

Testimony on SB457, SB738, SB874 & HB7150

Chairman McCrory and Sanchez, ranking members Berthel and McCarty and esteemed members of the Education Committee, thank you for taking the time to read my testimony on SB457, SB738, SB874 and HB7150.

I am writing to you today as a concerned citizen. I strongly oppose all of these proposed bills and I urge you to vote “No” to ***Senate Bill 738: AN ACT CONCERNING THE CREATION OF REGIONAL SCHOOL DISTRICTS, 457: AN ACT CONCERNING THE SIZE OF SCHOOL DISTRICTS and 874: AN ACT CONCERNING EDUCATION INITIATIVES AND SERVICES IN CONNECTICUT & HB7150: TEACHERS PENSION SHARING***

In summary these bills call for the consolidation and/or regionalization of schools as follows:

1) SB 457 & SB738 recommend regionalization by a) Create a commission responsible for developing a plan to implement regional consolidation of populations with less than 40,000 people (SB738) & b) with fewer than 2000 students to join a new or existing regional school system (SB457). 2) The Governor’s Bill expands on SB738. The first 4 sections of SB874 involve establishing a Governor appointed Commission to study regionalization. 1) The study will not be completed until at least December 2020, 2) Districts in a category that would include Wilton (two or less elementary schools) could be forced to regionalize, or at the very least, have funding withheld if they do not & 3) Districts that choose to regionalize could receive preferential treatment for bonded funds from the state.

I have several concerns about these bills and the impacts that could occur if these bills are passed. 1) SB874 creates a Commission to do a study of redistricting and consolidation of schools. This bill has the ability to affect every district in the state, not just small towns and could end up recommending absolutely anything. This unknown is not acceptable. 2) All of the bills are based on an assumption that scaling of economies by consolidation and/or regionalization of school districts will result in saving benefits. The Governor stated in a meeting in Weston, CT on February 26, 2019, that he is a huge proponent of consolidation of back office operations. As a former employee from the Telecommunications industry, consolidations of back office operations are never agreed to unless a business case is submitted illustrating significant financial and process improvements. A great deal of research and analysis is performed in developing a business case. The business case is usually presented to several levels of management and moves to the final stage of approval if everyone agrees that the business case shows merit. I find it very concerning that the Governor would allow a bill to be drafted without the supporting business case to show the benefits of implementing this consolidation and/or regionalization. Bills that are based on ideas and assumptions that have unknown consequences should never be approved. 3) There is no information

in the bills about improving the quality of education, only about regionalization and/or consolidation. & 4) This is a bill that is basically requiring that the towns comply or forfeit funding in the form of bonded funds or other funding (such as forfeiting of the Superintendent's salary if we refuse to implement a shared Superintendent).

There are several states that have implemented countywide or statewide consolidation or regionalization models (NY, NJ, MD etc.). There is a great deal of data already available regarding impacts of implementing consolidation or regionalization of schools. These bills should not have been submitted without the necessary research and business cases by understanding how the consolidations were implemented and what savings if any were realized.

I found the following information regarding consolidation in our neighboring states:

The National Conference of State Legislatures published a paper regarding "School and District Consolidation (dated March 14, 2011) and stated the following: "School district consolidation has been steadily increasing over the years. Some recent studies have helped illuminate the cost impacts of consolidation. A study from the [Center for Policy Research](#) at Syracuse University examined the cost savings of consolidation involving districts of varying size in New York State. It determined that consolidation is most effective at cutting costs when the districts involved are small (300 pupils). As larger districts consolidate, the study found that the cost savings are reduced. And when districts reach 1,500 pupils or more, the study found that consolidating such districts has little impact on cost effectiveness (Duncombe & Yinger, 2001).

The paper goes on to point out that, "Labor costs can increase as the result of consolidation, including the 'leveling up' of faculty salaries. In other words, when multiple districts merge, collective bargaining agreements sometimes force the new consolidated district to pay all faculty members at the rate of the highest paying district involved in the merger. This results in an overall increase in salary expenditures. Larger districts also tend to have higher administrative costs, according to the 1999 [New Jersey Assembly Task Force on School District Regionalization](#). This report found that as administrators begin to take on region-wide responsibilities, it often becomes necessary to hire more staff to support the new region positions. This creates new levels of administration. Additionally, the new regional responsibilities may result in a need for higher compensation for regional administrators.

Based on this data, I would state that there is no evidence that consolidation or regionalization for towns that have a student population that exceeds 1000 students yields any benefits. However, even though this data shows benefits for consolidation for towns with student populations less than 1000, any bill that requires mandatory compliance should be rejected.

Finally, I strongly oppose HB7150 regarding sharing funding for the teachers pension plan. I would ask, why were pensions negotiated separately from wages and benefits? There are 25 towns that are considered "distressed" and only required to pay 5%, why? It appears that towns that managed their budgets well are again being penalized and required to pay contributions as high as 25%. Connecticut is in a true budgetary crisis. I propose that the state and towns approach the Teachers Union and ask that they consider modifying the pension plan. We should explore what it would take to allow the

teachers to participate in Social Security and create a 401K-type pension plan. I know this is a huge hurdle, but Connecticut does not have the funding to meet the terms and conditions of the current contract.

There are many challenges that our state is facing and these bills for consolidation or regionalization of our schools is not an effort that will impact our budget bottom line. We should focus our efforts on working together to cut spending and find productive ways to close the budget deficit.

Respectfully submitted,

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