



House of Representatives

General Assembly

File No. 575

January Session, 2023

Substitute House Bill No. 5003

House of Representatives, April 13, 2023

The Committee on Education reported through REP. CURREY of the 11th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING EDUCATION FUNDING IN CONNECTICUT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 10-262h of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2023*):

3 (a) For the fiscal year ending June 30, 2018, each town maintaining
4 public schools according to law shall be entitled to an equalization aid
5 grant as follows: (1) Any town designated as an alliance district, as
6 defined in section 10-262u, as amended by this act, shall be entitled to
7 an equalization aid grant in an amount equal to its base grant amount;
8 and (2) any town not designated as an alliance district shall be entitled
9 to an equalization aid grant in an amount equal to ninety-five per cent
10 of its base grant amount.

11 (b) For the fiscal year ending June 30, 2019, each town maintaining
12 public schools according to law shall be entitled to an equalization aid
13 grant as follows: (1) Any town whose fully funded grant is greater than
14 its base grant amount shall be entitled to an equalization aid grant in an
15 amount equal to its base grant amount plus four and one-tenth per cent
16 of its grant adjustment; and (2) any town whose fully funded grant is

17 less than its base grant amount shall be entitled to an equalization aid
18 grant in an amount equal to its base grant amount minus twenty-five
19 per cent of its grant adjustment, except any such town designated as an
20 alliance district shall be entitled to an equalization aid grant in an
21 amount equal to its base grant amount.

22 (c) For the fiscal years ending June 30, 2020, and June 30, 2021, each
23 town maintaining public schools according to law shall be entitled to an
24 equalization aid grant as follows: (1) Any town whose fully funded
25 grant is greater than its base grant amount shall be entitled to an
26 equalization aid grant in an amount equal to its equalization aid grant
27 amount for the previous fiscal year plus ten and sixty-six-one-
28 hundredths per cent of its grant adjustment; and (2) any town whose
29 fully funded grant is less than its base grant amount shall be entitled to
30 an equalization aid grant in an amount equal to its equalization aid
31 grant amount for the previous fiscal year minus eight and thirty-three-
32 one-hundredths per cent of its grant adjustment, except any such town
33 designated as an alliance district shall be entitled to an equalization aid
34 grant in an amount equal to its base grant amount.

35 (d) For the fiscal year ending June 30, 2022, each town maintaining
36 public schools according to law shall be entitled to an equalization aid
37 grant as follows: (1) Any town whose fully funded grant is greater than
38 its base grant amount shall be entitled to an equalization aid grant in an
39 amount equal to its equalization aid grant amount for the previous fiscal
40 year plus ten and sixty-six-one-hundredths per cent of its grant
41 adjustment; and (2) any town whose fully funded grant is less than its
42 base grant amount shall be entitled to an equalization aid grant in an
43 amount equal to the amount the town was entitled to for the fiscal year
44 ending June 30, 2021.

45 (e) For the fiscal year ending June 30, 2023, each town maintaining
46 public schools according to law shall be entitled to an equalization aid
47 grant as follows: (1) Any town whose fully funded grant is greater than
48 its equalization aid grant amount for the previous fiscal year shall be
49 entitled to an equalization aid grant in an amount equal to its

50 equalization aid grant amount for the previous fiscal year plus sixteen
51 and sixty-seven-one-hundredths per cent of its grant adjustment; and
52 (2) any town whose fully funded grant is less than its equalization aid
53 grant amount for the previous fiscal year shall be entitled to an
54 equalization aid grant in an amount equal to the amount the town was
55 entitled to for the fiscal year ending June 30, 2022.

56 (f) For the fiscal year ending June 30, 2024, each town maintaining
57 public schools according to law shall be entitled to an equalization aid
58 grant as follows: (1) Any town whose fully funded grant is greater than
59 its equalization aid grant amount for the previous fiscal year shall be
60 entitled to an equalization aid grant in an amount equal to its
61 equalization aid grant amount for the previous fiscal year plus twenty
62 per cent of its grant adjustment; (2) any town whose fully funded grant
63 is less than its equalization aid grant amount for the previous fiscal year
64 shall be entitled to an equalization aid grant in an amount equal to its
65 equalization aid grant amount for the previous fiscal year minus
66 fourteen and twenty-nine-one-hundredths per cent of its grant
67 adjustment; and (3) any town designated as an alliance district shall be
68 entitled to an equalization aid grant in an amount that is the greater of
69 (A) the amount described in either subdivision (1) of this subsection or
70 subdivision (2) of this subsection, as applicable, (B) its base grant
71 amount, or (C) its equalization aid grant entitlement for the previous
72 fiscal year.

73 (g) For the fiscal year ending June 30, 2025, each town maintaining
74 public schools according to law shall be entitled to an equalization aid
75 grant as follows: (1) Any town whose fully funded grant is greater than
76 its equalization aid grant amount for the previous fiscal year shall be
77 entitled to an equalization aid grant in an amount equal to its
78 [equalization aid grant amount for the previous fiscal year plus twenty-
79 five per cent of its grant adjustment] fully funded grant; (2) any town
80 whose fully funded grant is less than its equalization aid grant amount
81 for the previous fiscal year shall be entitled to an equalization aid grant
82 in an amount equal to its equalization aid grant amount for the previous
83 fiscal year minus sixteen and sixty-seven-one-hundredths per cent of its

84 grant adjustment; and (3) any town designated as [an] a legacy alliance
85 district or an educational reform district pursuant to section 10-262u, as
86 amended by this act, shall be entitled to an equalization aid grant in an
87 amount that is the greater of (A) the amount described in either
88 subdivision (1) of this subsection or subdivision (2) of this subsection, as
89 applicable, (B) its base grant amount, or (C) its equalization aid grant
90 entitlement for the previous fiscal year. As used in this section, "legacy
91 alliance district" means a school district for a town that was designated
92 as an alliance district by the Commissioner of Education at any point
93 during the fiscal years ending June 30, 2013, to June 30, 2024, inclusive.

94 (h) For the fiscal year ending June 30, 2026, each town maintaining
95 public schools according to law shall be entitled to an equalization aid
96 grant as follows: (1) Any town whose fully funded grant is greater than
97 its equalization aid grant amount for the previous fiscal year shall be
98 entitled to an equalization aid grant in an amount equal to its
99 [equalization aid grant amount for the previous fiscal year plus thirty-
100 three and thirty-three-one-hundredths per cent of its grant adjustment]
101 fully funded grant; (2) any town whose fully funded grant is less than
102 its equalization aid grant amount for the previous fiscal year shall be
103 entitled to an equalization aid grant in an amount equal to its
104 equalization aid grant amount for the previous fiscal year minus twenty
105 per cent of its grant adjustment; and (3) any town designated as [an] a
106 legacy alliance district or an educational reform district shall be entitled
107 to an equalization aid grant in an amount that is the greater of (A) the
108 amount described in either subdivision (1) of this subsection or
109 subdivision (2) of this subsection, as applicable, (B) its base grant
110 amount, or (C) its equalization aid grant entitlement for the previous
111 fiscal year.

112 (i) For the fiscal year ending June 30, 2027, each town maintaining
113 public schools according to law shall be entitled to an equalization aid
114 grant as follows: (1) Any town whose fully funded grant is greater than
115 its equalization aid grant amount for the previous fiscal year shall be
116 entitled to an equalization aid grant in an amount equal to its
117 [equalization aid grant amount for the previous fiscal year plus fifty per

118 cent of its grant adjustment] fully funded grant; (2) any town whose
119 fully funded grant is less than its equalization aid grant amount for the
120 previous fiscal year shall be entitled to an equalization aid grant in an
121 amount equal to its equalization aid grant amount for the previous fiscal
122 year minus twenty-five per cent of its grant adjustment; and (3) any
123 town designated as [an] a legacy alliance district or an educational
124 reform district shall be entitled to an equalization aid grant in an amount
125 that is the greater of (A) the amount described in either subdivision (1)
126 of this subsection or subdivision (2) of this subsection, as applicable, (B)
127 its base grant amount, or (C) its equalization aid grant entitlement for
128 the previous fiscal year.

129 (j) For the fiscal year ending June 30, 2028, each town maintaining
130 public schools according to law shall be entitled to an equalization aid
131 grant as follows: (1) Any town whose fully funded grant is greater than
132 its equalization aid grant amount for the previous fiscal year shall be
133 entitled to an equalization aid grant in an amount equal to its fully
134 funded grant; (2) any town whose fully funded grant is less than its
135 equalization aid grant amount for the previous fiscal year shall be
136 entitled to an equalization aid grant in an amount equal to its
137 equalization aid grant amount for the previous fiscal year minus thirty-
138 three and thirty-three-one-hundredths per cent of its grant adjustment;
139 and (3) any town designated as [an] a legacy alliance district or an
140 educational reform district shall be entitled to an equalization aid grant
141 in an amount that is the greater of (A) the amount described in either
142 subdivision (1) of this subsection or subdivision (2) of this subsection, as
143 applicable, (B) its base grant amount, or (C) its equalization aid grant
144 entitlement for the previous fiscal year.

145 (k) For the fiscal year ending June 30, 2029, each town maintaining
146 public schools according to law shall be entitled to an equalization aid
147 grant as follows: (1) Any town whose fully funded grant is greater than
148 its equalization aid grant amount for the previous fiscal year shall be
149 entitled to an equalization aid grant in an amount equal to its fully
150 funded grant; (2) any town whose fully funded grant is less than its
151 equalization aid grant amount for the previous fiscal year shall be

152 entitled to an equalization aid grant in an amount equal to its
153 equalization aid grant amount for the previous fiscal year minus fifty
154 per cent of its grant adjustment; and (3) any town designated as [an] a
155 legacy alliance district or an educational reform district shall be entitled
156 to an equalization aid grant in an amount that is the greater of (A) the
157 amount described in either subdivision (1) of this subsection or
158 subdivision (2) of this subsection, as applicable, (B) its base grant
159 amount, or (C) its equalization aid grant entitlement for the previous
160 fiscal year.

161 (l) For the fiscal year ending June 30, 2030, and each fiscal year
162 thereafter, each town maintaining public schools according to law shall
163 be entitled to an equalization aid grant in an amount equal to its fully
164 funded grant, except any town designated as [an] a legacy alliance
165 district or an educational reform district shall be entitled to an
166 equalization aid grant in an amount that is the greater of (1) its fully
167 funded grant, (2) its base grant amount, or (3) its equalization aid grant
168 entitlement for the previous fiscal year.

169 Sec. 2. (NEW) (*Effective July 1, 2024*) (a) As used in this section, section
170 3 of this act and sections 10-65, 10-264l and 10-266aa of the general
171 statutes, as amended by this act:

172 (1) "Choice program" means (A) an interdistrict magnet school
173 program, (B) a regional agricultural science and technology center, or
174 (C) the interdistrict public school attendance program pursuant to
175 section 10-266aa of the general statutes, as amended by this act.

176 (2) "Foundation" has the same meaning as provided in section 10-262f
177 of the general statutes, as amended by this act, except that for an
178 interdistrict magnet school operator that is not a local or regional board
179 of education, the foundation is (A) for the fiscal years ending June 30,
180 2024, and June 30, 2025, eleven thousand five hundred twenty-five
181 dollars, (B) for the fiscal year ending June 30, 2026, eleven thousand five
182 hundred twenty-five dollars adjusted by the percentage increase in
183 personal income, as defined in section 2-33a of the general statutes, or
184 the percentage increase in inflation, as defined in section 2-33a of the

185 general statutes, whichever is greater, and (C) for the fiscal year ending
186 June 30, 2027, and each fiscal year thereafter, the amount of the
187 foundation for the prior fiscal year adjusted by the percentage increase
188 in personal income, as defined in section 2-33a of the general statutes, or
189 the percentage increase in inflation, as defined in section 2-33a of the
190 general statutes, whichever is greater.

191 (3) "Resident students" has the same meaning as provided in section
192 10-262f of the general statutes, as amended by this act.

193 (4) "Resident choice program students" means the number of part-
194 time and full-time students of a town enrolled or participating in a
195 particular choice program.

196 (5) "Total need students" has the same meaning as provided in section
197 10-262f of the general statutes, as amended by this act.

198 (6) "Total magnet school program need students" means the sum of
199 (A) the number of part-time and full-time students enrolled in the
200 interdistrict magnet school program of the interdistrict magnet school
201 operator who is (i) not a local or regional board of education, (ii) the
202 board of governors for an independent institution of higher education,
203 as defined in subsection (a) of section 10a-173 of the general statutes, or
204 the equivalent of such a board, on behalf of the independent institution
205 of higher education, or (iii) any other third-party not-for-profit
206 corporation approved by the Commissioner of Education, for the school
207 year, and (B) for the school year commencing July 1, 2024, and each
208 school year thereafter, (i) thirty per cent of the number of part-time and
209 full-time children enrolled in such interdistrict magnet school program
210 eligible for free or reduced price meals or free milk, (ii) fifteen per cent
211 of the number of such part-time and full-time children eligible for free
212 or reduced price meals or free milk in excess of the number of such part-
213 time and full-time children eligible for free or reduced price meals or
214 free milk that is equal to sixty per cent of the total number of children
215 enrolled in such interdistrict magnet school program, (iii) twenty-five
216 per cent of the number of part-time and full-time students enrolled in
217 such interdistrict magnet school program who are English language

218 learners, as defined in section 10-76kk of the general statutes, and (iv) if
219 such interdistrict magnet school program is assisting the state in
220 meeting its obligations pursuant to the decision in *Sheff v. O'Neill*, 238,
221 Conn. 1 (1996), or any related stipulation or order in effect, as
222 determined by the commissioner, (I) for the fiscal year ending June 30,
223 2025, thirty per cent of the number of part-time and full-time students
224 enrolled in such interdistrict magnet school program, (II) for the fiscal
225 year ending June 30, 2026, twenty-eight per cent of the number of part-
226 time and full-time students enrolled in such interdistrict magnet school
227 program, (III) for the fiscal year ending June 30, 2027, twenty-six per
228 cent of the number of part-time and full-time students enrolled in such
229 interdistrict magnet school program, (IV) for the fiscal year ending June
230 30, 2028, twenty-four per cent of the number of part-time and full-time
231 students enrolled in such interdistrict magnet school program, (V) for
232 the fiscal year ending June 30, 2029, twenty-two per cent of the number
233 of part-time and full-time students enrolled in such interdistrict magnet
234 school program, and (VI) for the fiscal year ending June 30, 2030, and
235 each fiscal year thereafter, twenty per cent of the number of part-time
236 and full-time students enrolled in such interdistrict magnet school
237 program.

