



General Assembly

**Substitute Bill No. 6688**

January Session, 2009

\*          HB06688APP          041609          \*

**AN ACT CONCERNING EDUCATION GRANTS.**

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

1       Section 1. Subsection (c) of section 10-264l of the general statutes is  
2       repealed and the following is substituted in lieu thereof (*Effective July*  
3       1, 2009):

4       (c) (1) The maximum amount each interdistrict magnet school  
5       program, except those described in subparagraphs (A) [and (B)] to (E),  
6       inclusive, of subdivision (3) of this subsection, shall be eligible to  
7       receive per enrolled student who is not a resident of the town  
8       operating the magnet school shall be (A) six thousand sixteen dollars  
9       for the fiscal year ending June 30, 2008, and (B) six thousand seven  
10       hundred thirty dollars for the fiscal [year] years ending June 30, 2009,  
11       [(C) seven thousand four hundred forty dollars for the fiscal year  
12       ending June 30, 2010, and (D) eight thousand one hundred fifty-eight  
13       dollars for the fiscal year ending June 30, 2011] to June 30, 2011,  
14       inclusive. The per pupil grant for each enrolled student who is a  
15       resident of the town operating the magnet school program shall be  
16       three thousand dollars for the fiscal year ending June 30, 2008, and  
17       each fiscal year thereafter.

18       (2) For the fiscal year ending June 30, 2003, and each fiscal year  
19       thereafter, the commissioner may, within available appropriations,  
20       provide supplemental grants for the purposes of enhancing

21 educational programs in such interdistrict magnet schools, as the  
22 commissioner determines. Such grants shall be made after the  
23 commissioner has reviewed and approved the total operating budget  
24 for such schools, including all revenue and expenditure estimates.

25 (3) (A) Each interdistrict magnet school operated by a regional  
26 educational service center that enrolls less than fifty-five per cent of the  
27 school's students from a single town [, or a regional educational service  
28 center that enrolls less than sixty per cent of its students from Hartford  
29 pursuant to the 2008 stipulation and order for Milo Sheff, et al. v.  
30 William A. O'Neill, et al.] shall receive a per pupil grant in the amount  
31 of (i) six thousand two hundred fifty dollars for the fiscal year ending  
32 June 30, 2006, (ii) six thousand five hundred dollars for the fiscal year  
33 ending June 30, 2007, (iii) seven thousand sixty dollars for the fiscal  
34 year ending June 30, 2008, and (iv) seven thousand six hundred twenty  
35 dollars for the fiscal year ending June 30, 2009, [(v) eight thousand one  
36 hundred eighty dollars for the fiscal year ending June 30, 2010, and (vi)  
37 eight thousand seven hundred forty-one dollars for the fiscal year  
38 ending June 30, 2011] and each fiscal year thereafter.

39 (B) [Each] Except as otherwise provided in subparagraphs (C), (D)  
40 and (E) of this subdivision, each interdistrict magnet school operated  
41 by a regional educational service center that enrolls at least fifty-five  
42 per cent of the school's students from a single town [, or a regional  
43 educational service center that enrolls at least sixty per cent of its  
44 students from Hartford pursuant to the 2008 stipulation and order for  
45 Milo Sheff, et al. v. William A. O'Neill, et al.] shall receive a per pupil  
46 grant for each enrolled student who is not a resident of the district that  
47 enrolls at least fifty-five per cent of the school's students in the amount  
48 of (i) six thousand sixteen dollars for the fiscal year ending June 30,  
49 2008, and (ii) six thousand seven hundred thirty dollars for the fiscal  
50 year ending June 30, 2009, [(iii) seven thousand four hundred forty  
51 dollars for the fiscal year ending June 30, 2010, and (iv) eight thousand  
52 one hundred fifty-eight dollars for the fiscal year ending June 30, 2011]  
53 and each fiscal year thereafter. The per pupil grant for each enrolled  
54 student who is a resident of the district that enrolls at least fifty-five

55 per cent of the school's students shall be three thousand dollars.

