

TESTIMONY OF THE

**CONNECTICUT COALITION  
FOR *JUSTICE*  
IN EDUCATION FUNDING**

TO THE

**APPROPRIATIONS COMMITTEE**

March 3, 2015

Senator Bye, Representative Walker, Education Subcommittee Chairs Senator Slossberg and Representative Fleischmann, and esteemed members of the Appropriations Committee:

The Connecticut Coalition for Justice in Education Funding appreciates this opportunity to submit comments pertinent to **Governor’s Bill No. 6824, An Act Concerning the State Budget for the Biennium Ending June Thirtieth 2017, and Making Appropriations Therefore and Other Provisions Related to Revenue.**

Before addressing the Governor’s proposed education budget, CCJEF wishes to express deep disappointment with what’s being proposed. More than half (53.5%) of the Governor’s proposed cuts come from items in the so-called “Children’s Budget” that comprises a third of the General Fund.<sup>1</sup> Programs that benefit young children and youth will thus carry a disproportionate burden of cuts — programs operated by the State Department of Education, Office of Early Childhood, Department of Children and Families, Department of Developmental Services, and higher education.

Within this grim context, we wish to focus our remarks on the Education Cost Sharing (ECS) Grant, the State’s primary education equalization aid program that delivers funding to municipalities to support their PK-12 public school districts.

**Education Equalization Grants (Line T425)**

For the sake of brevity, for just this evening we’ll turn an almost blind eye to the inequity pertaining to the FY16 and FY17 inclusion of some \$102.83 million and \$112.06 million for charter schools that are buried within the Education Equalization figures. Those figures represent an \$11.7 million increase in FY16, plus another \$9.2 million in FY17. **That makes for a \$21 million proposed funding increase over the biennium for schools serving only 1.3% of the**

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<sup>1</sup> “Impact of the Governor’s FY 2016 Budget on Children,” CT Voices for Children, Rev. February 23, 2015.

**state's public school students who attend the 18 privately run/publicly funded schools, while the 93.5% of students served in traditional local and regional school districts are to receive an increase of zero.** And remember, the traditional and regional school districts must provide transportation, health, and special education for charter schools.

So rather than belabor the charter funding inequities and the ongoing expansion of that shadow school system despite how beset with unaddressed problems, lax state oversight, and lack of transparency it appears to be, CCJEF will focus on the fact that the Governor's budget proposes to level fund the ECS based on FY15 appropriations. No district/town would get more than it received in FY15, nor less (although Bridgeport would receive \$700,000 less beginning in FY16, due to the expiration of a grant-in-aid to the city).

**The ECS has failed to keep pace with the actual cost of schooling over the past 25 years since it has been in operation.** An analysis conducted by CCJEF last April showed just how flat ECS funding has been, in terms of its actual buying power: from 1989-90 through 2013-14, after accounting for inflation, only \$62 million in real funding was added. Yet over this same time period, the mandates and performance expectations on schools have risen dramatically, as have student needs and the cost of successfully operating schools and meeting students' learning needs.

That the ECS has long been flat-funded, when taking the actual cost of schooling into consideration, is hardly news. But taking a close look at just what today's ECS means in terms of per pupil allocations can be quite startling, as shown in the **Appendix**.

While it's true that districts rely on the total ECS appropriation for their budget decisions, even the most cursory examination of the differing levels of ECS funding annually that goes to districts requires looking at the per pupil share (i.e., dividing the district's total allocation by its resident student count), inasmuch as each district serves differing numbers of students. That is precisely what the Appendix does for every town's FY15 allocation. **Columns F and M provide the per pupil amounts.**

Note the stark disconnect between the ECS foundation level of \$11,525 per pupil and the amounts that actually go to sustain our public school children. **In FY15, the average ECS allocation across all 169 municipalities is just \$3,282 per pupil.** 75% of all municipalities receive less than \$5,000 per pupil. In inflation-adjusted terms, 45 communities today receive less per pupil than they received 40 years ago, prior to *Horton v. Meskill*. Meanwhile, Net Current Expenditures per Pupil for FY14 ranged from \$12,031 to \$26,137, though NCEP doesn't capture the full cost of schooling or reflect the total fiscal burden on municipalities. **Despite such a dismal funding record, traditional public schools that serve 510,221 PK-12 students are proposed to be flat-funded for the next two years.**

