



Final Legislative and Budget Summary - June 4, 2015

The Connecticut General Assembly 2015 legislative session concluded on June 3, 2015. The following is a summary of key education legislation and the final budget passed by the General Assembly.

Legislative Summary

Supporting Great Teachers, Principals, and Leaders: The General Assembly made promising strides to improve policies on teacher preparation, minority teacher recruitment, and licensure reciprocity when it passed **Senate Bill 1098**, *An Act Concerning Teacher Certification Requirements For Shortage Areas, Interstate Agreements for Teacher Certification Reciprocity, Minority Teacher Recruitment and Retention and Cultural Competency Instruction*, and **House Bill 7021**, *An Act Concerning Teacher Preparation Program Efficacy*. SB 1098 takes steps to raise the quality and effectiveness of teacher preparation programs and it requires training in cultural competency under teacher preparation programs and in-service training for teachers. HB 7021 ensures that programs offer a geographically diverse student teaching or clinical experience to help improve teacher preparation.

Increasing Access to High-Quality Options: The General Assembly passed **Senate Bill 1096**, *An Act Concerning Charter Schools*. While the legislation takes some positive steps to improve accountability and transparency for Connecticut's high-quality charter schools, the bill also proposes a number of unnecessary changes to financial reporting measures and shifts some power of final charter approval from the State Board of Education to the General Assembly by requiring the legislature to make the ultimate decision on both approval and funding. By shifting authority to grant a charter to the General Assembly, and away from the State Board of Education, this bill unfortunately makes Connecticut the only state in the country in which the state legislature approves both authorization and funding of charter schools.

Raising Standards and Accountability: The General Assembly passed **Senate Bill 1095**, *An Act Concerning Student Assessments*, which allows districts to substitute the Smarter Balanced assessments in the 11th grade with a "nationally recognized college readiness assessment," such as the SAT, and proposes the creation of a committee to study the impact and administration of statewide assessments on teaching, students and student learning time. The General Assembly also passed **House Bill 6974**, *An Act Implementing the Recommendations of the Achievement Gap Task Force Concerning the Creation of a Director of Reading Initiatives at the Department of Education*, which creates a Director of Reading Initiatives position within the State Department of Education.

Improving School Funding: The General Assembly passed **House Bill 7019**, *An Act Concerning the Minimum Budget Requirement*, which extends the minimum budget requirement (MBR) for local education spending and provides towns greater ability to lower their MBR in light of declining student enrollment. The Assembly also passed **Senate Bill 1056**, *An Act Concerning the Excess Cost Threshold and the Collection and Reporting of Data Relating to Special Education Expenditures*, which requires local boards of education to annually report to the State Department of Education (SDE) on its special education expenditures for the prior fiscal year. It also requires SDE to submit to the Education Committee a disaggregated data report detailing local and regional boards of education special education expenditures for the prior fiscal year.

Starting Early: In relation to early childhood education, the General Assembly passed **Senate Bill 1101**, *An Act Concerning the Office of Early Childhood* and **House Bill 7020**, *An Act Concerning Early Childhood Educators and Initiatives*. These bills make various technical modifications and other changes to the state's early childhood statutes, including requiring the Office of Early Childhood (OEC) to collect and publicly report data on regionally accredited bachelor's degree programs in early childhood education or child development, and requiring local boards, regional education service centers, charter schools and magnet schools to obtain National Association for the Education of Young Children (NAEYC) program accreditation starting with the 2017-18 school year.

Other: The General Assembly passed **House Bill 6977**, *An Act Establishing Qualifications for the Commissioner of Education*, which requires the Commissioner of Education to have a master's degree or higher in an education-related field and serve at least five years as a teacher and three years as an administrator. Under current law, the commissioner is not required to hold a degree or have any experience in education.

Summary of Passed Biennial Budget (Fiscal Years 2016 & 2017)

The following summary reviews education priorities in state budget for the next two fiscal years. The state budget increases the State Department of Education (SDE)'s total budget by \$41 million in FY16, with an additional \$25 million increase in FY17, for a total of nearly \$66 million in increases over the biennium. The Office of Early Childhood (OEC)'s budget will increase by more than \$26 million over the biennium – a 10% increase over the agency's current budget.