238 (7) "Sending town" means the town that sends resident choice
239 program students, which it would otherwise be legally responsible for
240 educating, to a choice program.

241 (8) "Receiving district" has the same meaning as provided in section
242 10-266aa of the general statutes, as amended by this act.

243 (9) "Weighted funding amount per pupil" means the quotient of (A)
244 the product of the foundation and a town's total need students for the
245 fiscal year prior to the year in which the grant is to be paid, and (B) the
246 number of resident students of the town.

247 (10) "Weighted funding amount per sending town" means the
248 product of a town's (A) weighted funding amount per pupil, and (B)
249 number of resident choice program students for a particular choice
250 program.

251 (11) "In-district student" means a student enrolled or participating in
252 a choice program operated or maintained by a local or regional board of
253 education and whom such local or regional board of education is legally
254 responsible for educating.

255 (12) "Total revenue per pupil" means the sum of (A) the per student
256 amount of the grant for a choice program student for the fiscal year
257 ending June 30, 2024, and (B) the per student amount of any general
258 education tuition for a student in such choice program for the fiscal year
259 ending June 30, 2024.

260 (13) "Sending town adjustment factor" means the product of (A) the
261 weighted funding amount per pupil or the total revenue per pupil,
262 whichever is greater, for a sending town, and (B) the number of its
263 resident choice program students.

264 (b) (1) For the fiscal year ending June 30, 2025, and each fiscal year
265 thereafter, an interdistrict magnet school program operator that is not a
266 local or regional board of education shall be entitled to a grant in an
267 amount equal to the product of the foundation and its total magnet
268 school program need students, except that, for each student enrolled in
269 the interdistrict magnet school program of such operator, such operator
270 shall not receive less than the total revenue per pupil.

271 (2) For the fiscal year ending June 30, 2025, and each fiscal year
272 thereafter, an interdistrict magnet school operator that is a local or
273 regional board of education shall be entitled to a grant in an amount
274 equal to the sum of (A) the sum of the sending town adjustment factor
275 for each sending town, and (B) the product of (i) the number of in-
276 district students enrolled in the interdistrict magnet school program of
277 such board, and (ii) the per student amount of the grant under section
278 10-264/ of the general statutes, as amended by this act, for an in-district
279 student enrolled in such interdistrict magnet school program for the
280 fiscal year ending June 30, 2024.

281 (c) For the fiscal year ending June 30, 2025, and each fiscal year
282 thereafter, a local or regional board of education that operates a regional

283 agricultural science and technology center shall be entitled to a grant in
284 an amount equal to the sum of (1) the sum of the sending town
285 adjustment factors for each sending town, and (2) the product of (A) the
286 number of in-district students enrolled in such center, and (B) the per
287 student amount of the grant under section 10-65 of the general statutes,
288 as amended by this act, for the fiscal year ending June 30, 2024.

289 (d) For the fiscal year ending June 30, 2025, and each fiscal year
290 thereafter, the local or regional board of education for each receiving
291 district that accepts students under the interdistrict public school
292 attendance program pursuant to section 10-266aa of the general statutes,
293 as amended by this act, shall be entitled to a grant in an amount equal
294 to the sum of the sending town adjustment factors for each sending
295 town.

296 Sec. 3. (NEW) (*Effective from passage*) (a) Not later than February 1,
297 2024, and annually thereafter, the Department of Education shall
298 calculate an estimated amount of each grant under section 2 of this act
299 for the next fiscal year using data collected during the current fiscal year,
300 and notify each local and regional board of education and interdistrict
301 magnet school program operator that is not a local or regional board of
302 education of such estimated amounts.

303 (b) Not later than February 1, 2024, and annually thereafter, the
304 Department of Education shall calculate an estimated amount that each
305 town is entitled to receive under the provisions of section 10-262h of the
306 general statutes, as amended by this act for the next fiscal year using
307 data collected during the current fiscal year, and notify each such town
308 of such estimated amount.

309 (c) Not later than February 1, 2024, and annually thereafter, the
310 Department of Education shall calculate the product of the foundation
311 and total charter need students, as defined in section 10-66ee of the
312 general statutes, as amended by this act, for each fiscal authority for a
313 state charter school for the next fiscal year using data collected during
314 the current fiscal year, and notify each such fiscal authority of such
315 product.

316 Sec. 4. Section 10-264l of the general statutes is repealed and the
317 following is substituted in lieu thereof (*Effective July 1, 2024*):

318 (a) The Department of Education shall, within available
319 appropriations, establish a grant program (1) to assist (A) local and
320 regional boards of education, (B) regional educational service centers,
321 (C) the Board of Trustees of the Community-Technical Colleges on
322 behalf of Quinebaug Valley Community College and Three Rivers
323 Community College, and (D) cooperative arrangements pursuant to
324 section 10-158a, and (2) in assisting the state in meeting its obligations
325 pursuant to the decision in *Sheff v. O'Neill*, 238 Conn. 1 (1996), or any
326 related stipulation or order in effect, as determined by the
327 commissioner, to assist (A) the Board of Trustees of the Community-
328 Technical Colleges on behalf of a regional community-technical college,
329 (B) the Board of Trustees of the Connecticut State University System on
330 behalf of a state university, (C) the Board of Trustees of The University
331 of Connecticut on behalf of the university, (D) the board of governors
332 for an independent institution of higher education, as defined in
333 subsection (a) of section 10a-173, or the equivalent of such a board, on
334 behalf of the independent institution of higher education, and (E) any
335 other third-party not-for-profit corporation approved by the
336 commissioner with the operation of interdistrict magnet school
337 programs. All interdistrict magnet schools shall be operated in
338 conformance with the same laws and regulations applicable to public
339 schools. For the purposes of this section "an interdistrict magnet school
340 program" means a program which (i) supports racial, ethnic and
341 economic diversity, (ii) offers a special and high quality curriculum, and
342 (iii) requires students who are enrolled to attend at least half-time. An
343 interdistrict magnet school program does not include a regional
344 agricultural science and technology school, a technical education and
345 career school or a regional special education center. For the school years
346 commencing July 1, 2017, to July 1, 2023, inclusive, the governing
347 authority for each interdistrict magnet school program shall (I) restrict
348 the number of students that may enroll in the school from a participating
349 district to seventy-five per cent of the total school enrollment, and (II)
350 maintain a total school enrollment that is in accordance with the

351 reduced-isolation setting standards for interdistrict magnet school
352 programs, developed by the Commissioner of Education pursuant to
353 section 10-264r.

354 (b) (1) Applications for interdistrict magnet school program
355 operating grants awarded pursuant to this section shall be submitted
356 annually to the Commissioner of Education at such time and in such
357 manner as the commissioner prescribes, except that on and after July 1,
358 2009, applications for such operating grants for new interdistrict magnet
359 schools, other than those that the commissioner determines will assist
360 the state in meeting its obligations pursuant to the decision in *Sheff v.*
361 *O'Neill*, 238 Conn. 1 (1996), or any related stipulation or order in effect,
362 as determined by the commissioner, shall not be accepted until the
363 commissioner develops a comprehensive state-wide interdistrict
364 magnet school plan. The commissioner shall submit such
365 comprehensive state-wide interdistrict magnet school plan on or before
366 October 1, 2016, to the joint standing committees of the General
367 Assembly having cognizance of matters relating to education and
368 appropriations.

369 (2) In determining whether an application shall be approved and
370 funds awarded pursuant to this section, the commissioner shall
371 consider, but such consideration shall not be limited to: (A) Whether the
372 program offered by the school is likely to increase student achievement;
373 (B) whether the program is likely to reduce racial, ethnic and economic
374 isolation; (C) the percentage of the student enrollment in the program
375 from each participating district; and (D) the proposed operating budget
376 and the sources of funding for the interdistrict magnet school. For a
377 magnet school not operated by a local or regional board of education,
378 the commissioner shall only approve a proposed operating budget that,
379 on a per pupil basis, does not exceed the maximum allowable threshold
380 established in accordance with this subdivision. The maximum
381 allowable threshold shall be an amount equal to one hundred twenty
382 per cent of the state average of the quotient obtained by dividing net
383 current expenditures, as defined in section 10-261, by average daily
384 membership, as defined in said section, for the fiscal year two years

385 prior to the fiscal year for which the operating grant is requested. The
386 Department of Education shall establish the maximum allowable
387 threshold no later than December fifteenth of the fiscal year prior to the
388 fiscal year for which the operating grant is requested. If requested by an
389 applicant that is not a local or regional board of education, the
390 commissioner may approve a proposed operating budget that exceeds
391 the maximum allowable threshold if the commissioner determines that
392 there are extraordinary programmatic needs. For the fiscal years ending
393 June 30, 2017, June 30, 2018, June 30, 2020, and June 30, 2021, in the case
394 of an interdistrict magnet school that will assist the state in meeting its
395 obligations pursuant to the decision in *Sheff v. O'Neill*, 238 Conn. 1
396 (1996), or any related stipulation or order in effect, as determined by the
397 commissioner, the commissioner shall also consider whether the school
398 is meeting the reduced-isolation setting standards for interdistrict
399 magnet school programs, developed by the commissioner pursuant to
400 section 10-264r. If such school has not met such reduced-isolation setting
401 standards, it shall not be entitled to receive a grant pursuant to this
402 section unless the commissioner finds that it is appropriate to award a
403 grant for an additional year or years and approves a plan to bring such
404 school into compliance with such reduced-isolation setting standards. If
405 requested by the commissioner, the applicant shall meet with the
406 commissioner or the commissioner's designee to discuss the budget and
407 sources of funding.

408 (3) For the fiscal years ending June 30, 2018, to June 30, 2023,
409 inclusive, the commissioner shall not award a grant to an interdistrict
410 magnet school program that (A) has more than seventy-five per cent of
411 the total school enrollment from one school district, or (B) does not
412 maintain a total school enrollment that is in accordance with the
413 reduced-isolation setting standards for interdistrict magnet school
414 programs, developed by the Commissioner of Education pursuant to
415 section 10-264r, except the commissioner may award a grant to such
416 school for an additional year or years if the commissioner finds it is
417 appropriate to do so and approves a plan to bring such school into
418 compliance with such residency or reduced-isolation setting standards.

419 (4) For the fiscal years ending June 30, 2018, to June 30, 2021,
420 inclusive, if an interdistrict magnet school program does not maintain a
421 total school enrollment that is in accordance with the reduced-isolation
422 setting standards for interdistrict magnet school programs, developed
423 by the commissioner pursuant to section 10-264r, for two or more
424 consecutive years, the commissioner may impose a financial penalty on
425 the operator of such interdistrict magnet school program, or take any
426 other measure, in consultation with such operator, as may be
427 appropriate to assist such operator in complying with such reduced-
428 isolation setting standards.

429 (5) For the purposes of equalization aid under section 10-262h, as
430 amended by this act, a student enrolled in an interdistrict magnet school
431 program shall be counted as a resident student, as defined in section 10-
432 262f, as amended by this act, of the town in which such student resides.

433 (c) (1) [The maximum amount each interdistrict magnet school
434 program, except those described in subparagraphs (A) to (G), inclusive,
435 of subdivision (3) of this subsection, shall be eligible to receive per
436 enrolled student who is not a resident of the town operating the magnet
437 school shall be (A) six thousand sixteen dollars for the fiscal year ending
438 June 30, 2008, (B) six thousand seven hundred thirty dollars for the fiscal
439 years ending June 30, 2009, to June 30, 2012, inclusive, (C) seven
440 thousand eighty-five dollars for the fiscal years ending June 30, 2013, to
441 June 30, 2019, inclusive, and (D) seven thousand two hundred twenty-
442 seven dollars for the fiscal year ending June 30, 2020, and each fiscal year
443 thereafter. The per pupil grant for each enrolled student who is a
444 resident of the town operating the magnet school program shall be (i)
445 three thousand dollars for the fiscal years ending June 30, 2008, to June
446 30, 2019, inclusive, and (ii) three thousand sixty dollars for the fiscal year
447 ending June 30, 2020, and each fiscal year thereafter.] For the fiscal year
448 ending June 30, 2025, and each fiscal year thereafter, each interdistrict
449 magnet school operator shall be paid a grant equal to the amount the
450 operator is entitled to receive under the provisions of section 2 of this
451 act.

