



STATE OF CONNECTICUT
OFFICE OF POLICY AND MANAGEMENT

MEMORANDUM

TO: Senator Gaffey, Representative Fleishman and members of the
Education Committee

FROM: Office of Policy and Management

DATE: February 20, 2007

RE: SB 1114 AA Implementing the Governor's Budget Recommendations
Regarding Education

Secretary Genuario will be testifying on SB 1114 at 12:30, February 28th before the
Education Committee.

Attached is a Fact Sheet for the purposes of today's meeting.

STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

FACT SHEET

2007 LEGISLATIVE SESSION

SENATE BILL NO. 1114 – AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS REGARDING EDUCATION

SUMMARY OF THE PROPOSAL:

Sections 1 - 5 and 24 of this proposal would cap various grants because the Governor's budget includes a significant amount of additional money through the Education Cost Sharing grant.

Sections 6 - 11, 15, 18 - 23, 26, 29 - 36 and 37 - 41 of the proposal would implement the Governor's Education Initiative.

It changes the Education Cost Sharing formula so that in FY2012, at the end of a five-year phase-in, the foundation will increase from its current level of \$5,891 to \$9,687; the mastery weight is eliminated; the poverty measure is changed from its current Temporary Family Assistance count that was frozen with 1997 data to the Free and Reduced Priced Meals count; the poverty weight is lowered to 21.89% because the new poverty measure is greater than the old TFA count; the Limited English Proficiency weight is increased from its current level of 10% to 20%; the State Guaranteed Wealth Level is increased from its current level of 1.55 to 1.75; the Minimum Aid Ratio is increased from its current level of 6% to 10%, except for Priority School Districts, which will be 20%; provides that each town will receive an increase of at least 3% over their prior year grant; eliminates the double counting of magnet school students in the formula; eliminates the no supplanting provisions so that towns may use the additional ECS aid for tax relief; provides that arbitrators cannot use the additional aid in considering a town's ability to pay; and it phases out all but the School Readiness component in the Priority School District grant in FY2011 and FY2012 and eliminates the \$6 million add that was paid for with surplus in FY2007. *It should be noted that it is the Governor's intent to continue to fund the competitive Early Reading Success grant but as the legislation is written, this component would be phased out as well.*

It changes the Charter Schools grant so that in FY2011, at the end of a four-year phase-in, the per pupil grant will increase from its current level of \$8,000 to \$10,596.

It changes the Magnet Schools grant so that in FY2011, at the end of a four-year phase-in, the per pupil grant for host-operated magnet schools will increase from the current level of \$5,301 to \$8,158 and the per pupil grant for RESC-operated magnet schools where no single district has greater than 55% of the enrollment will increase from its current level of \$6,500 to \$8,741. It also provides that no student shall be denied enrollment if there is space available. *It is our intent that parental choice is offered for any district, not just participating districts. Additionally, the 55% floor applies only to RESC operated schools and not to host magnet schools.*

It changes the OPEN Choice grant in FY2008 so that the per pupil grant for transportation will increase from its current level of \$2,100 to \$3,250, the per pupil grant for the receiving district

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will increase from its current level of \$2,000 to \$2,500, the student bonus pool will increase from its current level of \$350,000 to \$1 million and there will be additional middle and high school support and the summer school program will be expanded.

It implements a new accountability system that will require students to meet strict new high school graduation requirements, the State Department of Education to maintain academic and behavioral data for each student, and will provide increasingly arduous levels of consequences for schools depending on their achievement difficulties. Public schools that are identified as In Need Of Improvement for less than four years may request assistance from the State Department of Education that include: (1) consultant team, (2) assistance with development of a plan to address achievement gaps and improve student performance, (3) review of school and district curricula and (4) professional development opportunities for schools. Public schools that are identified as In Need Of Improvement for over 4 years will be required to employ the above measures after they conduct a performance appraisal. If there is still no improvement the Commissioner may (1) reconstitute the school, (2) replace school leadership, (3) redirect funding so students can attend school in another district or (4) take over the school or district with prior approval from the Governor and the General Assembly.