56 (C) Each interdistrict magnet school operated by a regional  
57 educational service center that began operations for the school year  
58 commencing July 1, 1998, and that for the school year commencing  
59 July 1, 2008, enrolled no more than seventy per cent of the school's  
60 students from a single town shall receive a per pupil grant for each  
61 enrolled student who is a resident of the district in the amount of four  
62 thousand eight hundred thirty-five dollars, and a per pupil grant for  
63 each enrolled student who is not a resident of the district in the  
64 amount of six thousand seven hundred thirty dollars for the fiscal year  
65 ending June 30, 2010, and each fiscal year thereafter.

66 (D) Each interdistrict magnet school operated by a regional  
67 educational service center that enrolls less than sixty per cent of its  
68 students from Hartford pursuant to the 2008 stipulation and order for  
69 Milo Sheff, et al. v. William A. O'Neill, et al., shall receive a per pupil  
70 grant in the amount of (i) ten thousand four hundred forty-three  
71 dollars for the fiscal year ending June 30, 2010, and (ii) ten thousand  
72 four hundred forty-three dollars for the fiscal year ending June 30,  
73 2011.

74 (E) Each interdistrict magnet school located in the Sheff region that  
75 enrolls at least sixty per cent of its students from Hartford pursuant to  
76 the 2008 stipulation and order for Milo Sheff, et al. v. William A.  
77 O'Neill, et al., shall receive a per pupil grant for each enrolled student  
78 who is not a resident of the district that enrolls sixty per cent of the  
79 school's students in the amount of (i) thirteen thousand fifty-four  
80 dollars for the fiscal year ending June 30, 2010, and (ii) thirteen  
81 thousand fifty-four dollars for the fiscal year ending June 30, 2011.

82 (4) The amounts of the grants determined pursuant to this  
83 subsection shall be proportionately adjusted, if necessary, within  
84 available appropriations, and in no case shall any grant pursuant to  
85 this section exceed the reasonable operating budget of the interdistrict  
86 magnet school program, less revenues from other sources. Any

87 interdistrict magnet school program operating less than full-time, but  
88 at least half-time, shall be eligible to receive a grant equal to sixty-five  
89 per cent of the grant amount determined pursuant to this subsection.

90 (5) Within available appropriations, the commissioner may make  
91 grants to the following entities that operate an interdistrict magnet  
92 school that assists the state in meeting the goals of the 2008 stipulation  
93 and order for Milo Sheff, et al. v. William A. O'Neill, et al., as  
94 determined by the commissioner and that provide academic support  
95 programs and summer school educational programs approved by the  
96 commissioner to students participating in such interdistrict magnet  
97 school program: (A) Regional educational service centers, (B) local and  
98 regional boards of education, (C) the Board of Trustees of the  
99 Community-Technical Colleges on behalf of a regional community-  
100 technical college, (D) the Board of Trustees of the Connecticut State  
101 University System on behalf of a state university, (E) the Board of  
102 Trustees for The University of Connecticut on behalf of the university,  
103 (F) the board of governors for an independent college or university, as  
104 defined in section 10a-37, or the equivalent of such a board, on behalf  
105 of the independent college or university, (G) cooperative arrangements  
106 pursuant to section 10-158a, and (H) any other third-party not-for-  
107 profit corporation approved by the commissioner.

108 (6) Within available appropriations, the Commissioner of Education  
109 may make grants, in an amount not to exceed seventy-five thousand  
110 dollars, for start-up costs associated with the development of new  
111 interdistrict magnet school programs that assist the state in meeting  
112 the goals of the 2008 stipulation and order for Milo Sheff, et al. v.  
113 William A. O'Neill, et al., as determined by the commissioner, to the  
114 following entities that develop such a program: (A) Regional  
115 educational service centers, (B) local and regional boards of education,  
116 (C) the Board of Trustees of the Community-Technical Colleges on  
117 behalf of a regional community-technical college, (D) the Board of  
118 Trustees of the Connecticut State University System on behalf of a state  
119 university, (E) the Board of Trustees for The University of Connecticut  
120 on behalf of the university, (F) the board of governors for an

121 independent college or university, as defined in section 10a-37, or the  
122 equivalent of such a board, on behalf of the independent college or  
123 university, (G) cooperative arrangements pursuant to section 10-158a,  
124 and (H) any other third-party not-for-profit corporation approved by  
125 the commissioner.