452 (2) (A) For the fiscal year ending June 30, 2026, and each fiscal year
453 thereafter, any interdistrict magnet school operator that is not a local or
454 regional board of education may charge tuition to the local or regional
455 board of education for a sending town if the grant to which such
456 operator is entitled to under section 2 of this act is not calculated using
457 a foundation amount that is adjusted by the greater of either the
458 percentage increase in personal income, as defined in section 2-33a, or
459 the percentage increase in inflation, as defined in section 2-33a. Such
460 tuition charged shall not exceed the difference between the amount of
461 the grant such operator would have been entitled to receive for the fiscal
462 year if such grant was calculated using the foundation, as defined in
463 section 2 of this act, and the amount of the grant that such operator will
464 receive for such fiscal year.

465 (B) For the fiscal year ending June 30, 2026, and each fiscal year
466 thereafter, any interdistrict magnet school operator that is not a local or
467 regional board of education that charges tuition under this subdivision
468 shall notify the Department of Education of the (i) per-student amount
469 of tuition charged for the fiscal year, (ii) local or regional boards of
470 education for sending towns that were charged tuition by such operator
471 for such fiscal year, (iii) total amount of tuition charged to each such
472 sending town for such fiscal year, and (iv) total amount of tuition
473 charged for such fiscal year. The department shall develop an annual
474 report of such tuition charged and, not later than January first of each
475 year, submit such report to the joint standing committees of the General
476 Assembly having cognizance of matters relating to education and
477 appropriations, in accordance with the provisions of section 11-4a.

478 [(2)] (3) For the fiscal year ending June 30, 2003, and each fiscal year
479 thereafter, the commissioner may, within available appropriations,
480 provide supplemental grants for the purposes of enhancing educational
481 programs in such interdistrict magnet schools, as the commissioner
482 determines. Such grants shall be made after the commissioner has
483 conducted a comprehensive financial review and approved the total
484 operating budget for such schools, including all revenue and
485 expenditure estimates.

486 [(3) (A) Except as otherwise provided in subparagraphs (C) to (G),
487 inclusive, of this subdivision, each interdistrict magnet school operated
488 by a regional educational service center that enrolls less than fifty-five
489 per cent of the school's students from a single town shall receive a per
490 pupil grant in the amount of (i) six thousand two hundred fifty dollars
491 for the fiscal year ending June 30, 2006, (ii) six thousand five hundred
492 dollars for the fiscal year ending June 30, 2007, (iii) seven thousand sixty
493 dollars for the fiscal year ending June 30, 2008, (iv) seven thousand six
494 hundred twenty dollars for the fiscal years ending June 30, 2009, to June
495 30, 2012, inclusive, (v) seven thousand nine hundred dollars for the
496 fiscal years ending June 30, 2013, to June 30, 2019, inclusive, and (vi)
497 eight thousand fifty-eight dollars for the fiscal year ending June 30, 2020,
498 and each fiscal year thereafter.

499 (B) Except as otherwise provided in subparagraphs (C) to (G),
500 inclusive, of this subdivision, each interdistrict magnet school operated
501 by a regional educational service center that enrolls at least fifty-five per
502 cent of the school's students from a single town shall receive a per pupil
503 grant for each enrolled student who is not a resident of the district that
504 enrolls at least fifty-five per cent of the school's students in the amount
505 of (i) six thousand sixteen dollars for the fiscal year ending June 30, 2008,
506 (ii) six thousand seven hundred thirty dollars for the fiscal years ending
507 June 30, 2009, to June 30, 2012, inclusive, (iii) seven thousand eighty-five
508 dollars for the fiscal years ending June 30, 2013, to June 30, 2019,
509 inclusive, and (iv) seven thousand two hundred twenty-seven dollars
510 for the fiscal year ending June 30, 2020, and each fiscal year thereafter.
511 The per pupil grant for each enrolled student who is a resident of the
512 district that enrolls at least fifty-five per cent of the school's students
513 shall be three thousand sixty dollars.

514 (C) (i) For the fiscal years ending June 30, 2015, to June 30, 2019,
515 inclusive, each interdistrict magnet school operated by a regional
516 educational service center that began operations for the school year
517 commencing July 1, 2001, and that for the school year commencing July
518 1, 2008, enrolled at least fifty-five per cent, but no more than eighty per
519 cent of the school's students from a single town, shall receive a per pupil

520 grant (I) for each enrolled student who is a resident of the district that
521 enrolls at least fifty-five per cent, but no more than eighty per cent of the
522 school's students, up to an amount equal to the total number of such
523 enrolled students as of October 1, 2013, using the data of record, in the
524 amount of eight thousand one hundred eighty dollars, (II) for each
525 enrolled student who is a resident of the district that enrolls at least fifty-
526 five per cent, but not more than eighty per cent of the school's students,
527 in an amount greater than the total number of such enrolled students as
528 of October 1, 2013, using the data of record, in the amount of three
529 thousand dollars, (III) for each enrolled student who is not a resident of
530 the district that enrolls at least fifty-five per cent, but no more than
531 eighty per cent of the school's students, up to an amount equal to the
532 total number of such enrolled students as of October 1, 2013, using the
533 data of record, in the amount of eight thousand one hundred eighty
534 dollars, and (IV) for each enrolled student who is not a resident of the
535 district that enrolls at least fifty-five per cent, but not more than eighty
536 per cent of the school's students, in an amount greater than the total
537 number of such enrolled students as of October 1, 2013, using the data
538 of record, in the amount of seven thousand eighty-five dollars.

539 (ii) For the fiscal year ending June 30, 2020, and each fiscal year
540 thereafter, each interdistrict magnet school operated by a regional
541 educational service center that began operations for the school year
542 commencing July 1, 2001, and that for the school year commencing July
543 1, 2008, enrolled at least fifty-five per cent, but not more than eighty per
544 cent of the school's students from a single town, shall receive a per pupil
545 grant (I) for each enrolled student who is a resident of the district that
546 enrolls at least fifty-five per cent, but not more than eighty per cent of
547 the school's students, up to an amount equal to the total number of such
548 enrolled students as of October 1, 2013, using the data of record, in the
549 amount of eight thousand three hundred forty-four dollars, (II) for each
550 enrolled student who is a resident of the district that enrolls at least fifty-
551 five per cent, but not more than eighty per cent of the school's students,
552 in an amount greater than the total number of such enrolled students as
553 of October 1, 2013, using the data of record, in the amount of three
554 thousand sixty dollars, (III) for each enrolled student who is not a

555 resident of the district that enrolls at least fifty-five per cent, but no more
556 than eighty per cent of the school's students, up to an amount equal to
557 the total number of such enrolled students as of October 1, 2013, using
558 the data of record, in the amount of eight thousand three hundred forty-
559 four dollars, and (IV) for each enrolled student who is not a resident of
560 the district that enrolls at least fifty-five per cent, but not more than
561 eighty per cent of the school's students, in an amount greater than the
562 total number of such enrolled students as of October 1, 2013, using the
563 data of record, in the amount of seven thousand two hundred twenty-
564 seven dollars.

565 (D) (i) Except as otherwise provided in subparagraph (D)(ii) of this
566 subdivision, each interdistrict magnet school operated by (I) a regional
567 educational service center, (II) the Board of Trustees of the Community-
568 Technical Colleges on behalf of a regional community-technical college,
569 (III) the Board of Trustees of the Connecticut State University System on
570 behalf of a state university, (IV) the Board of Trustees for The University
571 of Connecticut on behalf of the university, (V) the board of governors
572 for an independent institution of higher education, as defined in
573 subsection (a) of section 10a-173, or the equivalent of such a board, on
574 behalf of the independent institution of higher education, except as
575 otherwise provided in subparagraph (E) of this subdivision, (VI)
576 cooperative arrangements pursuant to section 10-158a, (VII) any other
577 third-party not-for-profit corporation approved by the commissioner,
578 and (VIII) the Hartford school district for the operation of Great Path
579 Academy on behalf of Manchester Community College, that enrolls less
580 than sixty per cent of its students from Hartford shall receive a per pupil
581 grant in the amount of nine thousand six hundred ninety-five dollars for
582 the fiscal year ending June 30, 2010, ten thousand four hundred forty-
583 three dollars for the fiscal years ending June 30, 2011, to June 30, 2019,
584 inclusive, and ten thousand six hundred fifty-two dollars for the fiscal
585 year ending June 30, 2020, and each fiscal year thereafter.

586 (ii) For the fiscal years ending June 30, 2016, to June 30, 2019,
587 inclusive, any interdistrict magnet school described in subparagraph
588 (D)(i) of this subdivision that enrolls less than fifty per cent of its

589 incoming students from Hartford shall receive a per pupil grant in the
590 amount of seven thousand nine hundred dollars for one-half of the total
591 number of non-Hartford students enrolled in the school over fifty per
592 cent of the total school enrollment and shall receive a per pupil grant in
593 the amount of ten thousand four hundred forty-three dollars for the
594 remainder of the total school enrollment. For the fiscal year ending June
595 30, 2020, and each fiscal year thereafter, any interdistrict magnet school
596 described in subparagraph (D)(i) of this subdivision that enrolls less
597 than fifty per cent of its incoming students from Hartford shall receive
598 a per pupil grant in the amount of eight thousand fifty-eight dollars for
599 one-half of the total number of non-Hartford students enrolled in the
600 school over fifty per cent of the total school enrollment and shall receive
601 a per pupil grant in the amount of ten thousand six hundred fifty-two
602 dollars for the remainder of the total school enrollment, except the
603 commissioner may, upon the written request of an operator of such
604 school, waive such fifty per cent enrollment minimum for good cause.

605 (E) For the fiscal year ending June 30, 2015, and each fiscal year
606 thereafter, each interdistrict magnet school operated by the board of
607 governors for an independent institution of higher education, as defined
608 in subsection (a) of section 10a-173, or the equivalent of such a board, on
609 behalf of the independent institution of higher education, that (i) began
610 operations for the school year commencing July 1, 2014, (ii) enrolls less
611 than sixty per cent of its students from Hartford pursuant to the decision
612 in *Sheff v. O'Neill*, 238 Conn. 1 (1996), or any related stipulation or order
613 in effect, as determined by the commissioner, and (iii) enrolls students
614 at least half-time, shall be eligible to receive a per pupil grant (I) equal
615 to sixty-five per cent of the grant amount determined pursuant to
616 subparagraph (D) of this subdivision for each student who is enrolled
617 at such school for at least two semesters in each school year, and (II)
618 equal to thirty-two and one-half per cent of the grant amount
619 determined pursuant to subparagraph (D) of this subdivision for each
620 student who is enrolled at such school for one semester in each school
621 year.

622 (F) Each interdistrict magnet school operated by a local or regional

623 board of education, pursuant to the decision in *Sheff v. O'Neill*, 238
624 Conn. 1 (1996), or any related stipulation or order in effect, shall receive
625 a per pupil grant for each enrolled student who is not a resident of the
626 district in the amount of (i) twelve thousand dollars for the fiscal year
627 ending June 30, 2010, (ii) thirteen thousand fifty-four dollars for the
628 fiscal years ending June 30, 2011, to June 30, 2019, inclusive, and (iii)
629 thirteen thousand three hundred fifteen dollars for the fiscal year ending
630 June 30, 2020, and each fiscal year thereafter.

631 (G) In addition to the grants described in subparagraph (E) of this
632 subdivision, for the fiscal year ending June 30, 2010, the commissioner
633 may, subject to the approval of the Secretary of the Office of Policy and
634 Management and the Finance Advisory Committee, established
635 pursuant to section 4-93, provide supplemental grants to the Hartford
636 school district of up to one thousand fifty-four dollars for each student
637 enrolled at an interdistrict magnet school operated by the Hartford
638 school district who is not a resident of such district.

639 (H) For the fiscal year ending June 30, 2016, and each fiscal year
640 thereafter, the half-day Greater Hartford Academy of the Arts
641 interdistrict magnet school operated by the Capital Region Education
642 Council shall be eligible to receive a per pupil grant equal to sixty-five
643 per cent of the per pupil grant specified in subparagraph (A) of this
644 subdivision.

645 (I) For the fiscal years ending June 30, 2016, to June 30, 2018, inclusive,
646 the half-day Greater Hartford Academy of Mathematics and Science
647 interdistrict magnet school operated by the Capitol Region Education
648 Council shall be eligible to receive a per pupil grant equal to six
649 thousand seven hundred eighty-seven dollars for (i) students enrolled
650 in grades ten to twelve, inclusive, for the fiscal year ending June 30, 2016,
651 (ii) students enrolled in grades eleven and twelve for the fiscal year
652 ending June 30, 2017, and (iii) students enrolled in grade twelve for the
653 fiscal year ending June 30, 2018. For the fiscal year ending June 30, 2016,
654 and each fiscal year thereafter, the half-day Greater Hartford Academy
655 of Mathematics and Science interdistrict magnet school shall not be

656 eligible for any additional grants pursuant to subsection (c) of this
657 section.

658 (4) For the fiscal years ending June 30, 2015, and June 30, 2016, the
659 department may limit payment to an interdistrict magnet school
660 operator to an amount equal to the grant that such magnet school
661 operator was eligible to receive based on the enrollment level of the
662 interdistrict magnet school program on October 1, 2013. Approval of
663 funding for enrollment above such enrollment level shall be prioritized
664 by the department as follows: (A) Increases in enrollment in an
665 interdistrict magnet school program that is adding planned new grade
666 levels for the school years commencing July 1, 2015, and July 1, 2016; (B)
667 increases in enrollment in an interdistrict magnet school program that
668 added planned new grade levels for the school year commencing July 1,
669 2014, and was funded during the fiscal year ending June 30, 2015; (C)
670 increases in enrollment in an interdistrict magnet school program that
671 is moving into a permanent facility for the school years commencing
672 July 1, 2014, to July 1, 2016, inclusive; (D) increases in enrollment in an
673 interdistrict magnet school program to ensure compliance with
674 subsection (a) of this section; and (E) new enrollments for a new
675 interdistrict magnet school program commencing operations on or after
676 July 1, 2014, pursuant to the decision in *Sheff v. O'Neill*, 238 Conn. 1
677 (1996), or any related stipulation or order in effect, as determined by the
678 commissioner. Any interdistrict magnet school program operating less
679 than full-time, but at least half-time, shall be eligible to receive a grant
680 equal to sixty-five per cent of the grant amount determined pursuant to
681 this subsection.

