Bill No.: HB-7112
Title: AN ACT INCREASING THE AMOUNT A TOWN MAY DEPOSIT INTO A NONLAPSING ACCOUNT FOR UNEXPENDED EDUCATION FUNDS.
Vote Date: 3/6/2019
Vote Action: Joint Favorable
PH Date: 2/22/2019
File No.: 71

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SPONSORS OF BILL:
Education Committee

REASONS FOR BILL:
The reason for this bill is two-fold; it closes a statutory loophole and increases the amount of funds municipalities can retain from unexpended education funds. Local towns have been able to use unexpended education funds for things non-related to education. This bill would require that any unexpended funds originally allocated for education must be spent towards education related expenses. Secondly, this bill would increase the amount of unexpended funds, from one percent to two percent, a town is allowed to put into a nonlapsing accounts for future education expenditures.

RESPONSE FROM ADMINISTRATION/AGENCY:
None.

NATURE AND SOURCES OF SUPPORT:
Connecticut Association of Boards of Education (CABE), Inc.: CABE supports this bill because it clarifies that nonlapsing accounts must be used for educational purposes and it would allow boards of educations more funds for prudent financial planning.

Matthew Conway, Superintendent & Co-Chair, Derby Public Schools & Connecticut Association of Public Schools (CAPSS): Superintendent Conway supports this bill because it would allow a town to utilize more unexpended funds for future unexpected costs.
Orlando Rodriguez, Connecticut Education Association (CEA): CEA supports this bill. CEA supports this bill because it closes a loophole on C.G.S. 10-262j which specifies how towns must budget for education but does not require that those monies budgeted must be spent on education. CEA believes this bill would solve said loophole by requiring that budgeted unexpended educations funds must be spent on education expenses.

NATURE AND SOURCES OF OPPOSITION:

None.

Reported by: Colin Carroll  Date: 3/11/19