

Testimony before Elementary and Secondary Education Subcommittee
Joint Committee on Appropriations
March 9, 2021

Chairman McCrory and Chairman Felipe, members of the Committee,

At a time when most states are substantially increasing education funding to remediate the educational loss occasioned by COVID-19 school closures and distance learning, Connecticut is going backwards. While most states recognize that federal stimulus funds, both through the CARES Act and through the CRRSA Act, were passed to supplement, not supplant, state funds, Connecticut is using that money to backfill its obligations. While the Legislature, in 2017 passed legislation creating a 10-year phase-in plan for a more equitable ECS formula, the Governor, in his budget, has abandoned the phase-in and may have rendered the Legislature's hard work nugatory.

Special Education Equity for Kids in Connecticut (SEEK) is a state-wide organization of parents, providers, attorneys and advocates working for strong education for students with disabilities. Because Connecticut only directly funds special education through the Excess Cost Grant, which remains inappropriately capped at \$140 million, we need to rely on the ECS funding to provide students with the free appropriate public education to which they are entitled under federal law. SEEK's mandate includes equity. We see structural racism, not equity, in the way that local school districts are funded.

The principal point is that equality in funding is not equity. Let's take two districts. Weston had, in 2017-18, an average per pupil expenditure of \$22,708, for its 2,346 students. New Britain, on the other hand, had an average per pupil expenditure of \$13,549, for its 11,644 students, a difference of over \$9,000. As for students more expensive to educate: English Learners: New Britain 16%; Weston 1%. Free and reduced-price meal eligible: New Britain

75%; Weston 2%. Special education students: New Britain 16%; Weston 11%. There can be no doubt that the cost of educating a New Britain student is far, far higher than the cost of educating a Weston student, yet, under Connecticut's current funding structure, the average Weston student had nearly 70% more spent on his or her education than did the New Britain student. Both Weston and New Britain have real property assessed under their Grand Lists at slightly over \$2 billion. Dividing the Grand List by number of students shows that Weston has nearly \$900,000 per student in taxable property, while New Britain has under \$190,000. New Britain's student body is 11% Black and 67% Latinx. Weston's student body, on the other hand, is less than 2% Black and about 7.5% Latinx.

The 2007 revision of the ECS formula came nowhere close to providing equal funding for students, to say nothing of equitable funding. But it did move the state in the right direction. The most underfunded districts would see a substantial hike in state funding, while the most affluent districts would suffer some loss in funding. To allow for planning, the formula was phased in over a ten-year period ending in Fiscal Year 2028. The phase-in would have required an increased state expenditure of \$32 million per year. Relying on ESSER funding, the Governor axed these increases. By doing so, the budget stops in its tracks Connecticut's move towards more equitable school funding. The Legislature should not permit that to happen.

Connecticut can do better than slowly phasing in a somewhat more equitable school funding system. Raised Bill 948 in the Education Committee would do that. The bill fully funds a revised ECS formula immediately. The formula is revised to focus more money on districts, like New Britain, with high concentrations of poverty and with large numbers of English Learners. The bill was referred to the Education Committee, but it will surely require a substantial budget allocation. Let's not defer attacking structural racism by failing to fund a

more equitable school financing system. In that regard, we object to the proposal of the Connecticut Association of Public School Superintendents (CAPSS) that guarantees that no district suffer a loss of state funding. Equity will never come if we continue to overspend our resources on property-rich towns.

The federal ESSER funds are no substitute for state ECS funding. ESSER funds are short-term, useable over two fiscal years only. Superintendents are unlikely to invest in new staff or new programs based on money that will disappear a year from now. There are very few restrictions on the use of ESSER funds by the school district. And the maintenance of effort language is so fraught with exceptions that ESSER money can be used to displace town funds, which can then be used for other purposes or to reduce taxes.

We see three crying needs for the ESSER money. First, it needs to be used to fund the large amount of compensatory education that is legally required to be provided to students with disabilities who did not receive the services specified in their IEPs over the last year. Second, we know that there has been substantial loss in education for all students due to COVID-based closures and remote learning. Funds should be earmarked to provide remedial services to all students. Third, the COVID-based disruptions in school schedules have led to an appalling number of students not participating at all, a surge in anxiety and trauma among students, and a loss of needed structure and predictability for all. Funds should be dedicated to social emotional learning to deal specifically with the emotional and mental health issues that COVID has produced. We know that the transition back to full-time in-person learning will be a disruptive event for many students. We need to address those emotional needs.

In that local school boards are, under Connecticut law, instrumentalities of the State, the Legislature has the power to tell local school districts how they may spend federal ESSER funds.

We recommend that the Legislature do so by directing that specific percentages of ESSER funds be used for compensatory education, for remedial education, and for social emotional learning.

The one specific appropriation for special education is the excess cost grant. This program provides an insurance program for school districts that must make very expensive placements for students with disabilities. It was designed to cover all costs above 4 1/2 times the average per pupil cost in the district. Because a \$140 million cap was placed on the program in 2012, and the number and cost of these expensive placements have increased, the \$140 million only permits districts to be reimbursed for about 67% of their excess costs.

There are a number of proposals to lift the cap or reduce the threshold. SEEK supports greater funding of special education but wonders whether excess cost reimbursement is the way to do so. The existing structure lifts any budgetary discipline for high priced programs. It provides a disincentive for school districts to design effective programs in districts, such as structured literacy programs or therapeutic settings as an alternative to expulsion or suspension. Rather than providing indemnity for highly expensive programs, it would be far better for the state to earmark money to school districts to support their special education programs and to hire student support personnel, such as social workers, school psychologists, guidance counselors, and mentors. The last figures on excess cost reimbursement by districts we had were for 2014-2016. From those figures, we see Bloomfield, Waterbury, New Haven and Danbury all averaged receiving less than \$100 per student in reimbursement, while Region 10, Darien, and Ridgefield all averaged more than \$400 per student in reimbursement. This is not a system that makes sense.

The appropriation for the State Department of Education also bears comment. The Governor proposes a sharp 11% reduction in personnel services in the Department. This is going

in the wrong direction. The Department, restrained by budget and by history, sees itself primarily as a management consultant to local school districts. It gathers data, highlights successes, and recommends best practices. What it fails to do is to enforce the law, particularly in the area of special education, where the IDEA requires that the State Education Authority ensure that Local Education Authorities comply with federal legal requirements as a condition to receiving federal support. This situation is different from most states, where the state department of education enforces compliance with state and federal law. The Legislature needs to tell the Department to do its job. The best way to communicate that message is to appropriate the funds necessary to ensure compliance.

We in SEEK want to work with you to create a more equitable and rational funding system for education in Connecticut.