126 Sec. 2. Subdivision (25) of section 10-262f of the general statutes is  
127 repealed and the following is substituted in lieu thereof (*Effective July*  
128 *1, 2009*):

129 (25) "Total need students" means the sum of (A) the number of  
130 resident students of the town for the school year, [except that for the  
131 fiscal year commencing July 1, 2008, such number shall be reduced by  
132 one-quarter of the number resident students of the town for the school  
133 year enrolled in full-time approved interdistrict magnet school  
134 programs pursuant to section 10-264l,] (B) (i) for any school year  
135 commencing prior to July 1, 1998, one-quarter the number of children  
136 under the temporary family assistance program for the prior fiscal  
137 year, and (ii) for the school years commencing July 1, 1998, to July 1,  
138 2006, inclusive, one-quarter the number of children under the  
139 temporary family assistance program for the fiscal year ending June  
140 30, 1997, (C) for school years commencing July 1, 1995, to July 1, 2006,  
141 inclusive, one-quarter of the mastery count for the school year, (D) for  
142 school years commencing July 1, 1995, to July 1, 2006, inclusive, ten per  
143 cent of the number of eligible children, as defined in subdivision (1) of  
144 section 10-17e, for whom the board of education is not required to  
145 provide a program pursuant to section 10-17f, (E) for the school year  
146 commencing July 1, 2007, and each school year thereafter, fifteen per  
147 cent of the number of eligible students, as defined in subdivision (1) of  
148 section 10-17e, for whom the board of education is not required to  
149 provide a program pursuant to section 10-17f, and (F) for the school  
150 year commencing July 1, 2007, and each school year thereafter, thirty-  
151 three per cent of the number of children below the level of poverty.

152 Sec. 3. Subsection (g) of section 10-266aa of the general statutes is  
153 repealed and the following is substituted in lieu thereof (*Effective July*

154 1, 2009):

155 (g) (1) The Department of Education shall provide, within available  
156 appropriations, an annual grant to the local or regional board of  
157 education for each receiving district in an amount not to exceed two  
158 thousand five hundred dollars for each out-of-district student who  
159 attends school in the receiving district under the program, except as  
160 provided for in subdivision (2) of this subsection.

161 (2) If, in any fiscal year, funds appropriated for the grant pursuant  
162 to subdivision (1) of this subsection exceed the amount of funds  
163 distributed pursuant to said subdivision (1), the Department of  
164 Education shall distribute additional sums from such funds to any  
165 local or regional board of education for a receiving district on a pro  
166 rata basis for each additional out-of-district student attending schools  
167 in such district in excess of the number of such students attending  
168 schools in such district for the school year commencing July 1, 2008.

169 (3) Each town which receives funds pursuant to this subsection shall  
170 make such funds available to its local or regional board of education in  
171 supplement to any other local appropriation, other state or federal  
172 grant or other revenue to which the local or regional board of  
173 education is entitled.

174 Sec. 4. Subsection (c) of section 10-223e of the general statutes is  
175 repealed and the following is substituted in lieu thereof (*Effective July*  
176 *1, 2009*):

177 (c) (1) Any school or school district identified as in need of  
178 improvement pursuant to subsection (a) of this section and requiring  
179 corrective action pursuant to the requirements of the No Child Left  
180 Behind Act, P.L. 107-110, shall be designated and listed as a low  
181 achieving school or school district and shall be subject to intensified  
182 supervision and direction by the State Board of Education.

183 (2) Notwithstanding any provision of this title or any regulation  
184 adopted pursuant to said statutes, except as provided in subdivision

