

OFFICE OF FISCAL ANALYSIS

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HB-6403

AN ACT REQUIRING LEGISLATIVE APPROVAL FOR THE
MERGER OR CLOSING OF INSTITUTIONS WITHIN THE
CONNECTICUT STATE COLLEGES AND UNIVERSITIES.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Board of Regents for Higher Education	Various - See Below	See Below	See Below

Note: Various=Various

Municipal Impact: None

Explanation

The bill may prevent or delay for up to 12 to 16 months any savings or costs anticipated to result from any college or university merger or closure approved by the Board of Regents. The bill requires an affirmative vote of the General Assembly within a specified timeframe equal to 12 to 16 months in order for the merger or closure to proceed (or the proposal is deemed accepted), which delays any anticipated costs or savings. The length of the delay would be equal to the amount of time between the General Assembly receiving merger or closure notice and the date of an affirmative vote (or deemed acceptance). If within the voting timeframe one chamber of the General Assembly rejects the merger or closure, the merger or closure will be halted, which prevents the realization of any savings or costs that would have resulted.

The bill also makes a technical change regarding which legislative entities receive merger or closure notice, which results in no fiscal

impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future. The fiscal impact depends on the length of delay described above and the amount of any one-time or annual savings or costs anticipated to result from a merger or closure.