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WRITTEN TESTIMONY OF MAYOR DAVID R. MARTIN
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PUBLIC HEARING by the

APPROPRIATIONS COMMITTEE OF THE CONNECTICUT GENERAL ASSEMBLY

APRIL 2, 2015

Senator Bye, Representative Walker, and members of the committee, thank you for the opportunity to testify about such an important issue.

My name is David Martin, Mayor of Stamford, Connecticut. I submit this testimony in support of Proposed S.B. No. 816 AN ACT ESTABLISHING A MINIMUM LEVEL OF FUNDING UNDER THE EDUCATION COST SHARING GRANT FORMULA. This is a critical issue for every municipality across our state, and especially for the City of Stamford.

Public education is one of the most important functions of government and critical to the success and prosperity of our state. All children, regardless of background, should have equal access to an education that empowers them to realize their full potential and contribute to society. We have felt so strongly about this core belief that we even have made access to a free public education a constitutional right under our state's constitution. We must make good on that obligation.

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To that end, I would like to testify today in support of a bill that would guarantee a minimum level of funding for our public schools.

It is no secret that state funding for education is absolutely critical to municipalities and especially to our Connecticut's urban centers such as Stamford. But despite the many needs of our students, last year, Stamford only received about \$600 per student in ECS funding. That amounts to only 3.5% of the total Stamford Board of Education budget.

Simply put, the amount is insufficient to meet even our most fundamental needs. As you may know, Stamford has one of the largest and most diverse school districts in the state. In the 2014-2015 academic year, approximately 16,000 students were enrolled in Stamford public school. Roughly 50% of students receive free or reduced price lunch, well above the state-wide average. Our ELL population is almost 13% of students, also well above the statewide average with over 65 different languages are spoken by students and their families, representing the large cultural diversity of Stamford. The district continues to grow as well as new developments come online and the City's population rises. Increased funding – and certainly, guaranteeing a minimum amount of funding – is essential for the district to accommodate these large and growing needs.

The City of Stamford has also fallen victim to the inadequacy and injustice of the current ECS formula. While there is not enough funding for ECS, and I advocate for more, the makeup

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of the formula is such that it distributes funding predominantly based on the Grand List of each municipality, without appropriately taking into account the level of need experienced by the municipality, or for that matter, even taking into account the ability of our citizens to pay as measured by household or per capita income.

It is a common misperception that Stamford's grand list assures that we have ample resources to satisfy our desires, without consideration of our unique needs, and very importantly, our income.

A simple example may help illustrate. One of our best properties on our grand list is a modern commercial building fully occupied with several hundred high earning employees, and with no special tax incentives, generates \$180,000 per year in property tax for our city. Assuming that we have no expenses to repair the public road that leads to this building, or plow the snow, never have to provide police services or respond to a fire or health emergency, and could dedicate the entire amount to our schools (obviously a ludicrous assumption), it would still only pay for educating 11 students, 11 students of our 16,000 student population. The "wealth" that is created from this building is not in property tax, it is in jobs, income taxes on the salaries the employees earn, and the sales taxes generated from their purchases.

In this particular case, we estimate that the state receives between \$20 and \$30 million from income and sales taxes. And note that most of that income is not reported as coming from Stamford – it is attributed to our neighboring communities of Greenwich, Darien, New Canaan, Wilton, Westport, etc., and even from Pound Ridge, Bedford, and NYC since the majority of

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employees come from other cities. Of the \$20 to 30 million sent to the state, only enough ECS funds come back to Stamford to help pay for 1 more student.

While this particular business is an extreme situation, the message is clear, overreliance on property taxes to fund education is discriminatory to students in moderate and low income communities.

Unfortunately, our ECS funding per student is near the lowest in the state, and looks more like our bordering communities, which have much more homogeneous student populations and significantly higher income and grand list per capita than Stamford. The cities that are most similar to Stamford in terms of need, i.e., the communities in our District Reference Group (DRG) receive many times the funding per student as Stamford. In Stamford local property tax is used to provide well over 90% of education dollars, and despite the size of commercial developments, the vast majority of that property tax burden being born by families, who have average incomes. This unhealthy reliance hurts local taxpayers and stifles our ability to provide the quality of education our children need and deserve.

Even worse, Stamford relatively underfunded vs. the ECS formula. I have taken the opportunity to analyze the relatively underfunded amounts for all the town and cities with more than 500 students versus the amounts called for in the ECS formulas. I was shocked, and disappointed, to discover that average, school districts that are more underfunded have higher need and higher

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percentages of students on free/reduced lunch. And on average, these relatively underfunded towns have lower income and grand list per capita than cities that are overfunded.

This is bad policy and unfair, and most importantly, discriminatory against the children with the greatest needs.

Today the legislature has the opportunity to take a stand and protect our most vulnerable districts from losing funding for public education now and in the future. But we must do more to correct this inequitable ECS formula.

I appreciate the opportunity to testify here today and thank you for the work you are doing on this issue.