budgetary categories including, but not limited to, salaries,
50 fringe benefits, utilities, supplies and grounds maintenance are
51 divided into one or more line items.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2011</i>	10-222(a)

PD *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: None

Municipal Impact: None

Explanation

No fiscal impact is anticipated to result from establishing review and reporting requirements for municipalities and boards of education set forth in the bill.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis

sHB 6294

**AN ACT CONCERNING THE CONSOLIDATION OF
NONEDUCATIONAL SERVICES.**

SUMMARY:

This bill requires a municipality's board of finance or selectmen or the school district's appropriating authority, depending on the municipality, to make spending recommendations and suggestions to the local board of education about how it may consolidate noneducational services and save money. A board or authority must do so no later than 10 days after the board of education submits its annual itemized estimate of public schools' maintenance cost. By law, a local school board must submit an itemized estimate to the appropriate entity, depending on the municipality, at least two months before the annual meeting at which the municipality adopts its budget. Under the bill, the board of education may accept or reject the suggestions.

The bill defines "itemized estimate" to mean an estimate in which broad budgetary categories are divided into one or more line items, including salaries, fringe benefits, utilities, supplies, and ground maintenance.

The bill also expands the notification requirement when a school board transfers funds. By law, a board of education may (1) transfer any unused portion of an appropriation, which is for school purposes, to any other part of the itemized estimate and (2) authorize designated personnel, through adopted policies and procedures, to make limited transfers in an emergency, if the board is unable to meet to consider the transfer in a timely fashion. Under current law, the board must announce an emergency transfer at its next regularly scheduled meeting. Under the bill, the board must also provide an explanation of

the transfer to the municipality's legislative body.

EFFECTIVE DATE: October 1, 2011

BACKGROUND

Local Boards of Education and Municipal Budgeting Authority

In *Board of Education of Stamford v. Board of Finance, et al.* (127 Conn. 345 (1940)) the Connecticut Supreme Court ruled that, where the board of education is required by statute or given statutory discretion to spend money for a particular purpose, the finance board could not exclude the item from the budget. Furthermore, the court found that the finance board may reduce the board of education's total expenditure request only when it exceeds the amount reasonably necessary to accomplish the board of education's purpose. The finance board can judge what is reasonable by taking into consideration not just the educational needs of the town, but also its financial condition and other expenditures. Only when an item in the board of education's budget is not within the scope of the board's statutory duties or discretion may the finance board reject it. Neither the town nor the board of finance may impose any conditions on the way in which the board of education spends the money appropriated for a certain purpose or prevent the board from transferring money among items within its budget pursuant to the power granted to it under state law.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 20 Nay 0 (03/25/2011)