



**Governor Ned Lamont
State of Connecticut**



FACT SHEET
2019 Legislative Session

**HOUSE BILL 7150
AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS
CONCERNING EDUCATION**

Summary of Proposal:

Section 1 eliminates state funding for Health and Welfare Services Pupils Private Schools and would require that the private school pay by replacing the state as the payer of the reimbursement to such private school.

Section 2 would extend the dates for the payment of Sheff Magnet School transportation at the \$2,000 per pupil amount and allow for the payment of supplemental transportation costs.

Section 3 would clarify that funds appropriated for the purpose of making reimbursement payments for a portion of the normal cost of the Teachers' Retirement System will not be included in the calculation of a town's budgeted appropriation for education. It would also allow non-alliance districts to use up to fifty percent of the Education Cost Sharing (ECS) increase over the prior year for operating costs of the board and the balance pursuant to the uses outlined in the Alliance District statutes.

Section 4 would allow Alliance Districts to use up to fifty percent of the ECS increase over the prior year for operating costs of the board.

Section 5 would amend the Minimum Budget Requirement (MBR) statute to allow for MBR relief for those districts that enter into cooperative arrangements for shared services and for school consolidation.

Section 6 would establish contributions from local governments or school boards toward the normal cost of funding the Teachers' Retirement System (TRS).

Sections 7 through 11 would continue the funding caps at the FY 2019 level on the following statutory grants: Health and Welfare Services Pupils Private Schools, Adult Education, Bilingual Education, and Excess Cost – Student Based (Special Education).

Section 12 would eliminate funding for Leadership, Education, Athletics in Partnership (LEAP).

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Section 13 calls for the Office of Early Childhood (OEC) to conduct a study on preschool availability and attendance.

Sections 14 through 19 and 23 through 27 would delay the separation of the Connecticut Technical Education and Career System (CTECS) from the State Department of Education (SDE) by two years until FY 2023.

Section 20 would accelerate the phase out for those districts that would see a decrease in their fully funded ECS grant amount compared with their current level of funding. Towns that would see an increase will continue to be phased in at the statutory phase in percentages.

Section 21 would replace the outmoded Free and Reduced Price Lunch statistic in the ECS formula with direct certification counts.

Sections 22 and 28 would repeal the Higher Education Coordinating Council.

Reason for Proposal:

This proposal is necessary to implement the Governor's budget.

Significant Impacts:

Section 1 eliminates funding for Health and Welfare Services Pupils Private Schools, which saves \$3.4 million annually. Those private schools and towns that currently fund these health services would continue to do so, with the private schools picking up the cost that the state would have provided with this grant.

Section 2 would extend the dates for the payment of Sheff Magnet School transportation at the \$2,000 per pupil amount and allow for the payment of supplemental transportation costs. Both would be within the available appropriation.

Section 3 would clarify that payments for the local portion of the normal cost of teachers retirement not be included in a town's education budget. Section 3, along with section 4, would allow all districts to use up to fifty percent of the ECS increase over the prior year for operating costs and the balance pursuant to the used outlined in the Alliance District statutes. This would provide relief to districts that have had rising fixed costs.

Section 5 would amend the Minimum Budget Requirement (MBR) statute to allow for MBR relief for those districts that enter into cooperative arrangements for shared services or school consolidation. The reduction is phased in over a planning and implementation year, with full implementation in the third and fourth year. The Commissioner may require funding be restored to the education budget if savings are not realized.

Section 6 would require municipalities or local school boards to fund a portion of their attributable Teachers' Retirement System normal cost. In the case of regional school districts, the constituent towns will contribute their portion of the normal cost; otherwise, funding will come from local school boards. A payment list is established in FY 2020 and FY 2021 to phase in the full amount of contributions. The fully phased-in amount, beginning in FY 2022, consists of (1) 25% plus the marginal percentage above the statewide median pensionable salary for non-Distressed Municipalities, and (2) 5% of the normal cost for Distressed Municipalities.

Sections 7 through 11 would level fund the following grants at the FY 2019 level: Health and Welfare Services Pupils Private Schools, Adult Education, Bilingual Education, and Excess Cost – Student Based (Special Education). This would save the state approximately \$68 million in FY 2020 and \$74 million in FY 2021.

Section 12 would eliminate funding for LEAP, which provides \$312,211 annually to one entity in New Haven. LEAP can seek alternate funding.

Section 13 calls for the OEC to conduct a study on preschool availability and attendance to determine if universal preschool has been achieved in the state or where there might be pockets of need.

Sections 14 through 19 and 23 through 27 would delay the separation of the Connecticut Technical Education and Career System (CTECS) from SDE by two years until FY 2023, which saves approximately \$864,000 in FY 2020 and \$1.5 million in FY 2021 for 21 new positions for establishing a robust central office that includes human resources, information technology, and payroll services.

Section 20 would accelerate the phase out for those districts that would see a decrease in their fully funded ECS grant amount compared with their current level of funding. Towns that would see an increase will continue to be phased in at the statutory phase in percentages. The Governor's recommended amounts also include updated statistics, such as resident student count, population count, and median household income. These changes and updates yield an increase in ECS funding over the FY 2019 level of \$22.5 in FY 2020 and \$48.5 in FY 2021.

Section 21 would replace the outmoded Free and Reduced Price Lunch statistic in the ECS formula with direct certification counts, which provide for more confidence in the data since it does not depend on self-reporting by families. The count is slightly lower than the existing FRPL count, which yields a savings of approximately \$4.9 million in FY 2020 and \$9 million in FY 2021, for a total add to ECS over FY 2019 of \$17.7 million in FY 2020 and \$39.4 million in FY 2021.

Sections 22 and 28 would repeal the Higher Education Coordinating Council.