



Senate

General Assembly

File No. 200

January Session, 2023

Substitute Senate Bill No. 1106

Senate, March 23, 2023

The Committee on Higher Education and Employment Advancement reported through SEN. SLAP of the 5th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING THE FOUNDATIONS OF THE REGIONAL COMMUNITY-TECHNICAL COLLEGES.

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

1 Section 1. Section 4-37e of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2023*):

3 As used in this section and sections 4-37f to 4-37j, inclusive:

4 (1) "State agency" means each state board, authority, commission,
5 department, office, institution, council or other agency of the state
6 including, but not limited to, each constituent unit and each public
7 institution of higher education.

8 (2) "Foundation" means an organization, fund or any other legal
9 entity which is (A) exempt from taxation pursuant to Section 501(c)(3)
10 of the Internal Revenue Code of 1986, or any subsequent corresponding
11 internal revenue code of the United States, as from time to time
12 amended, and (B) established for the principal purpose of receiving or

13 using private funds for charitable, scientific, cultural, educational or
14 related purposes that support or improve a state agency or for
15 coordinated emergency recovery purposes. Such an organization, fund
16 or other legal entity shall not be deemed to be a state agency or a public
17 agency, as defined in section 1-200.

18 (3) "Executive authority" means (A) a department head, as defined in
19 section 4-5, (B) the executive secretary or president of a constituent unit,
20 (C) the chief executive officer of a public institution of higher education
21 and, if such public institution of higher education is an accredited state
22 community-technical college, the chief executive officer of a campus of
23 such college, and (D) the chief executive officer of any other state
24 agency.

25 (4) "Constituent unit" means a constituent unit as defined in section
26 10a-1.

27 (5) "Public institution of higher education" means a public college or
28 university in the state system of higher education, any campus of an
29 accredited state community-technical college, or The University of
30 Connecticut School of Law.

31 (6) "Coordinated emergency recovery" means the support and
32 improvement of state services affected by a natural disaster, act of
33 domestic terrorism, catastrophic event or other unforeseen emergency,
34 including, but not limited to, services provided by the Department of
35 Emergency Services and Public Protection and the Office of Victim
36 Services.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2023	4-37e

HED 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

The bill maintains the ability of the community colleges' separate foundations to operate, including after the merger planned for FY 24. As the bill maintains current practices, there is no fiscal impact.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sSB 1106*****AN ACT CONCERNING THE FOUNDATIONS OF THE REGIONAL COMMUNITY-TECHNICAL COLLEGES.*****SUMMARY**

This bill makes changes regarding the state community-technical colleges' foundations. Under existing law, a "foundation" is a non-profit organization that uses private funds for charitable, scientific, cultural, or educational purposes to support a state agency, such as the UConn Foundation.

Primarily, the bill allows Connecticut community-technical colleges, after their merger into campuses of the Connecticut State Community College (CSCC), to (1) retain an existing supporting foundation or establish a new one if one does not exist, and (2) have the campus' president or chief executive officer serve on the foundation's board. (Currently, several community technical colleges have foundations; it is unclear whether after the merger CSCC will be limited to one foundation.)

Existing law, unchanged by the bill, limits the foundations to only fund (1) scholarships or other direct student financial aid or (2) programs, services, or activities at the institution that the foundation supports (CGS § 4-37f(3)).

Under the bill, state laws that currently apply to the community-technical colleges generally continue to apply after the colleges merge into CSCC campuses. This includes the laws that:

1. require the colleges to first see if the state auditors can provide auditing services before contracting with a third party to do so

(CGS § 2-90d); and

2. authorize the state auditors to review foundation audits (CGS § 4-37g).

Lastly, the bill authorizes a CSCC campus's chief executive officer to audit campus finances when necessary, as a public institution's chief executive officer is authorized to do under current law (CGS § 4-234).

EFFECTIVE DATE: July 1, 2023

COMMITTEE ACTION

Higher Education and Employment Advancement Committee

Joint Favorable Substitute

Yea 22 Nay 0 (03/14/2023)