

OFFICE OF FISCAL ANALYSIS

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EMERGENCY CERTIFICATION

HB-7066

AN ACT CONCERNING INTERACTIONS BETWEEN SCHOOL PERSONNEL AND IMMIGRATION AUTHORITIES, THE PURCHASE AND OPERATION OF CERTAIN DRONES, GRANTS TO CERTAIN NONPROFIT ORGANIZATIONS, AND STUDENT ATHLETE COMPENSATION THROUGH ENDORSEMENT CONTRACTS AND REVENUE SHARING AGREEMENTS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25	FY 26 \$	FY 27 \$	The Out Years
UConn	Other - Cost	See Below	See Below	See Below	See Below
Various State Agencies	Various - Potential Cost	None	None	None	See Below
Board of Regents for Higher Education	Other-Potential Cost	See Below	See Below	See Below	See Below
Judicial Dept.	GF - Cost	2,087,500	None	None	None
Public Health, Dept.	GF - Cost	800,000	None	None	None
Judicial Dept. (Probation)	GF - Potential Cost	None	Minimal	Minimal	Minimal
Resources of the General Fund	GF - Potential Revenue Gain	None	Minimal	Minimal	Minimal

Note: GF=General Fund; Various=Various

Municipal Impact:

Primary Analyst: DD
Contributing Analyst(s): NB, BP, RP, CW

2/24/25

Municipalities	Effect	FY 25	FY 26 \$	FY 27 \$	The Out Years
Various Municipalities	Potential Cost	None	None	None	See Below

Explanation

The bill makes a variety of changes concerning: (1) local and regional school district responsibilities; (2) the regulation of certain drones; (3) nonprofit grant funding; and (4) collegiate student athlete revenue sharing. The fiscal impact of these changes is described below.

Sections 1 - 4 have no fiscal impact. They require local and regional school districts to: (1) designate at least one administrator per school to serve as a point of contact with federal immigration authorities; and (2) update school security and safety plans to incorporate guidance recently issued by the State Department of Education (SDE) regarding procedures for interacting with such authorities. Section 4 requires SDE to provide notice of these requirements to local and regional school districts. It is anticipated that school districts and SDE can complete these responsibilities with available resources.

Section 5 results in a potential cost to various state and municipal agencies beginning in FY 29 by prohibiting public agencies from operating drones assembled or manufactured by a covered foreign entity.¹

This section also allows any state or municipal agency to waive the prohibitions in the bill until 2034, provided such agency submits a written statement to the Department of Emergency Services and Public Protection justifying the need for such waiver. Additionally, the effective dates of the bill are anticipated to align with the life cycle of most drones. Both factors may decrease or eliminate the potential cost

¹Most drones currently used by first responder organizations are made in China, which is one of the covered foreign entities. The cost of replacing these drones to achieve equivalent capabilities is estimated to be greater than amounts previously spent, but will vary depending on the specific models and capabilities that any given agency will need to replace.

described above.

Sections 6 - 8 create new class A misdemeanors for operating an aircraft or unmanned aircraft too low over critical infrastructure facilities and for equipping an aircraft or unmanned aircraft with a weapon, beginning in FY 26. This results in a potential cost to the Judicial Department for incarceration or probation and a potential revenue gain to the General Fund from fines. On average, the marginal cost for supervision in the community is less than \$800² each year for adults and \$1,000 each year for juveniles.

Sections 9 - 11 appropriate (1) \$2,087,500 in FY 25 to the Judicial Department and specify that this funding be made available as grants to various providers as specified in Section 10; and (2) \$800,000 in FY 25 to the Department of Public Health and specify that this funding be made available for a grant to Planned Parenthood of Southern New England, Inc as specified in Section 11.

These appropriations result in the budget being under the spending cap by approximately \$164.2 million in FY 25.

Sections 12 and 13 result in a cost to the University of Connecticut (UConn) and a potential cost to the Board of Regents for Higher Education (BOR) beginning in FY 25.

The sections allow student athletes to enter into revenue sharing agreements with the constituent units. Any cost will vary based on the provisions of such agreements and the number of student athletes with such agreements. It is anticipated that UConn will enter into the agreements and unclear whether any BOR institutions will do so.

The sections specify that no state funding appropriated to the

² Probation marginal cost is based on services provided by private providers and only includes costs that increase with each additional participant. This does not include a cost for additional supervision by a probation officer unless a new offense is anticipated to result in enough additional offenders to require additional probation officers.

constituent units may be used for any revenue sharing agreement.

Background

On October 7, 2024, the federal House v. NCAA court case received preliminary approval for a settlement agreement to resolve three major lawsuits regarding student athlete compensation. The agreement, scheduled to receive court approval on April 7, 2025, establishes a framework for institutions of higher education to share athletic revenue with athletes.

The Out Years

The impact identified above in Section 5 will not occur until FY 29. The remaining annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does 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.