Funding Increases

Expanding Access to High-Quality Options

All public school models, from traditional schools to schools of choice, received the majority of funding increases:

- The **Education Equalization Grant** line item, which funds both traditional and charter schools, and represents approximately 70% of the entire SDE budget, increases by nearly \$42 million over the biennium. This is an increase of over \$20 million more than what was originally proposed by both the Governor and the Appropriations Committee.
 - **Education Cost Sharing (ECS) Grants**, the main source of state funding to traditional public schools, will increase by \$30.1 million over the biennium. More than 100 towns will receive additional funding, with the majority allocated for the state's 30 lowest-performing districts. Several districts received more than \$1 million over the biennium, including West Hartford, Bridgeport, Danbury, Waterbury, and New Britain.
 - **State charter schools** will be able to serve more children through an increase of \$21,658,530 over the biennium, representing approximately 1,968 total new seats in these high-quality public schools of choice. This includes funding for two new schools, the Stamford Charter School for Excellence and Capital Prep Harbor School in Bridgeport. This will allow current charter schools to expand grade levels and continue to serve current students (to ensure that, for example, a student in 5th grade has a seat in 6th grade). Charter per-pupil funding will remain flat at \$11,000 per student.
- **Regional vocational-technical school system** funding will increase by \$12.8 million over the biennium, reflecting an 8% increase overall.
- **Magnet school** funding increases by nearly 11% over the biennium, with a \$35 million increase between FY15 and FY16 and a slight decrease of \$3.5 million in FY17.
- **Open Choice Program** funding, which allows urban students to attend schools in nearby suburban towns and vice versa, will increase by 13%. The program will gain nearly \$5 million in additional funds in FY17.

Starting Early

- **School Readiness and Head Start** programs will gain funds that represent some of the largest increases to the Office of Early Childhood (OEC) budget, totaling approximately \$5 million in FY16 and \$1 million in FY17. This represents a 19% increase in the Head Start budget and a nearly 6% increase to the School Readiness budget from current FY15 funding.
- **Early Intervention** is a new line item to the OEC budget for FY16, representing the transferring of the Birth to Three Program from the Department of Developmental Services to the OEC. The legislature enacted the Governor's recommendation of nearly \$27 million each year, representing approximately 8% of the total agency budget.
- **Child Care Services**, which includes the Care4Kids program and Child Day Care Centers that serve infants and toddlers, preschool age children as well as school-age children from low to moderate-income families, will get an increase of \$5 million over the biennium, representing 47% of OEC's overall budget.

Funding Decreases

School Turnarounds

- **The Commissioner's Network**, the state-level program designed to turn around the state's lowest-performing schools, received the second largest funding cut in the SDE budget, a reduction of \$4.7 million over the biennium, nearly a 27% decrease.
- **The Priority School District** line item was reduced by 5% over the biennium, with a decrease of more than \$3 million in FY16 that will be partially offset by a \$1 million increase in FY17.

Supporting Great Teachers, Principals and Leaders

- **Talent Development** funding, which supports implementation of the state's teacher and principal evaluation program, decreased by about \$216,000 (2%) in the biennium in FY16 as compared to FY15, and will increase slightly in FY 17 by \$7,500.

Raising Standards and Accountability

- The third largest funding cut to the SDE budget for FY16 was to the **Development of Mastery Exams Grades 4, 6, and 8** line item, which supports the administration and scoring of statewide standardized assessments. The reduction of \$4.2 million over the biennium reflects a 21% overall decrease.
- **School accountability** funding was reduced by nearly 20% over the biennium, with a \$350,000 reduction that keeps funding at \$1.5 million in both FY16 and FY17. These funds will support the development and improvement to systems of accountability as well as provide necessary support to schools.
- **Common Core State Standards** funding remains relatively flat. These funds support implementation of the career and college readiness standards. The budget slightly reduced funding for FY16, but this reduction will be offset by an identical increase in FY17, leaving overall funding at the same level as the current FY15 budget.

