AN ACT CONCERNING THE MINIMUM BUDGET REQUIREMENT.

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

Section 1. Subsection (d) of section 10-262i of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2015):

(d) (1) Except as otherwise provided under the provisions of subdivisions (3), (4) and (7) of this subsection, for the fiscal year ending June 30, [2014] 2016, the budgeted appropriation for education shall be not less than the budgeted appropriation for education for the fiscal year ending June 30, [2013] 2015, plus any aid increase described in subsection (e) of this section, except that a town may reduce its budgeted appropriation for education for the fiscal year ending June 30, [2014] 2016, by one or more of the following: (A) Any district with a resident student count for October 1, [2012] 2014, using the data of record as of January 31, [2013] 2015, that is lower than such district's resident student count for October 1, [2011] 2013, using the data of record as of January 31, [2013] 2015, may reduce such district's budgeted appropriation for education by the difference in number of resident students for such years multiplied by [three thousand, 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, 2013] fifty per cent of the net current expenditures per
resident student, as defined in subdivision (45) of section 10-262f, as amended by this act, of such district, (B) any district [that] (i) 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 (ii) in which the number of resident students attending high school for such district for October 1, [2012] 2014, using the data of record as of January 31, [2013] 2015, is lower than such district's number of resident students attending high school for October 1, [2011] 2013, using the data of record as of January 31, [2013] 2015, may reduce such district's budgeted appropriation for education by the difference in number of resident students attending high school for such years multiplied by the tuition paid per student pursuant to section 10-33, or (C) any district that realizes new and documentable savings through increased [intradistrict] district efficiencies approved by the Commissioner of Education or through 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 savings experienced as a result of such [intradistrict] 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, 2013.]

(2) Except as otherwise provided under the provisions of subdivisions (3), [and] (5) and (7) of this subsection, for the fiscal year ending June 30, [2015] 2017, the budgeted appropriation for education shall be not less than the budgeted appropriation for education for the fiscal year ending June 30, [2014] 2016, plus any aid increase received pursuant to subsection (e) of this section, except that a town may reduce its budgeted appropriation for education for the fiscal year ending June 30, [2015] 2017, by one or more of the following: (A) Any district with a resident student count for October 1, [2013] 2015, using the data of record as of January 31, [2014] 2016, that is lower than such district's resident student count for October 1, [2012] 2014, using the data of record as of January 31, [2014] 2016, may reduce such district's
budgeted appropriation for education by the difference in number of
resident students for such years multiplied by [three thousand,
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, 2014] fifty per cent of the net current expenditures per
resident student, as defined in subdivision (45) of section 10-262f, as
amended by this act, of such district, (B) any district [that] (i) 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 (ii) in which the number of resident students
attending high school for such district for October 1, [2013] 2015, using
the data of record as of January 31, [2014] 2016, is lower than such
district's number of resident students attending high school for
October 1, [2012] 2014, using the data of record as of January 31, [2014]
2016, may reduce such district's budgeted appropriation for education
by the difference in number of resident students attending high school
for such years multiplied by the tuition paid per student pursuant to
section 10-33, or (C) any district that realizes new and documentable
savings through increased [intradistrict] district efficiencies approved
by the Commissioner of Education or through 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 savings experienced as a result of such
[intradistrict] 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, 2013.]

(3) The Commissioner of Education may permit a [district] town to
reduce its budgeted appropriation for education for the fiscal years
amount determined by the commissioner if the school district in such
[district] 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 year ending June 30, [2011] 2013,

(4) For the fiscal year ending June 30, [2014] 2016, the budgeted appropriation for a town designated as an alliance district, as defined in section 10-262u, shall be not less than the sum of (A) the budgeted appropriation for the fiscal year ending June 30, [2013] 2015, and (B) the amount necessary to meet the minimum local funding percentage, as defined in subdivision (39) of section 10-262f, except that the commissioner may permit a town designated as an alliance district to reduce its budgeted appropriation for education if such town can demonstrate that its local contribution for the fiscal year ending June 30, [2014] 2016, has increased when compared to the local contribution used in determining its local funding percentage, as defined in subdivision (38) of section 10-262f.

(5) For the fiscal year ending June 30, [2015] 2017, the budgeted appropriation for a town designated as an alliance district, as defined in section 10-262u, shall be not less than the sum of (A) the budgeted appropriation for the fiscal year ending June 30, [2014] 2016, and (B) the amount necessary to meet the minimum local funding percentage, as defined in subdivision (39) of section 10-262f, except that the commissioner may permit a town designated as an alliance district to reduce its budgeted appropriation for education if such town can demonstrate that its local contribution for the fiscal year ending June 30, [2015] 2017, has increased when compared to the local contribution used in determining its local funding percentage, as defined in subdivision (38) of section 10-262f.

(6) For the fiscal years ending June 30, 2016, and June 30, 2017, a town that is permitted to reduce its budgeted appropriation for education under this subsection may reduce its budgeted appropriation for education in an amount not to exceed one and one-half per cent of such budgeted appropriation for education, except that the Commissioner of Education may, following a review of a town's proposed reductions to its budgeted appropriation for education, permit a town to reduce its budgeted appropriation for education in an
amount equal to the total amount of such proposed reductions, provided the board of education for such town approves, by vote at a meeting duly called, such proposed reductions.

(7) For the fiscal years ending June 30, 2016, and June 30, 2017, the provisions of this subsection shall not apply to any district that is in the top ten per cent of school districts based on the district performance index, as defined in section 10-262u.

Sec. 2. Section 10-262f of the general statutes is amended by adding subdivision (45) as follows (Effective July 1, 2015):

(NEW) (45) "Net current expenditures per resident student" means, in any school year, the net current expenditures, as defined in section 10-261, for such school year divided by the number of resident students in the town for such school year.

This act shall take effect as follows and shall amend the following sections:

<table>
<thead>
<tr>
<th>Section</th>
<th>Effective Date</th>
<th>Amended Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 1</td>
<td>July 1, 2015</td>
<td>10-262i(d)</td>
</tr>
<tr>
<td>Sec. 2</td>
<td>July 1, 2015</td>
<td>10-262f</td>
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</tbody>
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ED Joint Favorable Subst.