

TESTIMONY PRESENTED TO THE APPROPRIATIONS COMMITTEE
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Testimony Opposing Senate Bill No. 1195

AN ACT CONCERNING SCHOOL FINANCE REFORM

Thank you for the opportunity to submit testimony on this important issue.

OPM is opposed to SB 1195, which would make extensive and significantly costly changes to the statutes regarding education finance, including the ECS formula, Charter Schools, Magnet Schools, Priority School Districts and Vocational Agricultural schools. The Governor recognizes that school finance reform is essential given that the ECS formula has not functioned in years. That is why he included the establishment of a task force (section 14 of HB 6385, An Act Implementing the Budget Recommendations of the Governor Concerning Education) in order to study how best to address these issues. It is extremely important to include a variety of people from organizations and districts that have a stake in education finance in order to develop an equitable and adequate formula for all involved. The Governor's task force will accomplish this.

The OPM Budget Division has carefully reviewed the education funding proposal in the bill. This school funding method was developed by only one entity (ConnCAN) and based on the new funding formula for a fiscally troubled state (Rhode Island). Essentially, it would provide for a money-follows-the-child funding scheme. There would be a phase in of 7 years for those towns that would see an increase in educational aid per this legislation and a phase in of 10 years for those towns that would see a decrease in educational aid per this legislation.

Over all, there are 138 losers and 50 winners (this does not correlate to the 169 districts that are currently funded under ECS, because they add the Regional Districts, RESCs, and Charters). ConnCAN's method would pool the current funding streams of ECS, Magnets, Charters, Open Choice and the Priority School District grant (not the School Readiness grant) into one grant that would be distributed to districts based on Median Household Income and a 35% poverty rate factor for students receiving Free and Reduced Price Lunches. State and local funding would follow the child to other districts.

While poorer districts (DRGs G, H and I) do stand to gain funding in this method; the middle income DRGs of C through F would see significant losses and a **wealthy set of communities in DRG B would gain significant funding (this DRG includes communities like Glastonbury, Simsbury and Avon)**. Also of note, Charter Schools, RESCs (which operate Magnet Schools and Open Choice), and Regional School Districts would lose significant funding. In fact, CREC is the biggest loser and unlike towns, has no taxing ability and would not be able to operate Magnet Schools under this funding method. Magnet Schools typically cost more than public schools because they offer specialized programs in order to attract suburban public school students. This could affect the state in reaching the desegregation goals as required by the "Sheff" Stipulation and Order.

I again thank you for the opportunity to present this testimony and ***respectfully urge you to take no action on this bill.***