682 (5) For the fiscal year ending June 30, 2017, the department may limit
683 payment to an interdistrict magnet school operator to an amount equal
684 to the grant that such magnet school operator was eligible to receive
685 based on the enrollment level of the interdistrict magnet school program
686 on October 1, 2013, or October 1, 2015, whichever is lower. Approval of
687 funding for enrollment above such enrollment level shall be prioritized
688 by the department as follows: (A) Increases in enrollment in an
689 interdistrict magnet school program that is adding planned new grade

690 levels for the school years commencing July 1, 2015, and July 1, 2016; (B)
691 increases in enrollment in an interdistrict magnet school program that
692 added planned new grade levels for the school year commencing July 1,
693 2014, and was funded during the fiscal year ending June 30, 2015; (C)
694 increases in enrollment in an interdistrict magnet school program that
695 added planned new grade levels for the school year commencing July 1,
696 2015, and was funded during the fiscal year ending June 30, 2016; and
697 (D) increases in enrollment in an interdistrict magnet school program to
698 ensure compliance with subsection (a) of this section. Any interdistrict
699 magnet school program operating less than full-time, but at least half-
700 time, shall be eligible to receive a grant equal to sixty-five per cent of the
701 grant amount determined pursuant to this subsection.

702 (6) For the fiscal year ending June 30, 2018, and within available
703 appropriations, the department may limit payment to an interdistrict
704 magnet school operator to an amount equal to the grant that such
705 magnet school operator was eligible to receive based on the enrollment
706 level of the interdistrict magnet school program on October 1, 2013,
707 October 1, 2015, or October 1, 2016, whichever is lower. Approval of
708 funding for enrollment above such enrollment level shall be prioritized
709 by the department and subject to the commissioner's approval,
710 including increases in enrollment in an interdistrict magnet school
711 program as a result of planned and approved new grade levels. Any
712 interdistrict magnet school program operating less than full-time, but at
713 least half-time, shall be eligible to receive a grant equal to sixty-five per
714 cent of the grant amount determined pursuant to this subsection.

715 (7) For the fiscal year ending June 30, 2019, and within available
716 appropriations, the department may limit payment to an interdistrict
717 magnet school operator to an amount equal to the grant that such
718 magnet school operator was eligible to receive based on the enrollment
719 level of the interdistrict magnet school program on October 1, 2013,
720 October 1, 2015, October 1, 2016, or October 1, 2017, whichever is lower.
721 Approval of funding for enrollment above such enrollment level shall
722 be prioritized by the department and subject to the commissioner's
723 approval, including increases in enrollment in an interdistrict magnet

724 school program as a result of planned and approved new grade levels.
725 Any interdistrict magnet school program operating less than full-time,
726 but at least half-time, shall be eligible to receive a grant equal to sixty-
727 five per cent of the grant amount determined pursuant to this
728 subsection.

729 (8) For the fiscal year ending June 30, 2020, and within available
730 appropriations, the department may limit payment to an interdistrict
731 magnet school operator to an amount equal to the grant that such
732 magnet school operator was eligible to receive based on the enrollment
733 level of the interdistrict magnet school program on October 1, 2013,
734 October 1, 2015, October 1, 2016, October 1, 2017, or October 1, 2018,
735 whichever is lower. Approval of funding for enrollment above such
736 enrollment level shall be prioritized by the department and subject to
737 the commissioner's approval, including increases in enrollment in an
738 interdistrict magnet school program as a result of planned and
739 approved new grade levels. Any interdistrict magnet school program
740 operating less than full-time, but at least half-time, shall be eligible to
741 receive a grant equal to sixty-five per cent of the grant amount
742 determined pursuant to this subsection.

743 (9) For the fiscal year ending June 30, 2021, and within available
744 appropriations, the department may limit payment to an interdistrict
745 magnet school operator to an amount equal to the grant that such
746 magnet school operator was eligible to receive based on the enrollment
747 level of the interdistrict magnet school program on October 1, 2013,
748 October 1, 2015, October 1, 2016, October 1, 2017, October 1, 2018, or
749 October 1, 2019, whichever is lower. Approval of funding for enrollment
750 above such enrollment level shall be prioritized by the department and
751 subject to the commissioner's approval, including increases in
752 enrollment in an interdistrict magnet school program as a result of
753 planned and approved new grade levels. Any interdistrict magnet
754 school program operating less than full-time, but at least half-time, shall
755 be eligible to receive a grant equal to sixty-five per cent of the grant
756 amount determined pursuant to this subsection.]

757 [(10)] (4) Within available appropriations, the commissioner may
758 make grants to the following entities that operate an interdistrict magnet
759 school that assists the state in meeting its obligations pursuant to the
760 decision in *Sheff v. O'Neill*, 238 Conn. 1 (1996), or any related stipulation
761 or order in effect, as determined by the commissioner and that provide
762 academic support programs and summer school educational programs
763 approved by the commissioner to students participating in such
764 interdistrict magnet school program: (A) Regional educational service
765 centers, (B) local and regional boards of education, (C) the Board of
766 Trustees of the Community-Technical Colleges on behalf of a regional
767 community-technical college, (D) the Board of Trustees of the
768 Connecticut State University System on behalf of a state university, (E)
769 the Board of Trustees for The University of Connecticut on behalf of the
770 university, (F) the board of governors for an independent institution of
771 higher education, as defined in subsection (a) of section 10a-173, or the
772 equivalent of such a board, on behalf of the independent institution of
773 higher education, (G) cooperative arrangements pursuant to section 10-
774 158a, and (H) any other third-party not-for-profit corporation approved
775 by the commissioner.

776 [(11)] (5) Within available appropriations, the Commissioner of
777 Education may make grants, in an amount not to exceed seventy-five
778 thousand dollars, for start-up costs associated with the development of
779 new interdistrict magnet school programs that assist the state in meeting
780 its obligations pursuant to the decision in *Sheff v. O'Neill*, 238 Conn. 1
781 (1996), or any related stipulation or order in effect, as determined by the
782 commissioner, to the following entities that develop such a program: (A)
783 Regional educational service centers, (B) local and regional boards of
784 education, (C) the Board of Trustees of the Community-Technical
785 Colleges on behalf of a regional community-technical college, (D) the
786 Board of Trustees of the Connecticut State University System on behalf
787 of a state university, (E) the Board of Trustees for The University of
788 Connecticut on behalf of the university, (F) the board of governors for
789 an independent institution of higher education, as defined in subsection
790 (a) of section 10a-173, or the equivalent of such a board, on behalf of the
791 independent institution of higher education, (G) cooperative

792 arrangements pursuant to section 10-158a, and (H) any other third-party
793 not-for-profit corporation approved by the commissioner.

794 [(12)] (6) In no case shall the total grant paid to an interdistrict magnet
795 school operator pursuant to this section exceed the aggregate total of the
796 reasonable operating budgets of the interdistrict magnet school
797 programs of such operator, less revenues from other sources.

798 (d) [(1)] Grants made pursuant to this section [, except those made
799 pursuant to subdivision (7) of subsection (c) of this section and
800 subdivision (2) of this subsection,] and section 2 of this act shall be paid
801 as follows: Seventy per cent not later than September first and the
802 balance not later than May first of each fiscal year. The May first
803 payment shall be adjusted to reflect actual interdistrict magnet school
804 program enrollment as of the preceding October first using the data of
805 record as of the intervening January thirty-first, if the actual level of
806 enrollment is lower than the projected enrollment stated in the
807 approved grant application. The May first payment shall be further
808 adjusted for the difference between the total grant received by the
809 magnet school operator in the prior fiscal year and the revised total
810 grant amount calculated for the prior fiscal year in cases where the
811 aggregate financial audit submitted by the interdistrict magnet school
812 operator pursuant to subdivision (1) of subsection (n) of this section
813 indicates an overpayment by the department. Notwithstanding the
814 provisions of this section to the contrary, grants made pursuant to this
815 section may be paid to each interdistrict magnet school operator as an
816 aggregate total of the amount that the interdistrict magnet schools
817 operated by each such operator are eligible to receive under this section.
818 Each interdistrict magnet school operator may distribute such aggregate
819 grant among the interdistrict magnet school programs that such
820 operator is operating pursuant to a distribution plan approved by the
821 Commissioner of Education.

822 [(2) For the fiscal year ending June 30, 2016, and each fiscal year
823 thereafter, grants made pursuant to subparagraph (E) of subdivision (3)
824 of subsection (c) of this section shall be paid as follows: Fifty per cent of

825 the amount not later than September first based on estimated student
826 enrollment for the first semester on September first, and another fifty
827 per cent not later than May first of each fiscal year based on actual
828 student enrollment for the second semester on February first. The May
829 first payment shall be adjusted to reflect actual interdistrict magnet
830 school program enrollment for those students who have been enrolled
831 at such school for at least two semesters of the school year, using the
832 data of record, and actual student enrollment for those students who
833 have been enrolled at such school for only one semester, using data of
834 record. The May first payment shall be further adjusted for the
835 difference between the total grant received by the magnet school
836 operator in the prior fiscal year and the revised total grant amount
837 calculated for the prior fiscal year where the financial audit submitted
838 by the interdistrict magnet school operator pursuant to subdivision (1)
839 of subsection (n) of this section indicates an overpayment by the
840 department.]

841 (e) The Department of Education may retain up to one-half of one per
842 cent of the amount appropriated, in an amount not to exceed five
843 hundred thousand dollars, for purposes of this section for program
844 evaluation and administration.

845 (f) Each local or regional school district in which an interdistrict
846 magnet school is located shall provide the same kind of transportation
847 to its children enrolled in such interdistrict magnet school as it provides
848 to its children enrolled in other public schools in such local or regional
849 school district. The parent or guardian of a child denied the
850 transportation services required to be provided pursuant to this
851 subsection may appeal such denial in the manner provided in sections
852 10-186 and 10-187.

853 (g) On or before October fifteenth of each year, the Commissioner of
854 Education shall determine if interdistrict magnet school enrollment is
855 below the number of students for which funds were appropriated. If the
856 commissioner determines that the enrollment is below such number, the
857 additional funds shall not lapse but shall be used by the commissioner

858 for grants for interdistrict cooperative programs pursuant to section 10-
859 74d.

860 (h) (1) In the case of a student identified as requiring special
861 education, the school district in which the student resides shall: (A)
862 Hold the planning and placement team meeting for such student and
863 shall invite representatives from the interdistrict magnet school to
864 participate in such meeting; and (B) pay the interdistrict magnet school
865 an amount equal to the difference between the reasonable cost of
866 educating such student and the sum of the amount received by the
867 interdistrict magnet school for such student pursuant to subsection (c)
868 of this section and amounts received from other state, federal, local or
869 private sources calculated on a per pupil basis. Such school district shall
870 be eligible for reimbursement pursuant to section 10-76g. If a student
871 requiring special education attends an interdistrict magnet school on a
872 full-time basis, such interdistrict magnet school shall be responsible for
873 ensuring that such student receives the services mandated by the
874 student's individualized education program whether such services are
875 provided by the interdistrict magnet school or by the school district in
876 which the student resides.

877 (2) In the case of a student with a plan pursuant to Section 504 of the
878 Rehabilitation Act of 1973, as amended from time to time, the school
879 district in which the student resides shall pay the interdistrict magnet
880 school an amount equal to the difference between the reasonable cost of
881 educating such student and the sum of the amount received by the
882 interdistrict magnet school for such student pursuant to subsection (c)
883 of this section and amounts received from other state, federal, local or
884 private sources calculated on a per pupil basis. If a student with a plan
885 pursuant to Section 504 of the Rehabilitation Act of 1973, as amended
886 from time to time, attends an interdistrict magnet school on a full-time
887 basis, such interdistrict magnet school shall be responsible for ensuring
888 that such student receives the services mandated by the student's plan,
889 whether such services are provided by the interdistrict magnet school
890 or by the school district in which the student resides.

891 (i) Nothing in this section shall be construed to prohibit the
892 enrollment of nonpublic school students in an interdistrict magnet
893 school program that operates less than full-time, provided (1) such
894 students constitute no more than five per cent of the full-time equivalent
895 enrollment in such magnet school program, and (2) such students are
896 not counted for purposes of determining the amount of grants pursuant
897 to this section and section 10-264i.

898 (j) After accommodating students from participating districts in
899 accordance with an approved enrollment agreement, an interdistrict
900 magnet school operator that has unused student capacity may enroll
901 directly into its program any interested student. A student from a
902 district that is not participating in an interdistrict magnet school or the
903 interdistrict student attendance program pursuant to section 10-266aa,
904 as amended by this act, to an extent determined by the Commissioner
905 of Education shall be given preference. [The local or regional board of
906 education otherwise responsible for educating such student shall
907 contribute funds to support the operation of the interdistrict magnet
908 school in an amount equal to the per student tuition, if any, charged to
909 participating districts.]