185 (3) of this subsection, in carrying out the provisions of subdivision (1)  
186 of this subsection, the State Board of Education shall take any of the  
187 following actions to improve student performance and remove the  
188 school or district from the list of schools or districts designated and  
189 listed as a low achieving school or district pursuant to said subdivision  
190 (1), and to address other needs of the school or district: (A) Require an  
191 operations audit to identify possible programmatic savings and an  
192 instructional audit to identify any deficits in curriculum and  
193 instruction or in the learning environment of the school or district; (B)  
194 require the local or regional board of education for such school or  
195 district to use state and federal funds for critical needs, as directed by  
196 the State Board of Education; (C) provide incentives to attract highly  
197 qualified teachers and principals; (D) direct the transfer and  
198 assignment of teachers and principals; (E) require additional training  
199 and technical assistance for parents and guardians of children  
200 attending the school or a school in the district and for teachers,  
201 principals, and central office staff members hired by the district; (F)  
202 require the local or regional board of education for the school or  
203 district to implement model curriculum, including, but not limited to,  
204 recommended textbooks, materials and supplies approved by the  
205 Department of Education; (G) identify schools for reconstitution, as  
206 may be phased in by the commissioner, as state or local charter  
207 schools, schools established pursuant to section 10-74g, or schools  
208 based on other models for school improvement, or for management by  
209 an entity other than the local or regional board of education for the  
210 district in which the school is located; (H) direct the local or regional  
211 board of education for the school or district to develop and implement  
212 a plan addressing deficits in achievement and in the learning  
213 environment as recommended in the instructional audit; (I) assign a  
214 technical assistance team to the school or district to guide school or  
215 district initiatives and report progress to the Commissioner of  
216 Education; (J) establish instructional and learning environment  
217 benchmarks for the school or district to meet as it progresses toward  
218 removal from the list of low achieving schools or districts; (K) provide  
219 funding to any proximate district to a district designated as a low

220 achieving school district so that students in a low achieving district  
221 may attend public school in a neighboring district; (L) direct the  
222 establishment of learning academies within schools that require  
223 continuous monitoring of student performance by teacher groups; (M)  
224 require local and regional boards of education to (i) undergo training  
225 to improve their operational efficiency and effectiveness as leaders of  
226 their districts' improvement plans, and (ii) submit an annual action  
227 plan to the Commissioner of Education outlining how, when and in  
228 what manner their effectiveness shall be monitored; or (N) any  
229 combination of the actions described in this subdivision or similar,  
230 closely related actions.

231 (3) If a directive of the State Board of Education pursuant to  
232 subparagraph (C), (D), (E) or (L) of subdivision (2) of this subsection or  
233 a directive to implement a plan pursuant to subparagraph (H) of said  
234 subdivision affects working conditions, such directive shall be carried  
235 out in accordance with the provisions of sections 10-153a to 10-153n,  
236 inclusive.

237 (4) The Comptroller shall, pursuant to the provisions of section 10-  
238 262i, as amended by this act, withhold any grant funds that a town is  
239 otherwise required to appropriate to a local or regional board of  
240 education due to low academic achievement in the school district  
241 pursuant to section 10-262h, provided for any fiscal year in which such  
242 town receives a grant pursuant to section 10-262h, the Comptroller  
243 shall withhold an amount equal to the amount withheld in the prior  
244 fiscal year or twenty per cent of the grant increase, whichever is  
245 greater. Said funds shall be transferred to the Department of Education  
246 and shall be expended by the department on behalf of the identified  
247 school district. Said funds shall be used to implement the provisions of  
248 subdivision (2) of this subsection and to offset such other local  
249 education costs that the Commissioner of Education deems  
250 appropriate to achieve school improvements. These funds shall be  
251 awarded by the commissioner to the local or regional board of  
252 education for such identified school district upon condition that said  
253 funds shall be spent in accordance with the directives of the

254 commissioner.

255 Sec. 5. Section 10-66dd of the general statutes is repealed and the  
256 following is substituted in lieu thereof (*Effective July 1, 2009*):

257 (a) For purposes of this section, "school professional" means any  
258 school teacher, administrator or other personnel certified by the State  
259 Board of Education pursuant to section 10-145b.

260 (b) (1) Subject to the provisions of this subsection and except as may  
261 be waived pursuant to subsection (d) of section 10-66bb, charter  
262 schools shall be subject to all federal and state laws governing public  
263 schools.

264 (2) At least one-half of the persons providing instruction or pupil  
265 services in a charter school shall possess the proper certificate other  
266 than (A) a certificate issued pursuant to subdivision (1) of subsection  
267 (c) of section 10-145b, or (B) a temporary certificate issued pursuant to  
268 subsection (c) of section 10-145f on the day the school begins operation  
269 and the remaining persons shall possess a certificate issued pursuant  
270 to said subdivision (1) or such temporary certificate on such day.