**Columns C-E and J-L of the Appendix show the small increase each town received in FY15,** with color coding to represent the 10 Alliance/Reform Districts and 20 other Alliance Districts. Roughly comparable increases were received in FY14. The increases for all 30 Alliance Districts,

of course, have come with “strings” relating to Commissioner-approved new or expanded programs. These small ECS increases, aka Alliance District grants, went from being ECS entitlement monies to being treated as “conditional” categorical grants that are somehow expected to transform struggling school districts. Remarkable, too, is the fact that these Alliance District grants in some cases amounted to paltry amounts (e.g., Killingly received a \$46 per pupil increase, Norwalk \$25 per pupil, and Stamford \$49 per pupil).

Over the last three years, the practice has been for the State to add a meager \$50 million to the ECS annually, with about 94% of that increase going to Alliance Districts as conditional grants. However, that \$50 million increment has now been wiped away by the biennium budget proposal. Instead, districts — or rather, their municipalities’ property taxpayers — will be left with 100% of the price tag for continuing whatever improvements were set into motion by past targeted support, or else any forward momentum that may exist may be halted for a lack of funding.

The Governor’s proposed budget would provide no ECS increases for the biennium. Not since the Great Recession wrought four years of frozen ECS funding for FY09 – FY12 have school districts and local property taxpayers been hit this severely.

**So, is the intent to starve the public schools, reverse any purported progress in school reform/turnaround, contract programs and staffing, and ignore state and federal mandates? Or is the intent merely to push off even more of the cost of educating students to towns and cities and force local property taxes to backfill ever more of the State’s constitutional burden?**

The Governor’s proposed budget continues the State’s long, shameful track record of refusing to fund the school funding formula that it has designed and enacted into law. Not only has the 2013 revised ECS formula not been followed, but also the State is at least some \$640 million short of fully funding it — and there appears no plan to work toward closing that gap over the coming biennium.

In part because of so many policy changes over the years designed to reduce the State’s funding obligations, **the ECS formula remains fundamentally broken, in that it bears little relation to the actual cost of educating Connecticut’s children.** Even fully funded in its current form, the level of funding and distribution of monies would not suffice to remedy the inadequacies and inequities of an inherently flawed and unconstitutional school funding system.

Indeed, examples of the scope of State underfunding can be seen in the 2005 findings of the education adequacy cost study commissioned by CCJEF and conducted by Augenblick, Palaich & Associates (Denver), with input and data provided by the Rell Administration and the Department of Education. Based just on 2004 student enrollments and cost structures, State standards, and state/federal mandates as of January 2005, APA estimated that ...

- **Ansonia** schoolchildren were being underfunded by some \$5,576 per pupil (that's approximately \$6,845 per pupil today)
- **Bridgeport** underfunded by some \$7,320 per pupil (\$8,986 per pupil today)
- **Bristol** underfunded by \$4,780 per pupil (\$5,868 per pupil today)
- **East Hartford** underfunded by \$5,350 per pupil (\$6,568 per pupil today)
- **Danbury** underfunded by \$5,370 per pupil (\$6,592 per pupil today)
- **Hartford** underfunded by \$4,992 per pupil (\$6,128 per pupil today)
- **Killingly** underfunded by \$4,632 per pupil (\$5,686 per pupil today)
- **Meriden** underfunded by \$4,468 per pupil (\$5,485 per pupil today)
- **Milford** underfunded by \$3,226 per pupil (\$3,960 per pupil today)
- **New Britain** underfunded by \$8,028 per pupil (\$9,855 per pupil today)
- **New Haven** underfunded by \$3,886 per pupil (\$4,770 per pupil today)
- **New London** underfunded by \$3,875 per pupil (\$4,757 per pupil today)
- **Norwalk** underfunded by \$2,578 per pupil (\$3,265 per pupil today)
- **Norwich** underfunded by \$5,419 per pupil (\$6,652 per pupil today)
- **Stamford** underfunded by \$3,417 per pupil (\$4,194 per pupil today)
- **Stratford** underfunded by \$4,953 per pupil (\$6,080 per pupil today)
- **Torrington** underfunded by \$5,300 per pupil (\$6,508 per pupil today)
- **Waterbury** underfunded by \$6,294 per pupil (\$7,726 per pupil today)
- **West Hartford** underfunded by \$4,237 per pupil (\$5,201 per pupil today)
- **West Haven** underfunded by \$4,422 per pupil (\$5,428 per pupil today)
- **Windham** underfunded by \$4,090 per pupil (\$5,021 per pupil today)

