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## Testimony before the Appropriations Committee

February 13, 2020

### HB 5005 An Act Adjusting the State Budget for the Biennium Ending June 30, 2021

The Connecticut Association of School Business Officials (CASBO) is a non-profit professional association that represents school business officials throughout the State of Connecticut. School business officials work closely with school boards, school superintendents, administrators, staff, public officials and communities; and we are responsible for most aspects of school business and operations. This includes, but is not limited to, developing, administering, and monitoring school district budgets.

We offer the following comments regarding HB 5005:

We support the continuation of funding ECS under the phase-in formula passed in 2017. This enables Boards of Education to plan accordingly for ECS funding today and well into the future. We are concerned, however, of the continued capping of certain statutory grants. The excess cost grant, which helps support our neediest students, has been significantly underfunded for many years while the costs of special education services has grown significantly. This combination of factors significantly compromises the ability of districts to provide adequate educational needs for all children.

MBR has been a confusing and complex topic for many years. Although originally passed to protect Boards of Education from indiscriminate and severe budget cuts, it has evolved into a series of exceptions that has resulted in confusion and sometimes acrimony between Boards of Education and municipal officials. It also has resulted in some unintended consequences. In 2018, sixteen school districts received noncompliance letters from the SDE with respect to MBR. The main reason for noncompliance was that the school districts had received increases in ECS in FY18-19 after receiving decreases in FY17-18. Last year the law was changed again to allow MBR to be adjusted based on a five year look back for reductions in enrollment. This approach is not only retroactive, but it is punitive and does not take into consideration changing circumstances going forward.

We clearly understand that circumstances change from year to year, including enrollment reductions, school closings etc. We also understand that student needs change, (i.e. increases in Special Education enrollment or new program requirements; more ELL students etc.) Finally, rising costs in other areas (benefits, energy, transportation etc.), along with the fact that student reductions are often spread across 12 grades and not one grade, make formula driven adjustments to MBR problematic and counterproductive.

As a result, we strongly recommend that all MBR adjustments be permitted subject to the approvals of the Superintendent of Schools, Board of Education and the Commissioner of Education. Such an approach will provide more flexibility by dealing with specific circumstances that impact district budgets, up or down, on an individual district basis.

The education of our youth is a top priority for all of us. School officials work collaboratively to maximize results that benefit both our students and our taxpayers. Proper funding at all levels and proper flexibility for school districts to adjust MBR are important to provide opportunities for successful outcomes. We appreciate the opportunity to provide input to the Appropriations Committee on these important matters.