910 [(k) (1) For the fiscal year ending June 30, 2014, and each fiscal year
911 thereafter, any tuition charged to a local or regional board of education
912 by a regional educational service center operating an interdistrict
913 magnet school or any tuition charged by the Hartford school district
914 operating the Great Path Academy on behalf of Manchester Community
915 College for any student enrolled in kindergarten to grade twelve,
916 inclusive, in such interdistrict magnet school shall be in an amount equal
917 to the difference between (A) the average per pupil expenditure of the
918 magnet school for the prior fiscal year, and (B) the amount of any per
919 pupil state subsidy calculated under subsection (c) of this section plus
920 any revenue from other sources calculated on a per pupil basis. If any
921 such board of education fails to pay such tuition, the commissioner may
922 withhold from such board's town or towns a sum payable under section
923 10-262i in an amount not to exceed the amount of the unpaid tuition to
924 the magnet school and pay such money to the fiscal agent for the magnet

925 school as a supplementary grant for the operation of the interdistrict
926 magnet school program. In no case shall the sum of such tuitions exceed
927 the difference between (i) the total expenditures of the magnet school
928 for the prior fiscal year, and (ii) the total per pupil state subsidy
929 calculated under subsection (c) of this section plus any revenue from
930 other sources. The commissioner may conduct a comprehensive
931 financial review of the operating budget of a magnet school to verify
932 such tuition rate.

933 (2) (A) For the fiscal years ending June 30, 2013, and June 30, 2014, a
934 regional educational service center operating an interdistrict magnet
935 school offering a preschool program that is not located in the Sheff
936 region may charge tuition to the Department of Education for a child
937 enrolled in such preschool program in an amount not to exceed an
938 amount equal to the difference between (i) the average per pupil
939 expenditure of the preschool program offered at the magnet school for
940 the prior fiscal year, and (ii) the amount of any per pupil state subsidy
941 calculated under subsection (c) of this section plus any revenue from
942 other sources calculated on a per pupil basis. The commissioner may
943 conduct a comprehensive financial review of the operating budget of
944 any such magnet school charging such tuition to verify such tuition rate.
945 For purposes of this subdivision, "Sheff region" means the school
946 districts for the towns of Avon, Bloomfield, Canton, East Granby, East
947 Hartford, East Windsor, Ellington, Farmington, Glastonbury, Granby,
948 Hartford, Manchester, Newington, Rocky Hill, Simsbury, South
949 Windsor, Suffield, Vernon, West Hartford, Wethersfield, Windsor and
950 Windsor Locks.

951 (B) For the fiscal year ending June 30, 2015, a regional educational
952 service center operating an interdistrict magnet school offering a
953 preschool program that is not located in the Sheff region may charge
954 tuition to the parent or guardian of a child enrolled in such preschool
955 program in an amount that is in accordance with the sliding tuition scale
956 adopted by the State Board of Education pursuant to section 10-264p.
957 The Department of Education shall be financially responsible for any
958 unpaid portion of the tuition not charged to such parent or guardian

959 under such sliding tuition scale. Such tuition shall not exceed an amount
960 equal to the difference between (i) the average per pupil expenditure of
961 the preschool program offered at the magnet school for the prior fiscal
962 year, and (ii) the amount of any per pupil state subsidy calculated under
963 subsection (c) of this section plus any revenue from other sources
964 calculated on a per pupil basis. The commissioner may conduct a
965 comprehensive financial review of the operating budget of any such
966 magnet school charging such tuition to verify such tuition rate.]

967 [(C)] (k) For the fiscal year ending June 30, 2016, and each fiscal year
968 thereafter, a regional educational service center operating an
969 interdistrict magnet school offering a preschool program that is not
970 located in the Sheff region shall charge tuition to the parent or guardian
971 of a child enrolled in such preschool program in an amount up to four
972 thousand fifty-three dollars, except such regional educational service
973 center shall not charge tuition to such parent or guardian with a family
974 income at or below seventy-five per cent of the state median income.
975 The Department of Education shall, within available appropriations, be
976 financially responsible for any unpaid tuition charged to such parent or
977 guardian with a family income at or below seventy-five per cent of the
978 state median income. The commissioner may conduct a comprehensive
979 financial review of the operating budget of any such magnet school
980 charging such tuition to verify such tuition rate.

981 (l) A participating district shall provide opportunities for its students
982 to attend an interdistrict magnet school in a number that is at least equal
983 to the number specified in any written agreement with an interdistrict
984 magnet school operator or in a number that is at least equal to the
985 average number of students that the participating district enrolled in
986 such magnet school during the previous three school years.

987 (m) (1) On or before May 15, 2010, and annually thereafter, each
988 interdistrict magnet school operator shall provide written notification to
989 any school district that is otherwise responsible for educating a student
990 who resides in such school district and will be enrolled in an interdistrict
991 magnet school under the operator's control for the following school

992 year. Such notification shall include (A) the number of any such
993 students, by grade, who will be enrolled in an interdistrict magnet
994 school under the control of such operator, (B) the name of the school in
995 which such student has been placed, and (C) the amount of tuition to be
996 charged to the local or regional board of education for such student.
997 Such notification shall represent an estimate of the number of students
998 expected to attend such interdistrict magnet schools in the following
999 school year, but shall not be deemed to limit the number of students
1000 who may enroll in such interdistrict magnet schools for such year.

1001 (2) For the school year commencing July 1, [2015] 2024, and each
1002 school year thereafter, any interdistrict magnet school operator that is a
1003 local or regional board of education [and did] shall not charge tuition to
1004 [a] another local or regional board of education. [for the school year
1005 commencing July 1, 2014, may not charge tuition to such board unless
1006 (A) such operator receives authorization from the Commissioner of
1007 Education to charge the proposed tuition, and (B) if such authorization
1008 is granted, such operator provides written notification on or before
1009 September first of the school year prior to the school year in which such
1010 tuition is to be charged to such board of the tuition to be charged to such
1011 board for each student that such board is otherwise responsible for
1012 educating and is enrolled at the interdistrict magnet school under such
1013 operator's control. In deciding whether to authorize an interdistrict
1014 magnet school operator to charge tuition under this subdivision, the
1015 commissioner shall consider (i) the average per pupil expenditure of
1016 such operator for each interdistrict magnet school under the control of
1017 such operator, and (ii) the amount of any per pupil state subsidy and
1018 any revenue from other sources received by such operator. The
1019 commissioner may conduct a comprehensive financial review of the
1020 operating budget of the magnet school of such operator to verify that
1021 the tuition is appropriate. The provisions of this subdivision shall not
1022 apply to any interdistrict magnet school operator that is a regional
1023 educational service center or assisting the state in meeting its obligations
1024 pursuant to the decision in *Sheff v. O'Neill*, 238 Conn. 1 (1996), or any
1025 related stipulation or order in effect, as determined by the
1026 Commissioner of Education.]

1027 (3) Not later than two weeks following an enrollment lottery for an
1028 interdistrict magnet school conducted by a magnet school operator, the
1029 parent or guardian of a student (A) who will enroll in such interdistrict
1030 magnet school in the following school year, or (B) whose name has been
1031 placed on a waiting list for enrollment in such interdistrict magnet
1032 school for the following school year, shall provide written notification
1033 of such prospective enrollment or waiting list placement to the school
1034 district in which such student resides and is otherwise responsible for
1035 educating such student.

1036 (n) (1) Each interdistrict magnet school operator shall annually file
1037 with the Commissioner of Education, at such time and in such manner
1038 as the commissioner prescribes, (A) a financial audit for each
1039 interdistrict magnet school operated by such operator, and (B) an
1040 aggregate financial audit for all of the interdistrict magnet schools
1041 operated by such operator.

1042 (2) Annually, the commissioner shall randomly select one
1043 interdistrict magnet school operated by a regional educational service
1044 center to be subject to a comprehensive financial audit conducted by an
1045 auditor selected by the commissioner. The regional educational service
1046 center shall be responsible for all costs associated with the audit
1047 conducted pursuant to the provisions of this subdivision.

1048 (o) For the school [years commencing July 1, 2009, to July 1, 2018,
1049 inclusive] year commencing July 1, 2024, and each school year
1050 thereafter, any local or regional board of education operating an
1051 interdistrict magnet school pursuant to the decision in Sheff v. O'Neill,
1052 238 Conn. 1 (1996), or any related stipulation or order in effect, shall not
1053 charge tuition for any student enrolled in [a preschool program or in]
1054 kindergarten to grade twelve, inclusive, in an interdistrict magnet
1055 school operated by such school district, [, except the Hartford school
1056 district may charge tuition for any student enrolled in the Great Path
1057 Academy.]

1058 [(p) (1) For the fiscal year ending June 30, 2023, and each fiscal year
1059 thereafter, if the East Hartford school district or the Manchester school

1060 district has greater than four per cent of its resident students, as defined
1061 in section 10-262f, enrolled in an interdistrict magnet school program,
1062 then the board of education for the town of East Hartford or the town of
1063 Manchester shall not be financially responsible for four thousand four
1064 hundred dollars of the portion of the per student tuition charged for
1065 each such student in excess of such four per cent. The Department of
1066 Education shall, within available appropriations, be financially
1067 responsible for such excess per student tuition. Notwithstanding the
1068 provisions of this subsection, for the fiscal year ending June 30, 2023,
1069 and each fiscal year thereafter, the amount of the grants payable to the
1070 boards of education for the towns of East Hartford and Manchester in
1071 accordance with this subsection shall be reduced proportionately if the
1072 total of such grants in such year exceeds the amount appropriated for
1073 purposes of this subsection.

1074 (2) For the fiscal year ending June 30, 2023, if the local or regional
1075 board of education for (A) a town located in the Sheff region, as defined
1076 in subsection (k) of this section, other than a local board of education
1077 described in subdivision (1) of this subsection, (B) the town of New
1078 Britain, and (C) the town of New London, has greater than four per cent
1079 of its resident students, as defined in section 10-262f, enrolled in an
1080 interdistrict magnet school program, then such board of education shall
1081 not be financially responsible for four thousand four hundred dollars of
1082 the portion of the per student tuition charged for each such student in
1083 excess of such four per cent. The Department of Education shall, within
1084 available appropriations, be financially responsible for such excess per
1085 student tuition. Notwithstanding the provisions of this subsection, for
1086 the fiscal year ending June 30, 2023, the amount of the grants payable to
1087 any such board of education in accordance with this subsection shall be
1088 reduced proportionately if the total of such grants in such year exceeds
1089 the amount allocated for said year in accordance with the provisions of
1090 special act 21-1, from the federal funds designated for the state pursuant
1091 to the provisions of section 602 of Subtitle M of Title IX of the American
1092 Rescue Plan Act of 2021, P.L. 117-2, as amended from time to time, for
1093 purposes of this subsection.]

1094 Sec. 5. Subsection (b) of section 10-264o of the general statutes is
1095 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1096 *2024*):

1097 (b) [For the fiscal year ending June 30, 2013, and each fiscal year
1098 thereafter, any tuition charged to a local or regional board of education
1099 by] Except as otherwise provided in subdivision (2) of subsection (c) of
1100 section 10-264l, as amended by this act, for the fiscal year ending June
1101 30, 2025, and each fiscal year thereafter, a regional educational service
1102 center operating an interdistrict magnet school assisting the state in
1103 meeting its obligations pursuant to the decision in *Sheff v. O'Neill*, 238
1104 Conn. 1 (1996), or any related stipulation or order in effect, as
1105 determined by the Commissioner of Education, shall not charge tuition
1106 to a local or regional board of education for any student enrolled in
1107 kindergarten to grade twelve, inclusive, in such interdistrict magnet
1108 school. [shall be in an amount equal to the difference between (1) the
1109 average per pupil expenditure of the magnet school for the prior fiscal
1110 year, and (2) the amount of any per pupil state subsidy calculated under
1111 subsection (c) of section 10-264l, plus any revenue from other sources
1112 calculated on a per pupil basis. If any such board of education fails to
1113 pay such tuition, the commissioner may withhold from such board's
1114 town or towns a sum payable under section 10-262i in an amount not to
1115 exceed the amount of the unpaid tuition to the magnet school and pay
1116 such money to the fiscal agent for the magnet school as a supplementary
1117 grant for the operation of the interdistrict magnet school program. In no
1118 case shall the sum of such tuitions exceed the difference between (A) the
1119 total expenditures of the magnet school for the prior fiscal year, and (B)
1120 the total per pupil state subsidy calculated under subsection (c) of
1121 section 10-264l, plus any revenue from other sources. The commissioner
1122 may conduct a comprehensive review of the operating budget of a
1123 magnet school to verify such tuition rate.]

1124 Sec. 6. Subsection (d) of section 10-66ee of the general statutes is
1125 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1126 *2023*):

1127 (d) (1) As used in this subsection:

1128 (A) "Total charter need students" means the sum of (i) the number of
1129 students enrolled in state charter schools under the control of the
1130 governing authority for such state charter schools for the school year,
1131 and (ii) for the school year commencing July 1, 2021, and each school
1132 year thereafter, (I) thirty per cent of the number of children enrolled in
1133 such state charter schools eligible for free or reduced price meals or free
1134 milk, (II) fifteen per cent of the number of such children eligible for free
1135 or reduced price meals or free milk in excess of the number of such
1136 children eligible for free or reduced price meals or free milk that is equal
1137 to sixty per cent of the total number of children enrolled in such state
1138 charter schools, and (III) twenty-five per cent of the number of students
1139 enrolled in such state charter schools who are English language learners,
1140 as defined in section 10-76kk.