271 (3) The commissioner may not waive the provisions of chapters 163c  
272 and 169 and sections 10-15c, 10-153a to 10-153g, inclusive, 10-153i, 10-  
273 153j, 10-153m and 10-292.

274 (4) The state charter school governing council shall act as a board of  
275 education for purposes of collective bargaining. The school  
276 professionals employed by a local charter school shall be members of  
277 the appropriate bargaining unit for the local or regional school district  
278 in which the local charter school is located and shall be subject to the  
279 same collective bargaining agreement as the school professionals  
280 employed by said district. A majority of those employed or to be  
281 employed in the local charter school and a majority of the members of  
282 the governing council of the local charter school may modify, in  
283 writing, such collective bargaining agreement, consistent with the  
284 terms and conditions of the approved charter, for purposes of

285 employment in the charter school.

286 (c) School professionals employed by a local or regional board of  
287 education shall be entitled to a two-year leave of absence, without  
288 compensation, in order to be employed in a charter school provided  
289 such leave shall be extended upon request for an additional two years.  
290 At any time during or upon the completion of such a leave of absence,  
291 a school professional may return to work in the school district in the  
292 position in which he was previously employed or a comparable  
293 position. Such leave of absence shall not be deemed to be an  
294 interruption of service for purposes of seniority and teachers'  
295 retirement, except that time may not be accrued for purposes of  
296 attaining tenure. A school professional who is not on such a leave of  
297 absence and is employed for forty school months of full-time  
298 continuous employment by the charter school and is subsequently  
299 employed by a local or regional board of education shall attain tenure  
300 after the completion of twenty school months of full-time continuous  
301 employment by such board of education in accordance with section 10-  
302 151.

303 (d) [An otherwise qualified school professional employed in a  
304 charter school may] A person employed by a charter school that holds  
305 a certificate or permit issued by the State Board of Education, as  
306 described in subdivision (26) of section 10-183b, shall participate in the  
307 state teacher retirement system under chapter 167a on the same basis  
308 as if such professional were employed by a local or regional board of  
309 education. The governing council of a charter school shall make the  
310 contributions, as defined in subdivision (7) of section 10-183b for such  
311 professional.

312 Sec. 6. Section 10-264i of the general statutes is repealed and the  
313 following is substituted in lieu thereof (*Effective July 1, 2009*):

314 (a) (1) A local or regional board of education, (2) regional  
315 educational service center, (3) the Board of Trustees of the  
316 Community-Technical Colleges on behalf of Quinebaug Valley

317 Community College, (4) cooperative arrangement pursuant to section  
318 10-158a, or (5) to assist the state in meeting the goals of the 2008  
319 stipulation and order for Milo Sheff, et al. v. William A. O'Neill, et al.,  
320 as determined by the Commissioner of Education, (A) the Board of  
321 Trustees of the Community-Technical Colleges on behalf of a regional  
322 community-technical college, (B) the Board of Trustees of the  
323 Connecticut State University System on behalf of a state university, (C)  
324 the Board of Trustees for The University of Connecticut on behalf of  
325 the university, (D) the board of governors for an independent college  
326 or university, as defined in section 10a-37, or the equivalent of such a  
327 board, on behalf of the independent college or university, and (E) any  
328 other third-party not-for-profit corporation approved by the  
329 commissioner which transports a child to an interdistrict magnet  
330 school program, as defined in section 10-264l, as amended by this act,  
331 in a town other than the town in which the child resides shall be  
332 eligible pursuant to section 10-264e to receive a grant for the cost of  
333 transporting such child in accordance with this section. [The] For the  
334 fiscal year ending June 30, 2010, the amount of such grant shall not  
335 exceed an amount equal to the number of such children transported  
336 multiplied by [one thousand three hundred dollars] two thousand five  
337 hundred dollars. For the fiscal year ending June 30, 2011, the amount  
338 of such grant shall not exceed an amount equal to the number of such  
339 children transported multiplied by three thousand dollars. The  
340 Department of Education shall provide such grants within available  
341 appropriations. Nothing in this subsection shall be construed to  
342 prevent a local or regional board of education, regional educational  
343 service center or cooperative arrangement from receiving  
344 reimbursement under section 10-266m for reasonable transportation  
345 expenses for which such board, service center or cooperative  
346 arrangement is not reimbursed pursuant to this section.