Sections 12 - 14, 16 and 17 of the proposal would implement the Governor's Early Childhood Initiative.

It establishes a scholarship program for students in early childhood education and a program for loan forgiveness to Connecticut state residents for early childhood education who remain working in early childhood education field for three years.

It expands the Connecticut minority teach incentive program administered by the Department of Higher Education to add early childhood education. Minority students in early childhood program in their junior and/or senior year would receive a maximum grant of \$5,000 per year for up to two years and those students would be eligible for loan reimbursement up to a maximum of \$2,500 per year for up to 4 years of teaching or work service.

It establishes a Connecticut collaborative of higher education institution program that will work to maximize the potential of institutions of higher education in Connecticut to offer quality early childhood education programs.

It allows families with gross income up to 185% of the federal poverty level to be eligible for the preschool subsidy program established by the Department of Education and increases the per child cost of the Department of Education school readiness component of the program offered by a school readiness provider.

Section 25 of the proposal would postpone Pre-Kindergarten Data Collection until October 1, 2009, once the Kindergarten Assessment has been established.

Section 27 would exempt regional vocational technical schools from the requirement that foreign language instruction be offered by schools.

Section 28 would establish a new one-time grant that will help schools pay for textbooks and deferred maintenance.

Section 42 would eliminate various grants because towns would receive significantly more money through the ECS grant.

REASON FOR PROPOSAL:

This proposal is necessary to implement the Governor's Budget, which includes the Governor's Education Initiative and Early Childhood Initiative.

The Governor's Education Initiative would significantly increase education funding, which is expected to have a significant impact on student achievement. The ECS formula is being changed to simplify the formula as well as increase funding to towns. Because the increase is so significant - over \$1.1 billion - it is being phased in over five years. Other increases that will go a long way in providing Connecticut children with a stellar education are increasing the per pupil grants for Magnets Schools, Charter Schools and the OPEN Choice program. With such a significant increase in investment for education, the state is establishing a new accountability system that will require students to meet strict new high school graduation requirements, the State Department of Education to maintain academic and behavioral data for each student, and will provide increasingly arduous levels of consequences for schools depending on their achievement difficulties.

The Governor's Early Childhood Initiative would significantly increase the state's investment in preschool for low income children. Over the biennium, \$11.1 million in FY2008 and \$30.5 million in FY2009 will be invested to subsidize about 4,100 preschool slots. Due to the practical limitations of physical facilities and workforce, in the beginning, grants will go to existing accredited preschool providers with vacancies, to a limited degree, new facilities, and for scholarships to use at accredited facilities. Additional credentials will be required in 2010 and 2015 to work in the early childhood field. Therefore, the Governor is proposing a series of education initiatives (\$1.1 million in FY2008 and \$3 million in FY2009) to: develop distance learning opportunities, create a birth-to-five teaching credential, institute language and literacy requirements for assistant teachers, school readiness staff bonuses and loans and scholarships for early childhood education.

It funds the following grants at their FY2007 level: Adult Education, Public School Transportation, Non-Public Health Services, Non-Public Transportation, Bilingual Education (*it is our intention to fund this grant at the FY2007 for both FY2008 and FY2009*), and Regional Educational Service Center Leases. *It is our intention to fund Regional Educational Service Centers at the FY2007 level as well, but due to an oversight, language to this effect was not included.*

It eliminates the following grants in FY2008: Future Math and Science Scholars, Generation Next, Farm to Schools, Math/Science Challenge and Excess Cost - Equity.

SIGNIFICANT IMPACTS:

This proposal increases the state's education budget significantly. The Governor's Education Initiative, which includes the changes to Charter Schools, OPEN Choice, Magnet Schools and the Education Cost Sharing grant and establishes a new accountability system, adds over \$228

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million in FY2008 and \$379 million in FY2009. The Governor's Early Childhood Initiative, which adds nearly 4,100 preschool slots over 2 years, increases the budget by \$11 million in FY2008 and \$30.5 million in FY2009.

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