1141 (B) "Foundation" [has the same meaning as provided in section 10-
1142 262f] means (i) for the fiscal years ending June 30, 2024, and June 30,
1143 2025, eleven thousand five hundred twenty-five dollars, (ii) for the fiscal
1144 year ending June 30, 2026, eleven thousand five hundred twenty-five
1145 dollars adjusted by the percentage increase in personal income, as
1146 defined in section 2-33a, or the percentage increase in inflation, as
1147 defined in section 2-33a, whichever is greater, and (iii) for the fiscal year
1148 ending June 30, 2027, and each fiscal year thereafter, the amount of the
1149 foundation for the prior fiscal year adjusted by the percentage increase
1150 in personal income, as defined in section 2-33a, or the percentage
1151 increase in inflation, as defined in section 2-33a, whichever is greater.

1152 (C) "Charter full weighted funding per student" means the quotient
1153 of (i) the product of the total charter need students and the foundation,
1154 and (ii) the number of students enrolled in state charter schools under
1155 the control of the governing authority for such state charter schools for
1156 the school year.

1157 (D) "Charter grant adjustment" means the absolute value of the
1158 difference between the foundation and charter full weighted funding
1159 per student for state charter schools under the control of the governing

1160 authority for such state charter schools for the school year.

1161 (2) For the fiscal year ending July 1, 2022, the state shall pay in
1162 accordance with this subsection, to the fiscal authority for a state charter
1163 school for each student enrolled in such school, the foundation plus four
1164 and one-tenth per cent of its charter grant adjustment.

1165 (3) For the fiscal year ending June 30, 2023, the state shall pay in
1166 accordance with this subsection, to the fiscal authority for a state charter
1167 school for each student enrolled in such school, the foundation plus
1168 twenty-five and forty-two-one-hundredths per cent of its charter grant
1169 adjustment.

1170 (4) For the fiscal year ending June 30, 2024, the state shall pay in
1171 accordance with this subsection, to the fiscal authority for a state charter
1172 school for each student enrolled in such school, the foundation plus
1173 thirty-six and eight-one-hundredths per cent of its charter grant
1174 adjustment.

1175 (5) For the fiscal year ending June 30, 2025, and each fiscal year
1176 thereafter, the state shall pay in accordance with this subsection, to the
1177 fiscal authority for a state charter school, the product of the foundation
1178 and its total charter need students.

1179 ~~[(4)]~~ (6) Payments under subdivisions (2) [and (3)] to (5), inclusive, of
1180 this subsection shall be paid as follows: Twenty-five per cent of the
1181 amount not later than July fifteenth and September first based on
1182 estimated student enrollment on May first, and twenty-five per cent of
1183 the amount not later than January first and the remaining amount not
1184 later than April first, each based on student enrollment on October first.

1185 ~~[(5)]~~ (7) In the case of a student identified as requiring special
1186 education, the school district in which the student resides shall: (A)
1187 Hold the planning and placement team meeting for such student and
1188 shall invite representatives from the charter school to participate in such
1189 meeting; and (B) pay the state charter school, on a quarterly basis, an
1190 amount equal to the difference between the reasonable cost of educating

1191 such student and the sum of the amount received by the state charter
1192 school for such student pursuant to subdivision (1) of this subsection
1193 and amounts received from other state, federal, local or private sources
1194 calculated on a per pupil basis. Such school district shall be eligible for
1195 reimbursement pursuant to section 10-76g. The charter school a student
1196 requiring special education attends shall be responsible for ensuring
1197 that such student receives the services mandated by the student's
1198 individualized education program whether such services are provided
1199 by the charter school or by the school district in which the student
1200 resides.

1201 Sec. 7. Section 10-65 of the general statutes is repealed and the
1202 following is substituted in lieu thereof (*Effective July 1, 2024*):

1203 (a) Each local or regional school district operating an agricultural
1204 science and technology education center approved by the State Board of
1205 Education for program, educational need, location and area to be served
1206 shall be eligible for the following grants: (1) In accordance with the
1207 provisions of chapter 173, through progress payments in accordance
1208 with the provisions of section 10-287i, (A) for projects for which an
1209 application was filed prior to July 1, 2011, ninety-five per cent, and (B)
1210 for projects for which an application was filed on or after July 1, 2011,
1211 eighty per cent of the net eligible costs of constructing, acquiring,
1212 renovating and equipping approved facilities to be used exclusively for
1213 such agricultural science and technology education center, for the
1214 expansion or improvement of existing facilities or for the replacement
1215 or improvement of equipment therein, and (2) subject to the provisions
1216 of section 10-65b₂ [and within available appropriations, in an amount
1217 equal to five thousand two hundred dollars per student for every
1218 secondary school student who was enrolled in such center on October
1219 first of the previous year] for the fiscal year ending June 30, 2025, and
1220 each fiscal year thereafter, a grant equal to the amount such board is
1221 entitled to receive under the provisions of section 2 of this act.

1222 (b) Each local or regional board of education not maintaining an
1223 agricultural science and technology education center shall provide

1224 opportunities for its students to enroll in one or more such centers. [in a
1225 number that is at least equal to the number specified in any written
1226 agreement with each such center or centers, or in the absence of such an
1227 agreement, a number that is at least equal to the average number of its
1228 students that the board of education enrolled in each such center or
1229 centers during the previous three school years, provided, in addition to
1230 such number, each such board of education shall provide opportunities
1231 for its students to enroll in the ninth grade in a number that is at least
1232 equal to the number specified in any written agreement with each such
1233 center or centers, or in the absence of such an agreement, a number that
1234 is at least equal to the average number of students that the board of
1235 education enrolled in the ninth grade in each such center or centers
1236 during the previous three school years.] If a local or regional board of
1237 education provided opportunities for students to enroll in more than
1238 one center for the school year commencing July 1, 2007, such board of
1239 education shall continue to provide such opportunities to students in
1240 accordance with this subsection. The board of education operating an
1241 agricultural science and technology education center [may] shall not
1242 charge, subject to the provisions of section 10-65b, tuition [for a school
1243 year in an amount not to exceed fifty-nine and two-tenths per cent of the
1244 foundation level pursuant to subdivision (9) of section 10-262f, per
1245 student for the fiscal year in which the tuition is paid] to another local
1246 or regional board of education, except that such board may charge
1247 tuition for [(1) students enrolled under shared-time arrangements on a
1248 pro rata basis, and (2)] special education students which shall not exceed
1249 the actual costs of educating such students minus the amounts received
1250 pursuant to subdivision (2) of subsection (a) of this section. [and
1251 subsection (c) of this section.] Any tuition paid by such board for special
1252 education students [in excess of the tuition paid for non-special-
1253 education students] shall be reimbursed pursuant to section 10-76g.

1254 [(c) In addition to the grants described in subsection (a) of this section,
1255 within available appropriations, (1) each local or regional board of
1256 education operating an agricultural science and technology education
1257 center in which more than one hundred fifty of the students in the prior
1258 school year were out-of-district students shall be eligible to receive a

1259 grant in an amount equal to five hundred dollars for every secondary
1260 school student enrolled in such center on October first of the previous
1261 year, (2) on and after July 1, 2000, if a local or regional board of education
1262 operating an agricultural science and technology education center that
1263 received a grant pursuant to subdivision (1) of this subsection no longer
1264 qualifies for such a grant, such local or regional board of education shall
1265 receive a grant in an amount determined as follows: (A) For the first
1266 fiscal year such board of education does not qualify for a grant under
1267 said subdivision (1), a grant in the amount equal to four hundred dollars
1268 for every secondary school student enrolled in its agricultural science
1269 and technology education center on October first of the previous year,
1270 (B) for the second successive fiscal year such board of education does
1271 not so qualify, a grant in an amount equal to three hundred dollars for
1272 every such secondary school student enrolled in such center on said
1273 date, (C) for the third successive fiscal year such board of education does
1274 not so qualify, a grant in an amount equal to two hundred dollars for
1275 every such secondary school student enrolled in such center on said
1276 date, and (D) for the fourth successive fiscal year such board of
1277 education does not so qualify, a grant in an amount equal to one
1278 hundred dollars for every such secondary school student enrolled in
1279 such center on said date, and (3) each local and regional board of
1280 education operating an agricultural science and technology education
1281 center that does not receive a grant pursuant to subdivision (1) or (2) of
1282 this subsection shall receive a grant in an amount equal to sixty dollars
1283 for every secondary school student enrolled in such center on said date.

1284 (d) (1) If there are any remaining funds after the amount of the grants
1285 described in subsections (a) and (c) of this section are calculated, within
1286 available appropriations, each local or regional board of education
1287 operating an agricultural science and technology education center shall
1288 be eligible to receive a grant in an amount equal to one hundred dollars
1289 for each student enrolled in such center on October first of the previous
1290 school year. (2) If there are any remaining funds after the amount of the
1291 grants described in subdivision (1) of this subsection are calculated,
1292 within available appropriations, each local or regional board of
1293 education operating an agricultural science and technology education

1294 center that had more than one hundred fifty out-of-district students
1295 enrolled in such center on October first of the previous school year shall
1296 be eligible to receive a grant based on the ratio of the number of out-of-
1297 district students in excess of one hundred fifty out-of-district students
1298 enrolled in such center on said date to the total number of out-of-district
1299 students in excess of one hundred fifty out-of-district students enrolled
1300 in all agricultural science and technology education centers that had in
1301 excess of one hundred fifty out-of-district students enrolled on said
1302 date.

1303 (e) For the fiscal years ending June 30, 2012, and June 30, 2013, the
1304 Department of Education shall allocate five hundred thousand dollars
1305 to local or regional boards of education operating an agricultural science
1306 and technology education center in accordance with the provisions of
1307 subsections (b) to (d), inclusive, of this section.]

1308 [(f)] (c) For the fiscal year ending June 30, 2013, and each fiscal year
1309 thereafter, if a local or regional board of education receives an increase
1310 in funds pursuant to this section over the amount it received for the
1311 prior fiscal year such increase shall not be used to supplant local funding
1312 for educational purposes.

1313 [(g) Notwithstanding the provisions of sections 10-51 and 10-222, for
1314 the fiscal years ending June 30, 2015, to June 30, 2017, inclusive, any
1315 amount received by a local or regional board of education pursuant to
1316 subdivision (2) of subsection (a) of this section that exceeds the amount
1317 appropriated for education by the municipality or the amount in the
1318 budget approved by such regional board of education for purposes of
1319 said subdivision (2) of subsection (a) of this section, shall be available
1320 for use by such local or regional board of education, provided such
1321 excess amount is spent in accordance with the provisions of subdivision
1322 (2) of subsection (a) of this section.]

1323 (d) For the purposes of equalization aid under section 10-262h, as
1324 amended by this act, a student enrolled in an agricultural science and
1325 technology education center shall be counted as a resident student, as
1326 defined in section 10-262f, as amended by this act, of the town in which

1327 such student resides.

1328 Sec. 8. Subsection (d) of section 10-64 of the general statutes is
1329 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1330 *2024*):

1331 (d) Any local or regional board of education which does not furnish
1332 agricultural science and technology education approved by the State
1333 Board of Education shall designate a school or schools having such a
1334 course approved by the State Board of Education as the school which
1335 any person may attend who has completed an elementary school course
1336 through the eighth grade. The board of education shall pay the [tuition
1337 and] reasonable and necessary cost of transportation of any person
1338 under twenty-one years of age who is not a graduate of a high school or
1339 technical education and career school or an agricultural science and
1340 technology education center and who attends the designated school,
1341 provided transportation services may be suspended in accordance with
1342 the provisions of section 10-233c. Each such board's reimbursement
1343 percentage pursuant to section 10-266m for expenditures in excess of
1344 eight hundred dollars per pupil incurred in the fiscal year beginning
1345 July 1, 2004, and in each fiscal year thereafter, shall be increased by an
1346 additional twenty percentage points.

1347 Sec. 9. Subsection (b) of section 10-97 of the general statutes is
1348 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1349 *2024*):

1350 (b) Any local or regional board of education which does not furnish
1351 agricultural science and technology education approved by the State
1352 Board of Education shall designate a school or schools having such a
1353 course approved by the State Board of Education as the school which
1354 any person may attend who has completed an elementary school course
1355 through the eighth grade. The board of education shall pay the [tuition
1356 and] reasonable and necessary cost of transportation of any person
1357 under twenty-one years of age who is not a graduate of a high school or
1358 technical education and career school and who attends the designated
1359 school, provided transportation services may be suspended in

1360 accordance with the provisions of section 10-233c. Each such board's
1361 reimbursement percentage pursuant to section 10-266m for
1362 expenditures in excess of eight hundred dollars per pupil incurred in
1363 the fiscal year beginning July 1, 1987, and in each fiscal year thereafter,
1364 shall be increased by an additional twenty percentage points.

1365 Sec. 10. Subsection (g) of section 10-266aa of the general statutes is
1366 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1367 *2024*):

1368 [(g) (1) Except as provided in subdivisions (2) and (3) of this
1369 subsection, the Department of Education shall provide, within available
1370 appropriations, an annual grant to the local or regional board of
1371 education for each receiving district in an amount not to exceed two
1372 thousand five hundred dollars for each out-of-district student who
1373 attends school in the receiving district under the program.