And the underfunded list goes on and on, including districts of all sizes, locales, and population mixes across DRG B-I communities.<sup>2</sup> An updated adequacy cost study, of course, would look at the increased standards, mandates, changes in the demographic makeup of districts and current learning needs of their students, as well as cost structures (and geographical differences therein) since January 2005, i.e., as they are today. However, it is hardly plausible that the State's underfunding of schools over the past 10 years has lessened.

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<sup>2</sup> The 2005 APA Adequacy Cost Study is available at [http://ccjef.org/documents/new-pdfs/CCJEF\\_APA\\_Adequacy\\_Study\\_6.05.pdf](http://ccjef.org/documents/new-pdfs/CCJEF_APA_Adequacy_Study_6.05.pdf). For additional information about this study, please contact the authors of this testimony. The Federal Reserve Bank of Minneapolis online CPI calculator (<https://www.minneapolisfed.org/>) was used to provide 2015 equivalents to the 2005 adequacy per pupil underfunding estimates, with values downloaded on 03/02/2015.

CCJEF would be remiss not to add just a few words decrying the funding cuts to several other grant programs that impact the fiscal health of the public schools:

- **Priority District Grants (T427)** provide needed improvement funds for highly distressed school districts. The Governor's budget proposes to cut this grant by \$6.5 million in FY16 and maintain that same lower level in FY17.
- The long-standing cap on **Special Education Excess Cost Grants (T431)**, which impacts every school district, was left firmly in place at \$139.8 million for both FY16 and FY17. School districts spent more than \$1.8 billion on SPED during 2013-14, yet the State continues to support just a tiny fraction of those ever-rising costs.
- **Bilingual Education (T426)** was level funded at \$1.9 million for both years of the biennium, despite a widespread recognition that English language acquisition has to become more of a priority. Should HB 6835 pass — and CCJEF hopes that it will, inasmuch as it represents the latest expert opinion in the field — bilingual education program eligibility would be extended from 30 months to 60 months, in which case districts will need additional funding to support those important services.
- **Transportation of School Children (T422)** was level funded at \$24.9 million for the biennium and the cap on that reimbursement retained. In 2013-14, municipalities spent some \$301.4 million on public pupil transportation.
- Funding for the biennium was proposed to be slashed by \$4.7 million for the **Commissioner's Network (T410)**, even though SB 942 seeks to increase the number of schools to as many as 25 new schools in a single year. Expansion of the network, or even maintenance at its current level, seems unlikely to be successful, given the proposed funding cuts.
- Two other line items worth mentioning among many more that we wish there were time to raise: **Youth Service Bureaus** face a \$1.3 million cut and threatened transfer out of the Department of Education into the Department of Children and Families, despite the integral role those programs play in working with youth, their schools, and community partners. **Adult Education (T423)** was cut by more than \$400,000; Adult Education programs play a vital role in communities, for example, in reaching out-of-school and school dropouts or other youth and adults who lack a few credits from graduating, and by generally lifting the level of education within communities of all kinds.

Finally, distinguished members of this Appropriations Committee, is this the kind of education budget the State of Connecticut should be adopting for the coming biennium just as trial in the landmark *CCJEF v. Rell* education adequacy and equity lawsuit is poised to commence in the Fall?

Respectfully submitted on behalf of CCJEF by:

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*The Connecticut Coalition for Justice in Education Funding (CCJEF) is a broad-based coalition of municipalities, local boards of education, statewide professional education associations, unions, other pro-education advocacy organizations, parents and Connecticut schoolchildren aged 18 or older, and other concerned Connecticut taxpayers. Member school communities are home to more than half of all public school students, including some three-fourths of all minority students, those from low-income families, and students from homes where English is not the primary language.*

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