



Budget Boosts Municipal Aid

The Connecticut General Assembly approved a \$28.1 billion state budget which increases municipal aid by \$283 million, including a \$162.2 million increase in Education Cost Sharing (ECS) funding. The budget also includes \$100 million to provide one-time aid to towns for non-education programs.

SUPPLEMENTAL EDUCATION FUNDING – The bill provides that 1) funds must be expended for educational purposes only and cannot be used to supplant local education funding; and 2) the additional funds are not considered part of the town's budgeted appropriation for education for purposes of calculating the town's Minimum Budget Requirement.

EDUCATION FOUNDATION LEVEL – The bill increases the foundation level under the ECS grant from \$11,525 to \$13,087 per student. Although this amount falls short of the \$16,000 needed to make up for inflation, it is welcome news.

TUITION BILLING – The budget restores \$12 million in funding to reduce tuition costs for school districts sending students to attend RESC-operated magnet schools. It also provides an additional \$8.7 million for charter schools, \$2.75 million for magnet schools operated by local school districts, and \$800,000 for AgriScience programs.

Other provisions in the budget bill include:

MUNICIPAL SPENDING CAP HOLD HARMLESS – For FY 27, Section 175 allows municipalities to exceed the statutory spending cap without having their municipal revenue sharing grant amount reduced as a result.

LOCAL BUDGET AND TAX ADJUSTMENTS DUE TO INCREASED AID – Section 178 authorizes municipalities and regional boards of education to amend their adopted budgets and adjust tax levies if they receive more state aid than projected.

SCHOOL CONSTRUCTION PRIORITY LIST GRANT COMMITMENTS – Section 396 authorizes school construction state grant commitments totaling \$150.6 million toward total estimated project costs of \$305.6 million.

SCHOOL CONSTRUCTION PROGRAM GRANT REIMBURSEMENT RATE - Section 397 caps the total reimbursement percentage a board of education may receive for school construction grants at 95% of eligible costs; creates a new bonus of an additional 20% for any school district that has increased enrollment by 20% or more over a 10-year period.

SCHOOL BUDGET REFERENDUM NOTIFICATIONS BY SCHOOLS – Section 252 explicitly authorizes school superintendents to give written notice to parents and legal guardians of an upcoming referendum about the school district.

EARLY VOTING GRANTS – Authorizes \$2.25 million for early voting grants to municipalities.



LOCAL OPTION HOMESTEAD PROPERTY TAX EXEMPTION – Sections 224 and 225 allow municipalities to provide a \$50,000 property tax exemption for taxpayers' primary residences that are single-family homes or units in common interest communities or condominiums.

TOWN AID ROAD GRANTS - Section 347 expands how municipalities may use TAR grants to include equipment for street sweeping, roadside mowing, vegetation management, snow and ice removal, and cleaning catch basins. Under existing law, OPM may approve a town's request to use TAR grants for other purposes.

FIREFIGHTER CANCER RELIEF – Section 209 requires certain telephone and telecommunication companies to report and remit the monthly five cent firefighters cancer relief account fee when they file a sales and use tax return. Section 210 requires the Dept. of Revenue Services to deposit fees into the firefighters cancer relief account.

DELAY OF ABSENTEE BALLOT APPLICATION PROVISION – The budget bill delays until July 1, 2027, a provision in HB-5001 establishing procedures for voters to have absentee ballot applications automatically sent to them.

AUTOMATED EXTERNAL DEFIBRILLATORS GRANTS - Modifies A DPH grant program for water bottle filling stations at certain schools by making municipalities eligible and expanding allowable grant uses to include automated external defibrillators.

SOLID WASTE REDUCTION GRANTS – Section 329 modifies a DEEP grant program for solid waste facility renovations and equipment to instead support solid waste reduction strategies.

CONNECTICUT MUNICIPAL DEVELOPMENT AUTHORITY AGREEMENTS – Sections 56 and 57 modify requirements for CMDA when it enters into agreements for PILOTs.

GREYFIELD REVITALIZATION PROGRAM – Section 207 limits the greyfield revitalization program to East Hartford and the Capital City Economic Development District and expands the program's scope to include the renovation of commercial retail and office space.

SCRCOG PSAP CONSOLIDATION PILOT – Section 52 requires OPM to provide a grant of \$250,000 to the Southeastern Connecticut Council of Governments for a pilot program to consolidate Public Safety Answering Points.

CTFASTRAK EAST EXPANSION – Section 53 provides \$800,000 to the Capitol Region Council of Governments from the Regional Planning Incentive Account for CTFastTrak east expansion.

SUPPLEMENTAL REVENUE SHARING GRANTS – Section 53 provides additional FY 27 supplemental revenue sharing grants for Waterbury (\$3 million), Manchester (\$800,000), and Vernon (\$500,000).

AT-GRADE PEDESTRIAN RAIL CROSSING IN NEWTOWN - Requires DOT to allow Newtown to build an at-grade pedestrian crossing on the Housatonic Railroad, if the crossing is (1) approved by Newtown and the Housatonic Railroad and (2) built according to DOT's recommendations.