1374 (2) (A) For the fiscal year ending June 30, 2013, and each fiscal year
1375 thereafter, the department shall provide, within available
1376 appropriations, an annual grant to the local or regional board of
1377 education for each receiving district if one of the following conditions
1378 are met as follows: (i) Three thousand dollars for each out-of-district
1379 student who attends school in the receiving district under the program
1380 if the number of such out-of-district students is less than two per cent of
1381 the total student population of such receiving district plus any amount
1382 available pursuant to subparagraph (B) of this subdivision, (ii) four
1383 thousand dollars for each out-of-district student who attends school in
1384 the receiving district under the program if the number of such out-of-
1385 district students is greater than or equal to two per cent but less than
1386 three per cent of the total student population of such receiving district
1387 plus any amount available pursuant to subparagraph (B) of this
1388 subdivision, (iii) six thousand dollars for each out-of-district student
1389 who attends school in the receiving district under the program if the
1390 number of such out-of-district students is greater than or equal to three
1391 per cent but less than four per cent of the total student population of
1392 such receiving district plus any amount available pursuant to

1393 subparagraph (B) of this subdivision, (iv) six thousand dollars for each
1394 out-of-district student who attends school in the receiving district under
1395 the program if the Commissioner of Education determines that the
1396 receiving district has an enrollment of greater than four thousand
1397 students and has increased the number of students in the program by at
1398 least fifty per cent from the previous fiscal year plus any amount
1399 available pursuant to subparagraph (B) of this subdivision, or (v) eight
1400 thousand dollars for each out-of-district student who attends school in
1401 the receiving district under the program if the number of such out-of-
1402 district students is greater than or equal to four per cent of the total
1403 student population of such receiving district plus any amount available
1404 pursuant to subparagraph (B) of this subdivision.

1405 (B) For the fiscal year ending June 30, 2023, and each fiscal year
1406 thereafter, the department shall, in order to assist the state in meeting
1407 its obligations under commitment 9B of the Comprehensive School
1408 Choice Plan pursuant to the settlement in *Sheff v. O'Neill*, HHD-X07-
1409 CV89-4026240-S, provide, within available appropriations, an
1410 additional grant to the local or regional board of education for each
1411 receiving district in the amount of two thousand dollars for each out-of-
1412 district student who resides in the Hartford region and attends school
1413 in the receiving district under the program.

1414 (3) (A) For the fiscal year ending June 30, 2023, the department shall
1415 provide a grant to the local or regional board of education for each
1416 receiving district described in subdivision (4) of subsection (c) of this
1417 section in an amount of four thousand dollars for each out-of-district
1418 student who resides in Danbury or Norwalk and attends school in the
1419 receiving district under the pilot program.

1420 (B) For the fiscal year ending June 30, 2024, and each fiscal year
1421 thereafter, the department shall provide an annual grant to the local or
1422 regional board of education for each receiving district described in
1423 subdivision (4) of subsection (c) of this section for each out-of-district
1424 student who resides in Danbury or Norwalk and attends school in the
1425 receiving district under the pilot program in accordance with the

1426 provisions of subdivisions (1) and (2) of this subsection.]

1427 (g) (1) For the fiscal year ending June 30, 2025, and each fiscal year
1428 thereafter, each receiving district shall be paid a grant equal to the
1429 amount the receiving district is entitled to receive under the provisions
1430 of section 2 of this act.

1431 ~~[(C)]~~ (2) Not later than January 1, 2025, the department shall submit
1432 a report on the pilot program in operation in Danbury and Norwalk,
1433 pursuant to subdivision (4) of subsection (c) of this section, to the joint
1434 standing committees of the General Assembly having cognizance of
1435 matters relating to education and appropriations, in accordance with the
1436 provisions of section 11-4a. Such report shall include, but need not be
1437 limited to, the total number of students participating in the pilot
1438 program, the number of students from each town participating in the
1439 pilot program, the total amount of the grant paid under the pilot
1440 program and the amount of the grant paid to each town participating in
1441 the pilot program.

1442 ~~[(4)]~~ (3) Each town which receives funds pursuant to this subsection
1443 shall make such funds available to its local or regional board of
1444 education in supplement to any other local appropriation, other state or
1445 federal grant or other revenue to which the local or regional board of
1446 education is entitled.

1447 Sec. 11. *(Effective from passage)* (a) There is established the Building
1448 Educational Responsibility with Greater Improvement Networks
1449 Commission. The commission shall study (1) issues relating to
1450 education funding entitled to local and regional boards of education,
1451 charter schools and interdistrict magnet school operators under the
1452 provisions of section 10-262h of the general statutes, as amended by this
1453 act, section 10-66ee of the general statutes, as amended by this act, and
1454 section 2 of this act, (2) accountability measures for alliance districts, and
1455 (3) accountability measures for charter schools.

1456 (b) (1) The portion of such study regarding issues relating to
1457 education funding entitled to local and regional boards of education,

1458 charter schools and interdistrict magnet schools shall include, but need
1459 not be limited to, an analysis of and recommendations relating to (A)
1460 the compensation, benefits, retention and recruitment of teachers,
1461 paraprofessionals and social workers, (B) restrictions on the use of any
1462 additional funds received pursuant to section 10-262h of the general
1463 statutes, as amended by this act, and section 2 of this act, (C) reporting
1464 requirements for school districts receiving additional funds provided
1465 under the provisions of section 10-262h of the general statutes, as
1466 amended by this act, and section 2 of this act, and (D) optimal class sizes.

1467 (2) The portion of such study regarding alliance districts shall
1468 include, but need not be limited to, (A) an analysis of the process by
1469 which alliance district plans are developed by boards of education and
1470 are reviewed and approved by the Commissioner of Education, and
1471 recommendations for narrowing the focus of or replacing such plans,
1472 (B) a consideration of the removal of the withholding of a portion of an
1473 alliance district's equalization aid grant under section 10-262u of the
1474 general statutes, as amended by this act, (C) the feasibility of creating
1475 independent financial audits of the expenditures under the entire
1476 budget of boards of education for alliance districts, (D) the feasibility of
1477 requiring boards of education for alliance districts to hold hearings on
1478 interventions and make annual evaluations of any new programming
1479 established in the school district, (E) a consideration of establishing
1480 guidelines for the hiring of nonclassroom personnel, and (F) a
1481 consideration of interventions that the Department of Education may
1482 take in regard to the operations of an alliance district.

1483 (3) The portion of such study regarding charter schools shall include,
1484 but need not be limited to, (A) the feasibility of allowing for a full grade
1485 expansion of existing charters, including grade expansion, (B) an
1486 examination of the impact of moratoriums on the granting of new
1487 charters, as well as the approval of new interdistrict magnet school
1488 programs, and (C) a consideration of the duration of the length of a
1489 charter's validity and the standards used by the State Board of
1490 Education during its determination of whether to renew a charter.

1491 (c) The commission shall consist of the following members:

1492 (1) Three appointed by the speaker of the House of Representatives,
1493 one of whom is a representative of the Connecticut Association of Public
1494 School Superintendents, one of whom is a representative of the
1495 Connecticut Council of Administrators of Special Education and one of
1496 whom is a representative of the RESC Alliance;

1497 (2) Three appointed by the president pro tempore of the Senate, one
1498 of whom is a representative of the Connecticut Association of Board of
1499 Education, one of whom is a representative of Special Education Equity
1500 for Kids and one of whom is a representative of the Center for Children's
1501 Advocacy;

1502 (3) Three appointed by the majority leader of the House of
1503 Representatives, one of whom is a representative of the Connecticut
1504 School Counselor Association, one of whom is a representative of the
1505 Connecticut Education Association and one of whom is a
1506 superintendent of an alliance district;

1507 (4) Three appointed by the majority leader of the Senate, one of whom
1508 is a representative of the American Federation of Teachers-Connecticut,
1509 one of whom is a representative of ConnCAN and one of whom is a
1510 representative of the School and State Finance Project;

1511 (5) Two appointed by the minority leader of the House of
1512 Representatives, one of whom is a representative of the Connecticut
1513 Association of School Administrators and one of whom is a
1514 representative of the Connecticut Association of School Business
1515 Officials;

1516 (6) Two appointed by the minority leader of the Senate, one of whom
1517 is a representative of the Connecticut Charter School Association and
1518 one of whom is the executive director of an agricultural science and
1519 technology education center;

1520 (7) The Commissioner of Education, or the commissioner's designee;
1521 and

1522 (8) The Secretary of the Office of Policy and Management, or the
1523 secretary's designee.

1524 (d) All initial appointments to the commission shall be made not later
1525 than thirty days after the effective date of this section. Any vacancy shall
1526 be filled by the appointing authority.

1527 (e) The speaker of the House of Representatives and the president pro
1528 tempore of the Senate shall select the chairpersons of the commission
1529 from among the members of the commission. Such chairpersons shall
1530 schedule the first meeting of the commission, which shall be held not
1531 later than sixty days after the effective date of this section.

1532 (f) The administrative staff of the joint standing committee of the
1533 General Assembly having cognizance of matters relating to education
1534 shall serve as administrative staff of the commission.

1535 (g) (1) Not later than February 1, 2024, the commission shall submit a
1536 report on the portion of the study described in subdivision (1) of
1537 subsection (b) of this section, in accordance with the provisions of
1538 section 11-4a of the general statutes, on its findings and
1539 recommendations to the joint standing committees of the General
1540 Assembly having cognizance of matters relating to education and
1541 appropriations.

1542 (2) Not later than January 15, 2025, the commission shall submit a
1543 report on the portion of the study described in subdivisions (2) and (3)
1544 of subsection (b) of this section, in accordance with the provisions of
1545 section 11-4a of the general statutes, on its findings and
1546 recommendations to the joint standing committee of the General
1547 Assembly having cognizance of matters relating to education.

1548 (3) The commission shall terminate on the date that it submits the last
1549 of such reports or July 1, 2025, whichever is later.

1550 Sec. 12. Section 10-4a of the general statutes is repealed and the
1551 following is substituted in lieu thereof (*Effective July 1, 2023*):

1552 For purposes of sections 10-4, 10-4b and 10-220 and subdivision (1) of
1553 subsection (b) of section 10-66dd, as amended by this act, the
1554 educational interests of the state shall include, but not be limited to, the
1555 concern of the state that (1) each child shall have for the period
1556 prescribed in the general statutes equal opportunity to receive a suitable
1557 program of educational experiences; (2) each school district shall finance
1558 at a reasonable level at least equal to the minimum budget requirement
1559 pursuant to the provisions of section 10-262j an educational program
1560 designed to achieve this end; (3) in order to reduce racial, ethnic and
1561 economic isolation, each school district shall provide educational
1562 opportunities for its students to interact with students and teachers from
1563 other racial, ethnic, and economic backgrounds and may provide such
1564 opportunities with students from other communities; and (4) the
1565 mandates in the general statutes pertaining to education within the
1566 jurisdiction of the State Board of Education be implemented.

1567 Sec. 13. Subdivision (1) of subsection (b) of section 10-66dd of the
1568 general statutes is repealed and the following is substituted in lieu
1569 thereof (*Effective July 1, 2023*):

1570 (b) (1) Subject to the provisions of this subsection and except as may
1571 be waived pursuant to subsection (d) of section 10-66bb, charter schools
1572 shall be subject to all federal and state laws governing public schools,
1573 including the provisions of sections 10-4a, as amended by this act, and
1574 10-4b.

1575 Sec. 14. Section 10-262u of the general statutes is repealed and the
1576 following is substituted in lieu thereof (*Effective July 1, 2024*):

1577 (a) As used in this section and section 10-262i:

1578 (1) ["Alliance district"] "Educational reform district" means a school
1579 district for a town that [(A)] is among the towns with the [thirty-three]
1580 twenty lowest accountability index scores, as calculated by the
1581 Department of Education. [, or (B) was previously designated as an
1582 alliance district by the Commissioner of Education for the fiscal years
1583 ending June 30, 2013, to June 30, 2022, inclusive.]

1584 (2) "Legacy alliance district" means a school district for a town that
1585 was designated as an alliance district by the Commissioner of Education
1586 for the fiscal years ending June 30, 2013, to June 30, 2024, inclusive.

1587 [(2)] (3) "Accountability index" has the same meaning as provided in
1588 section 10-223e.

1589 [(3)] (4) "Mastery test data of record" has the same meaning as
1590 provided in section 10-262f, as amended by this act.

1591 [(4) "Educational reform district" means an alliance district that is
1592 among the ten lowest accountability index scores when all towns are
1593 ranked highest to lowest in accountability index scores.]

1594 (b) (1) For the fiscal year ending June 30, 2013, the Commissioner of
1595 Education shall designate thirty school districts as alliance reform
1596 districts. Any school district designated as an alliance district shall be so
1597 designated for a period of five years. On or before June 30, 2016, the
1598 Department of Education shall determine if there are any additional
1599 alliance districts.

1600 (2) For the fiscal year ending June 30, 2018, the commissioner shall
1601 designate thirty-three school districts as alliance districts. Any school
1602 district designated as an alliance district shall be so designated for a
1603 period of five years.

1604 (3) For the fiscal year ending June 30, 2023, the commissioner shall
1605 designate thirty-six school districts as alliance districts. Any school
1606 district designated as an alliance district shall be so designated for a
1607 period of [five] two years.

1608 (4) For the fiscal year ending June 30, 2025, the commissioner shall
1609 designate twenty school districts as educational reform districts. Any
1610 school district designated as an educational reform district shall be so
1611 designated for a period of two years.

1612 (c) (1) For the fiscal year ending June 30, [2023, and each fiscal year
1613 thereafter, the Comptroller shall withhold from any town that (A) was

1614 designated as an alliance district pursuant to subdivision (2) of
1615 subsection (b) of this section any increase in funds received over the
1616 amount the town received for the fiscal year ending June 30, 2012,
1617 pursuant to subsection (a) of section 10-262i, and (B) was designated as
1618 an alliance district for the first time pursuant to subdivision (3) of
1619 subsection (b) of this section, any increase in funds received over the
1620 amount the town received for the fiscal year ending June 30, 2022,
1621 pursuant to subsection (a) of section 10-262i.] 2025, and each fiscal year
1622 thereafter, the Comptroller shall withhold from any town that was
1623 designated as an educational reform district pursuant to subdivision (4)
1624 of subsection (b) of this section any increase in funds received over the
1625 amount the town received for the fiscal year ending June 30, 2012,
1626 pursuant to subsection (a) of section 10-262i. The Comptroller shall
1627 transfer such funds to the Commissioner of Education.