Table of Passed Biennial Budget (Fiscal Years 2016 & 2017)

Budget Item	Current FY15 ¹ (Reflects all rescissions to date)	Budget Year	Governor Malloy Initial Budget Proposal Feb 18, 2015	Appropriations Committee Budget Proposal April 27, 2015	Connecticut General Assembly Final Budget June 3, 2015	Change Between FY17 CGA Final and FY15 Current
Education Equalization Grants ²	\$2,130,644,892	FY16 FY17	\$2,142,371,422 \$2,151,603,422	\$2,138,871,422 \$2,149,503,422	\$2,155,833,601 \$2,172,454,969	↑ \$41,810,077 2.0%
Magnet Schools	\$293,750,025	FY16 FY17	\$329,604,896 \$327,035,401	\$327,214,896 \$324,645,401	\$328,419,980 \$324,950,485	↑ \$31,200,460 10.6%
School Readiness ³	\$83,139,145	FY16 FY17	\$86,566,572 \$86,566,572	\$90,725,039 \$90,725,039	\$87,510,969 \$88,075,915	↑ \$4,936,770 5.9%
Priority School Districts	\$47,197,022	FY16 FY17	\$40,702,571 \$40,702,571	\$44,837,171 \$44,837,171	\$43,747,208 \$44,837,171	↓ -\$2,359,851 -5.0%
Open Choice Program	\$38,116,736	FY16 FY17	\$38,796,250 \$43,714,700	\$37,396,250 \$40,914,700	\$38,296,250 \$43,214,700	↑ \$5,097,964 13.4%
Sheff Settlement	\$20,953,473	FY16 FY17	\$11,861,044 \$12,192,038	\$11,861,044 \$12,192,038	\$11,861,044 \$12,192,038	↓ -\$8,761,435 -41.8%
Commissioner's Network	\$17,500,000	FY16 FY17	\$12,800,000 \$12,800,000	\$12,800,000 \$12,800,000	\$12,800,000 \$12,800,000	↓ -\$4,700,000 -26.9%
Early Childhood Program	\$11,235,264	FY16 FY17	\$10,609,270 \$10,609,270	\$11,191,021 \$11,191,021	\$10,840,145 \$10,840,145	↓ -\$395,119 -3.5%
Talent Development	\$9,518,564	FY16 FY17	\$9,552,199 \$9,559,701	\$7,000,000 \$7,000,000	\$9,302,199 \$9,309,701	↓ -\$208,863 -2.2%
Head Start ⁴	\$6,430,593	FY16 FY17	\$6,930,593 \$6,930,593	\$7,650,593 \$7,650,593	\$7,624,468 \$7,650,593	↑ \$1,220,000 19.0%
Common Core	\$5,985,000	FY16 FY17	\$5,985,000 \$5,985,000	\$5,985,000 \$5,985,000	\$5,906,250 \$5,985,000	⇒ \$0 0.0%
K-3 Reading Assessment Pilot	\$3,039,944	FY16 FY17	\$2,619,944 \$2,619,944	\$2,947,947 \$2,947,947	\$2,869,949 \$2,947,947	↓ -\$91,997 -3.0%
School Accountability	\$1,852,749	FY16 FY17	\$1,786,639 \$1,794,808	\$0 \$0	\$1,500,000 \$1,500,000	↓ -\$352,749 -19.0%
New or Replicated Schools ⁵	\$855,000	FY16 FY17	\$339,000 \$420,000	\$339,000 \$420,000	\$339,000 \$420,000	↓ -\$435,000 -50.9%

Notes:

1. Based on FY15 revised budget and latest rescissions (See OFA Analysis of Rescissions, Jan. 22, 2015).

2. As of FY13, the Charter Schools line item was consolidated into the Education Equalization Grants line. This line includes funding for Education Cost Sharing (ECS) grants, state charter schools, and funding to phase in full-day kindergarten.

3. Includes School Readiness Quality Enhancement and School Readiness.

4. Includes Head Start Services, Head Start Enhancement, Head Start - Early Childhood Link, and Early Head Start-Child Care Partnership.

5. Reflects funding for local charter schools.

Sources:

Conn. Office of Fiscal Analysis. Conn. State Budget: FY15 Revisions. Oct. 15, 2014; Conn. Office of Fiscal Analysis. Analysis of January 22, 2015 Governor's FY15 Rescissions. Feb. 3, 2015; Conn. Office of Policy and Management. Conn. FY16 - FY17 Biennium. Governor's Budget Summary. Feb. 18, 2015; Conn. Gen. Assembly, Appropriations Committee Budget FY16 & FY17, April 27, 2015; Conn. Gen. Assembly, H.B. 7061 LCO No. 9305. June 3, 2015.

All sources available at: www.cga.ct.gov.