



Testimony
Bart Russell, Executive Director
Connecticut Council of Small Towns
Before the Appropriations Committee
of the Connecticut General Assembly
March 24, 2011

The Connecticut Council of Small Towns (COST) *opposes* **SB-1195, An Act Concerning School Finance Reform**. Significantly altering the Education Cost Sharing (ECS) formula at this time would send shockwaves through Connecticut's smaller towns and cities as they struggle to adopt municipal budgets.

Connecticut's small towns and cities are committed to providing a high quality education for their students. But escalating costs, state and federal mandates, unpredictable special education needs and declining revenues are severely challenging their ability to maintain standards of excellence. In fact, many communities throughout Connecticut are considering severe cuts in education, including teacher layoffs, in order to reduce the size of local budget and property tax increases.

Given the state's horrific budget deficit, we are relieved that the budget proposed by Governor Dannel P. Malloy maintains level funding of the state's Education Cost Sharing formula and other municipal aid. However, it is important to note that ECS and special education have been underfunded for years. In particular, the foundation, which is a critical component of the base aid formula, has been frozen at an inadequate amount for some time. As a result, municipalities are responsible for funding 55% - 60% of cost of education from local sources, primarily property taxes.

SB-1195 does not increase education aid, it simply calls for aid to be redistributed in ways that may create budget chaos in many towns. While we recognize that the Education Cost Sharing formula, which has been adjusted almost every year since its inception in 1988, warrants further review and reform, such reform must be done in a deliberate, informed manner with input from the many stakeholders who would be affected by such reform, including representatives of Connecticut's smaller towns and cities.

We therefore support provisions in the Governor's budget that call for a study of the ECS formula. This task force is the appropriate mechanism for exploring options to improve equity in educational funding. COST looks forward to participating on the task force to promote Fair Share funding for Connecticut's smaller towns and cities.

We therefore urge rejection of SB-1195.