



Senate

General Assembly

File No. 4

February Session, 2022

Senate Resolution No. 4

Senate, March 10, 2022

The Senate Committee on Education reported through SEN. MCCRORY, D. of the 2nd Dist., Chairperson of the Committee on the part of the Senate, that the resolution ought to be adopted.

RESOLUTION APPROVING THE SETTLEMENT AGREEMENT IN SHEFF V. O'NEILL.

Resolved by the Senate:

1 That the provisions of the settlement agreement dated January 27,
2 2022, in the action Sheff v. O'Neill, Superior Court Complex Litigation
3 Docket at Hartford, LND HHD-CV17-S040566S, requiring an
4 expenditure from the General Fund budget in excess of two million five
5 hundred thousand dollars and submitted by the Attorney General to
6 this Assembly for approval in accordance with section 3-125a of the
7 general statutes, are approved.

ED Senate Favorable

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:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Education, Dept.	GF - Cost	26,222,070	29,802,613

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 23 \$	FY 24 \$
Various Local and Regional School Districts	Revenue Gain	Potential	Potential
Various Local and Regional School Districts	Cost	Potential	Potential

Explanation

The resolution results in additional annual costs to the state, ranging from \$26.2 million to \$31.5 million, from FY 23 through at least FY 32, associated with the settlement agreement dated January 27, 2022, in the action Sheff v. O'Neill.

FY 23: The anticipated breakout of FY 23 costs is shown in the table below:

Account	FY 23 (\$)
Magnet Schools	4,442,409
Sheff Transportation	1,427,476
Sheff Settlement	12,334,185
Open Choice	8,018,000
Total	26,222,070

This additional funding of \$26,222,070 is included in the Governor's

proposed budget for these purposes. Funding includes \$4,442,409 for the Magnet Schools account and corresponding Sheff Transportation funding of \$1,427,476, which is anticipated to fund approximately 290 new magnet school seats for Hartford residents.

Additionally, \$8,018,000 in new funding is provided for the Open Choice account. The new Open Choice funding will increase the per-pupil Open Choice grant rate by \$2,000 for districts in the Sheff region, resulting in new base grant rates of \$5,000 to \$10,000 per student. The funding also includes 150 additional Open Choice seats, if offered by receiving districts. Additional items funded within the Open Choice account are: (1) \$400,000 for educational advocates for students participating in the program in the Sheff region; (2) \$150,000 for academic and social support; (3) a \$750,000 bonus to be divided among districts increasing program enrollment by 20% over the prior school year; and (4) a \$750,000 bonus to be divided among districts increasing enrollment of Hartford-resident students at the entry grades of the receiving district over the prior year by at least five additional students in the same grade at an individual school.

Funding of \$12,334,185 is included for the Sheff Settlement account. The additional funding will provide increased support for various initiatives across participating Sheff schools, including: reformulation, extracurricular programs, athletics, progress bonuses, minority teacher recruitment, marketing, and equity programming.

Local and regional school districts in the Sheff region may incur a potential revenue gain associated with increased Open Choice per-pupil grants, Open Choice bonuses, or expanded programmatic outreach through the Sheff Settlement account.

Districts may simultaneously experience higher magnet school tuition costs due to the settlement's increase in seats at certain CREC and Goodwin University schools.

FY 24: Additional costs of \$29,802,613 are anticipated for FY 24, associated with the following accounts:

Account	FY 24 (\$)
Magnet Schools	6,302,816
Sheff Transportation	2,097,613
Sheff Settlement	12,884,185
Open Choice	8,518,000
Total	29,802,613

The impacts to districts associated with the Open Choice program changes and the magnet school expansion will continue in FY 24.

The Out Years

These fiscal impacts will continue in the outyears, through at least FY 32, with annual costs ranging from approximately \$29 million to \$31.5 million.



OLR Bill Analysis

SR 4

RESOLUTION APPROVING THE SETTLEMENT AGREEMENT IN SHEFF V. O'NEILL.

SUMMARY

The Office of Legislative Research does not analyze Resolutions.

COMMITTEE ACTION

Education Committee

Senate Favorable

Yea 7 Nay 0 (03/07/2022)