



Testimony
Bart Russell, Executive Director
Connecticut Council of Small Towns
Before the Education Committee
of the Connecticut General Assembly
February 22, 2012

Re: SB-24, An Act Concerning Educational Competitiveness

The Connecticut Council of Small Towns (COST) supports efforts to increase funding for the Education Cost Sharing grant program to assist cities in towns in meeting their obligation to provide a quality education for all students.

Connecticut's small towns and cities continue to face difficult budget circumstances and any cuts in state aid would result in cuts to critical programs, including education. We therefore appreciate Governor Malloy's proposal to **target an additional \$50 million in funding to the ECS grant and increase the foundation level, which is a critical component of the base aid formula, from \$9,867 to \$12,000** per student. The increase in the foundation level, which is long overdue, better reflects the true cost of educating a student.

Although most of the additional funds are targeted to the state's neediest school districts, we are hopeful that small towns will receive their fair share of education funding this year. According to OPM, the changes in ECS proposed in SB-24 will provide 130 towns with more funding than in 2011-2012.

This is certainly a good first step in moving toward fully funding the ECS grant program, particularly in light of the state's continued budget challenges. However, the ECS grant continues to be woefully underfunded by an estimated \$800 million, forcing towns to make difficult decisions about cutting critical educational programs or shifting more of the burden of public education onto property taxpayers.

At the same time, school districts are struggling to meet a wide range of new requirements within existing limited resources. Increased requirements to collect data, align curricula with the common core standards, develop more rigorous math and science curricula and beef up graduation requirements are all laudable goals but goals with hefty price tags. **Connecticut needs to begin phasing in increases to the ECS grant with the goal of fully funding the program to provide adequate fair share funding to all towns.**

We also support provisions in the bill which allow towns that realize “new and documentable savings” through increased intradistrict efficiencies or through regional collaboration to reduce the Minimum Budget Requirement by an amount determined by the Commissioner of Education. This change will help provide some relief to towns who are able to reduce their educational costs. However, we hope that the committee can develop language that provides towns with greater certainty as to how much relief they can expect from the MBR under these circumstances.

Although we applaud the Governor’s proposal to target additional funds to ECS, increase the foundation level and provide greater flexibility to towns that are meeting high standards, **COST opposes the following components of the bill:**

FORCING SMALL DISTRICT CONSOLIDATION - Section 11 of the bill, beginning in the fiscal year ending June 30, 2016, severely penalizes small local and regional school districts with less than 1000 students by significantly reducing aid if the district’s per pupil cost exceeds the state average per pupil cost from the prior fiscal year. This provision will negatively impact 31 school districts across Connecticut.

Small school districts are generally located in rural areas where homes are spread out across a wide geographic area. Forcing consolidation of school districts will hurt students, many of whom will have to travel greater distances to get to school. Additional transportation costs are very likely to eat up any savings from consolidating the administration of such schools. The proposal assumes that savings will be generated because superintendents, principals and other administrative positions can be consolidated. However, school districts of this size generally operate with fewer administrators.

And, in many ways, this proposal will hurt the overall community. In Connecticut’s small towns, schools are often the heart of the community. Residents of all ages attend school functions such as plays, concerts, athletic events and come together as a small community to support the students. Decisions about whether to consolidate schools should be left up to the town and the taxpayers.

DIVERTING RESOURCES AWAY FROM TRADITIONAL PUBLIC SCHOOLS – The proposal requires schools districts to pay \$1000 for every student that attends a charter school, which will divert precious resources away from our traditional public schools. In addition, the proposal transfers funding for the charters schools into the ECS line item. Although ECS funding has been increased overall, COST is concerned that this proposal will drain already scarce resources from local and regional school districts that are currently underfunded. This proposal paves the way for a “money follows the child” funding scheme that will create unpredictable disruptions in funding from year to year for school districts.

ALLOCATION REQUIREMENTS – Although 130 school districts will receive more ECS funding under the proposal, by shifting the minimum allocation requirements, certain towns will not receive any future increases in state funding. Given that education has been woefully underfunded in cities as well as in small towns, we are very concerned that this shift will

undermine the ability of small towns to provide a quality education for their students in the future.

SPECIAL EDUCATION – We are also concerned that the bill does not address concerns regarding inadequate funding for special education, which is an increasingly unpredictable and costly concern. The local share of special education is almost \$1 billion, accounting for almost 15% of all education spending in Connecticut. COST recommends fully funding special education and lowering the reimbursement threshold from 4.5 the per pupil expenditure to 2.5 or lower to more adequately reimburse towns for such costs.

Clearly, Connecticut's small towns and cities are committed to providing high quality education for their students. Unfortunately, continued years of flat funding ECS and special education is leaving towns in a position of barely hanging on in terms of meeting their town's educational needs. Without fair share funding, the ability of small towns to provide a quality education for their students is compromised.

We therefore urge you to carefully weigh how these proposals will affect the ability of small towns to maintain high standards of academic excellence.

Thank you for your consideration.