347 (b) Grants under this section shall be contingent on documented  
348 costs of providing such transportation. Eligible local and regional  
349 boards of education, regional educational service centers and  
350 cooperative arrangements shall submit applications for grants under

351 this section to the Commissioner of Education in such form and at such  
352 times as he prescribes. Grants pursuant to this section shall be paid as  
353 follows: In October one-half of the estimated eligible transportation  
354 costs and the balance of such costs in May.

355 (c) Each local and regional board of education, regional educational  
356 service center and cooperative arrangement participating in the grant  
357 program shall prepare a financial statement of expenditures which  
358 shall be submitted to the Department of Education on or before  
359 September first of the fiscal year immediately following each fiscal  
360 year in which the school district, regional educational service center or  
361 cooperative arrangement participates in the grant program. Based on  
362 such statement, any underpayment or overpayment may be calculated  
363 and adjusted by the Department of Education in the grant for any  
364 subsequent year.

365 Sec. 7. Section 10-262i of the general statutes is repealed and the  
366 following is substituted in lieu thereof (*Effective July 1, 2009*):

367 (a) For the fiscal year ending June 30, 1990, and for each fiscal year  
368 thereafter, each town shall be paid a grant equal to the amount the  
369 town is entitled to receive under the provisions of section 10-262h, as  
370 calculated using the data of record as of the December first prior to the  
371 fiscal year such grant is to be paid, adjusted for the difference between  
372 the final entitlement for the prior fiscal year and the preliminary  
373 entitlement for such fiscal year as calculated using the data of record as  
374 of the December first prior to the fiscal year when such grant was paid.

375 (b) The amount due each town pursuant to the provisions of  
376 subsection (a) of this section shall be paid by the Comptroller, upon  
377 certification of the Commissioner of Education, to the treasurer of each  
378 town entitled to such aid in installments during the fiscal year as  
379 follows: Twenty-five per cent of the grant in October, twenty-five per  
380 cent of the grant in January and the balance of the grant in April. The  
381 balance of the grant due towns under the provisions of this subsection  
382 shall be paid in March rather than April to any town which has not

383 adopted the uniform fiscal year and which would not otherwise  
384 receive such final payment within the fiscal year of such town.

385 (c) All aid distributed to a town pursuant to the provisions of this  
386 section shall be expended for educational purposes only and shall be  
387 expended upon the authorization of the local or regional board of  
388 education. For the fiscal year ending June 30, [1999] 2010, and each  
389 fiscal year thereafter, if a town receives an increase in funds pursuant  
390 to this section over the amount it received for the prior fiscal year such  
391 increase shall not be used to supplant local funding for educational  
392 purposes. The budgeted appropriation for education in any town  
393 receiving an increase in funds pursuant to this section shall be not less  
394 than the amount appropriated for education for the prior year plus  
395 such increase in funds.

396 (d) Notwithstanding the provisions of subsection (c) of this section,  
397 for the fiscal years ending June 30, 2008, and June 30, 2009, the  
398 budgeted appropriation for education in any town receiving an  
399 increase in funds pursuant to this section shall be not less than the  
400 amount appropriated for education for the prior year plus the  
401 percentage of such increase in funds as determined under subsection  
402 (e) of this section.

403 \*(e) The percentage of the increase in aid pursuant to this section  
404 applicable under subsection (d) shall be the average of the results of (1)  
405 (A) a town's current program expenditures per resident student  
406 pursuant to subdivision (36) of section 10-262f, subtracted from the  
407 highest current program expenditures per resident student in this  
408 state, (B) divided by the difference between the highest current  
409 program expenditures per resident student in this state and the lowest  
410 current program expenditures per resident student in this state, (C)  
411 multiplied by fifty per cent, (D) plus fifteen percentage points, (2) (A) a  
412 town's wealth pursuant to subdivision (26) of section 10-262f,  
413 subtracted from the wealth of the town with the highest wealth of all  
414 towns in this state, (B) divided by the difference between the wealth of  
415 the town with the highest wealth of all towns in this state and the

