



**TESTIMONY  
CONNECTICUT COUNCIL OF SMALL TOWNS (COST)  
BEFORE THE  
EDUCATION COMMITTEE  
FEBRUARY 20, 2007  
LEGISLATIVE OFFICE BUILDING**

**RE: SB-1114, AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET  
RECOMMENDATION REGARDING EDUCATION**

COST applauds the initiative of Governor M. Jodi Rell in recognizing the need to significantly increase education aid to Connecticut's towns and cities. This proposal would increase the ECS grant by \$228.3 million, from \$1.627 billion this year to \$1.856 billion for FY 07-08. This represents the largest increase in state education equalization aid – a 14% increase – since FY 95-96 and again, we applaud the Governor's commitment in this area. Increasing the foundation level to \$9867 from the current \$5891, eliminating the grant caps and increasing the minimum aid ratio to 10% from the current 6% will go a long way toward helping town's meet the educational needs of their students.

Central to our mission as public servants is protecting, nurturing and shaping our young people – that is the best way to address poverty, joblessness and youth violence. We must therefore create – and fund – an educational system that prepares all of our children and adults to live and compete in a global economy.

We also applaud the Governor's commitment to fully funding the Special Education Excess Cost Grant, which is included in the Governor's proposed budget. This represents an increase to towns of approximately 17%. We do, however, believe that in addition to fully funding the grant, the state must significantly reduce the reimbursement threshold.

COST advocates a reduction in the state threshold for special education cost grants to a maximum of two and one-half times the average educational cost of the school district. This is absolutely critical to assisting towns in meeting the unpredictable and often staggering costs associated with special education services.

COST is also very concerned about the elimination of the Special Education Equity Grant in the Governor's proposed budget. This grant provides assistance to school districts responsible for providing special education services to students placed there by the state. The equity grant is the only safety net for special education costs which can be significant and unpredictable. While small towns may only have a handful of such students, the services they require are extremely expensive.

COST is continuing to analyze the Governor's proposed budget relative to education funding as well as to non-education funding which is also important to Connecticut's small and rural communities. Under the Governor's proposed budget, funding for a number of key programs would be reduced, including the Town Aid Road (TAR) program, the State Economic Assistance Program (STEAP) and the Mashantucket Pequot Mohegan grant.