416 wealth of the town with the lowest wealth of all towns in this state, (C)  
417 multiplied by fifty per cent, (D) plus fifteen percentage points, and (3)  
418 (A) a town's grant mastery percentage pursuant to subdivision (12) of  
419 section 10-262f, subtracted from one, subtracted from one minus the  
420 grant mastery percentage of the town with the highest grant mastery  
421 percentage in this state, (B) divided by the difference between one  
422 minus the grant mastery percentage of the town with the highest grant  
423 mastery percentage in this state and one minus the grant mastery  
424 percentage of the town with the lowest grant mastery percentage in  
425 this state, (C) multiplied by fifty per cent, (D) plus fifteen percentage  
426 points. For any town whose school district is in its third year or more  
427 of being identified as in need of improvement pursuant to section 10-  
428 223e, as amended by this act, and has failed to make adequate yearly  
429 progress in mathematics or reading at the whole district level, the  
430 percentage determined pursuant to this subsection for such town shall  
431 be increased by an additional twenty percentage points.  
432 Notwithstanding any provision of the general statutes, charter, special  
433 act or home rule ordinance, on or before September 15, 2007, for the  
434 fiscal year ending June 30, 2008, a town may request the Commissioner  
435 of Education to defer a portion of the town's increase in aid over the  
436 prior fiscal year pursuant to this section to be expended in the  
437 subsequent fiscal year. If the commissioner approves such request, the  
438 deferred amount shall be credited to the increase in aid for the fiscal  
439 year ending June 30, 2009, rather than the fiscal year ending June 30,  
440 2008. Such funds shall be expended in the fiscal year ending June 30,  
441 2009, in accordance with the provisions of this section. In no case shall  
442 a town be allowed to defer increases in aid required to be spent for  
443 education as a result of failure to make adequate yearly progress in  
444 accordance with the provisions of this subdivision. Notwithstanding  
445 the provisions of this section, for the fiscal years ending June 30, 2008,  
446 and June 30, 2009, any town that (i) is a member of a regional school  
447 district that serves only grades seven to twelve, inclusive, or grades  
448 nine to twelve, inclusive, (ii) appropriates at least the minimum  
449 percentage of increase in aid pursuant to the provisions of this section,  
450 and (iii) has a reduced assessment from the previous fiscal year for

451 students enrolled in such regional school district, excluding debt  
452 service for such students, shall be considered to be in compliance with  
453 the provisions of this section.

454 (f) Upon a determination by the State Board of Education that a  
455 town or kindergarten to grade twelve, inclusive, regional school  
456 district failed in any fiscal year to meet the requirements pursuant to  
457 subsection (c) or (d) of this section, the town or kindergarten to grade  
458 twelve, inclusive, regional school district shall forfeit an amount equal  
459 to two times the amount of the shortfall. The amount so forfeited shall  
460 be withheld by the Department of Education from the grant payable to  
461 the town in the second fiscal year immediately following such failure  
462 by deducting such amount from the town's equalization aid grant  
463 payment pursuant to this section, except that in the case of a  
464 kindergarten to grade twelve, inclusive, regional school district, the  
465 amount so forfeited shall be withheld by the Department of Education  
466 from the grants payable pursuant to this section to the towns which  
467 are members of such regional school district. The amounts deducted  
468 from such grants to each member town shall be proportional to the  
469 number of resident students in each member town. Notwithstanding  
470 the provisions of this subsection, the State Board of Education may  
471 waive such forfeiture upon agreement with the town or kindergarten  
472 to grade twelve, inclusive, regional school district that the town or  
473 kindergarten to grade twelve, inclusive, regional school district shall  
474 increase its budgeted appropriation during the fiscal year in which the  
475 forfeiture would occur by an amount not less than the amount of said  
476 forfeiture or for other good cause shown. Any additional funds  
477 expended pursuant to such an agreement shall not be included in a  
478 district's expenditures for the purpose of establishing any future  
479 minimum expenditure requirement.

480 Sec. 8. Section 13 of public act 08-170 is repealed. (*Effective from*  
481 *passage*)