1628 (2) Upon receipt of an application pursuant to subsection (d) of this
1629 section or section 10-156gg, the Commissioner of Education may pay
1630 such funds to the town designated as an [alliance] educational reform
1631 district and such town shall pay all such funds to the local or regional
1632 board of education for such town on the condition that such funds shall
1633 be expended in accordance with (A) the plan described in subsection (d)
1634 of this section, (B) the minority candidate certification, retention or
1635 residency year program pursuant to section 10-156gg, (C) the provisions
1636 of subsection (c) of section 10-262i, and (D) any guidelines developed by
1637 the State Board of Education for such funds. Such funds shall be used to
1638 improve student achievement and recruit and retain minority teachers
1639 in such [alliance] educational reform district and to offset any other local
1640 education costs approved by the commissioner.

1641 (d) The local or regional board of education for a town designated as
1642 an [alliance] educational reform district may apply to the Commissioner
1643 of Education, at such time and in such manner as the commissioner
1644 prescribes, to receive any increase in funds received over the amount
1645 the town received for the prior fiscal year pursuant to subsection (a) of
1646 section 10-262i. Applications pursuant to this subsection shall include
1647 objectives and performance targets and a plan that are developed, in

1648 part, on the strategic use of student academic performance data. Such
1649 plan may include, but not be limited to, the following: (1) A tiered
1650 system of interventions for the schools under the jurisdiction of such
1651 board based on the needs of such schools, (2) ways to strengthen the
1652 foundational programs in reading, through the intensive reading
1653 instruction program pursuant to section 10-14u, to ensure reading
1654 mastery in kindergarten to grade three, inclusive, with a focus on
1655 standards and instruction, proper use of data, intervention strategies,
1656 current information for teachers, parental engagement, and teacher
1657 professional development, (3) additional learning time, including
1658 extended school day or school year programming administered by
1659 school personnel or external partners, (4) a talent strategy that includes,
1660 but is not limited to, teacher and school leader recruitment and
1661 assignment, career ladder policies that draw upon guidelines for a
1662 model teacher evaluation program adopted by the State Board of
1663 Education, pursuant to section 10-151b, and adopted by each local or
1664 regional board of education. Such talent strategy may include
1665 provisions that demonstrate increased ability to attract, retain, promote
1666 and bolster the performance of staff in accordance with performance
1667 evaluation findings and, in the case of new personnel, other indicators
1668 of effectiveness, (5) training for school leaders and other staff on new
1669 teacher evaluation models, (6) provisions for the cooperation and
1670 coordination with early childhood education providers to ensure
1671 alignment with district expectations for student entry into kindergarten,
1672 including funding for an existing local Head Start program, (7)
1673 provisions for the cooperation and coordination with other
1674 governmental and community programs to ensure that students receive
1675 adequate support and wraparound services, including community
1676 school models, (8) provisions for implementing and furthering state-
1677 wide education standards adopted by the State Board of Education and
1678 all activities and initiatives associated with such standards, (9) strategies
1679 for attracting and recruiting minority teachers and administrators, (10)
1680 provisions for the enhancement of bilingual education programs,
1681 pursuant to section 10-17f, or other language acquisition services to
1682 English language learners, including, but not limited to, participation in

1683 the English language learner pilot program, established pursuant to
1684 section 10-17n, (11) entering into the model school district
1685 responsibilities agreement, described in section 10-223l, (12) leadership
1686 succession plans that provide training and learning opportunities for
1687 administrators and are designed to assist in the seamless transition of
1688 school and district personnel in and out of leadership positions in the
1689 school district and the continuous implementation of plans developed
1690 under this subsection, (13) implementing the policy adopted pursuant
1691 to section 10-223m to improve completion rates of the Free Application
1692 for Federal Student Aid by students enrolled in grade twelve in a high
1693 school under the jurisdiction of such board or students enrolled in an
1694 adult education program maintained by such board pursuant to section
1695 10-69, and, as applicable, the parent and guardians of such students, and
1696 (14) any additional categories or goals as determined by the
1697 commissioner. Such plan shall demonstrate collaboration with key
1698 stakeholders, as identified by the commissioner, with the goal of
1699 achieving efficiencies and the alignment of intent and practice of current
1700 programs with conditional programs identified in this subsection. The
1701 commissioner may (A) require changes in any plan submitted by a local
1702 or regional board of education before the commissioner approves an
1703 application under this subsection, and (B) permit a local or regional
1704 board of education, as part of such plan, to use a portion of any funds
1705 received under this section for the purposes of paying tuition charged
1706 to such board pursuant to subdivision (1) of subsection (k) of section 10-
1707 264l, as amended by this act, or subsection (b) of section 10-264o, as
1708 amended by this act.

1709 (e) The State Board of Education may develop guidelines and criteria
1710 for the administration of such funds under this section.

1711 (f) The commissioner may withhold such funds if the local or regional
1712 board of education fails to comply with the provisions of this section.
1713 The commissioner may renew such funding if the local or regional
1714 board of education provides evidence that the school district of such
1715 board is achieving the objectives and performance targets approved by
1716 the commissioner stated in the plan submitted under this section.

1717 (g) Any local or regional board of education receiving funding under
1718 this section shall submit an annual expenditure report to the
1719 commissioner on such form and in such manner as requested by the
1720 commissioner. The commissioner shall determine if (1) the local or
1721 regional board of education shall repay any funds not expended in
1722 accordance with the approved application, or (2) such funding should
1723 be reduced in a subsequent fiscal year up to an amount equal to the
1724 amount that the commissioner determines is out of compliance with the
1725 provisions of this subsection.

1726 (h) Any balance remaining for each local or regional board of
1727 education at the end of any fiscal year shall be carried forward for such
1728 local or regional board of education for the next fiscal year.

1729 (i) The local or regional board of education of a school district for a
1730 town that is among the fifty towns with the lowest accountability index
1731 scores, as calculated by the Department of Education, but has not been
1732 designated as an educational reform district by the Commissioner of
1733 Education, may request technical assistance or other specialized
1734 interventions from the department for the provision of academic
1735 support services to students.

1736 Sec. 15. Subdivision (2) of section 10-262f of the general statutes is
1737 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1738 *2024*):

1739 (2) "Base aid ratio" means for the fiscal year ending June 30, 2018, and
1740 each fiscal year thereafter, the sum of (A) one minus the town's wealth
1741 adjustment factor, and (B) the town's base aid ratio adjustment factor, if
1742 any, except that a town's base aid ratio shall not be less than (i) ten per
1743 cent for a town designated as an educational reform district or a legacy
1744 alliance district, as those terms are defined in section 10-262u, as
1745 amended by this act, or a priority school district, as described in section
1746 10-266p, and (ii) one per cent for a town that is not designated as an
1747 alliance district or a priority school district.

1748 Sec. 16. Subdivision (3) of subsection (d) of section 12-18b of the

1749 general statutes is repealed and the following is substituted in lieu
 1750 thereof (*Effective July 1, 2024*):

1751 (3) Each [municipality] (A) town designated as an educational reform
 1752 district or a legacy alliance district pursuant to section 10-262u, as
 1753 amended by this act, or (B) municipality in which more than fifty per
 1754 cent of the property is state-owned real property shall be classified as a
 1755 tier one municipality.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2023</i>	10-262h
Sec. 2	<i>July 1, 2024</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>July 1, 2024</i>	10-264l
Sec. 5	<i>July 1, 2024</i>	10-264o(b)
Sec. 6	<i>July 1, 2023</i>	10-66ee(d)
Sec. 7	<i>July 1, 2024</i>	10-65
Sec. 8	<i>July 1, 2024</i>	10-64(d)
Sec. 9	<i>July 1, 2024</i>	10-97(b)
Sec. 10	<i>July 1, 2024</i>	10-266aa(g)
Sec. 11	<i>from passage</i>	New section
Sec. 12	<i>July 1, 2023</i>	10-4a
Sec. 13	<i>July 1, 2023</i>	10-66dd(b)(1)
Sec. 14	<i>July 1, 2024</i>	10-262u
Sec. 15	<i>July 1, 2024</i>	10-262f(2)
Sec. 16	<i>July 1, 2024</i>	12-18b(d)(3)

Statement of Legislative Commissioners:

In Section 11(b)(3), "build out" was changed to "grade expansion", for clarity; in Section 14, "previously" was deleted in Subsec. (a)(2), for proper form, and in Subsec. (i), "the towns with the fifty lowest" was changed to "the fifty towns with the lowest", for proper form.

ED *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Education, Dept.	GF - Cost	3.2 million	357.5 million
Legislative Mgmt.	GF - Cost	80,214	80,214
State Comptroller - Fringe Benefits ¹	GF - Cost	34,347	34,347

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 24 \$	FY 25 \$
Various Municipalities	Revenue Gain	None	See Below
Various Municipalities	Savings	None	See Below

Explanation

The bill, which overhauls funding for six major state education grants or programs, is anticipated to result in substantial costs beginning in FY 25. The bill's cost to the State Department of Education is estimated to be \$3.2 million in FY 24 and \$357.5 million in FY 25, when the overhaul takes effect. An overview of the FY 25 General Fund cost impacts by program is provided in the table below. The bill also results in savings to districts that pay tuition to vocational agriculture and certain magnet school operators, as tuition is largely eliminated.

The bill additionally provides for annual, inflation-based grant increases beginning in FY 26 to: (1) state charter schools, and (2) magnets

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 42.82% of payroll in FY 24.

operated by regional educational service centers (RESCs) and Goodwin University Educational Services.²

Lastly, the bill makes changes to the Alliance District program that are described below but generally have no fiscal impact.

**Estimated Impacts to the General Fund
in FY 25, HB 5003**

Program	FY 25 (In Millions)
ECS	163.4
State Charter Schools	22.3
RESC Magnets	95.7
BOE Magnets	31.6
Open Choice	27.2
Vo Ag	17.3
TOTAL	357.5

Notes:

1. Estimates use FY 23 data provided in February 2023 except March 2023 for ECS. The BOE magnets, Open Choice, and Vo Ag estimates use the ECS student data for sending towns from the February 2023 version of the FY 24 ECS calculations.
2. Estimates include the impact of magnet seat increases (for RESC and BOE magnets, and Open Choice) as anticipated by the January 2022 Sheff settlement.

Impact to school operators and towns. The bill has a net positive impact to all school operators of the affected programs in FY 25, and a net positive impact to all towns.³ Savings are experienced by towns that send many students to Vo Ag programs or to those magnet schools which currently charge tuition. The extent of the bill's positive impacts to school operators varies by program, as described below in the table and text.

² The magnet schools run by RESCs and Goodwin University Educational Services are referred to as "RESC magnets" in this fiscal note, for simplicity.

³ Three towns have a net impact of zero but are likely to benefit from the Vo Ag portion of the bill, as they are members of regional school districts that have Vo Ag programs.

**Estimated Impacts to Program Operators
(Grant Recipients) in FY 25¹**

Program	FY 25 Est. Positive Net Impact (In Millions)	Number of Operators With Positive Net Impact From Component of Bill, in FY 25²
ECS	163.4	95 of 169
State charter schools	22.3	All 20
RESC Magnets	25.7	5 of 6
BOE Magnets	27.8	All 11
Open Choice	27.2	All 47
Vo Ag ³	4.9	All 20

¹ The table includes the impacts of both the change in the state grant and any tuition impacts for operators. (A few BOE magnet and Vo Ag operators currently pay tuition to other operators in the same program.)

² The operators without a positive impact are projected to have no net impact from this component of the bill.

³ Increases to program operators may exceed these estimates by amounts that cannot be determined, if the bill's lifting of the Vo Ag out-of-district enrollment cap results in more such students.

Nonpartisan staff cost. The bill results in an additional cost to the General Fund of approximately \$114,531 (\$80,214 in salary and \$34,317 in fringe benefits) annually beginning in FY 24 associated with hiring one nonpartisan analyst within the Office of Legislative Management. This will maintain the nonpartisan staff's ability to model, upon request, potential changes to the programs affected by the bill. The bill's new grant structures substantially increase the amount of time needed to model any changes to programs affected by the bill. For example, due to the bill's new grant structures, every request affecting certain ECS components must also consider the impacts to several other grants. This work will be complex and cannot be done within available resources.

Impact by Program. The bill's impact on each program is discussed in further detail below.

ECS. The bill continues the phase-in and phase-out schedule for FY 24 and then fully funds the underfunded towns beginning in FY 25 at

an estimated cost of \$163.4 million (seven percent) above current law. These towns receive no further ECS increases after FY 25.^{4,5} The overfunded towns continue the phase-out to full funding in FY 30, as in current law. The bill has no impact on ECS grants in FY 28 (when full funding for underfunded towns is reached under current law) and beyond.

State charter schools. The bill results in: (1) in FY 24, a cost of approximately \$3.2 million to provide a small additional phase-in to the weighted student formula in place for FY 23, and (2) in FY 25, an estimated cost of \$22.3 million (a 17 percent increase) above FY 23 to fully fund the formula. In FY 26 and beyond, annual inflation-based growth is projected to increase costs by approximately \$6.4 million to \$6.9 million (3.8 to 4.4 percent) every year.

RESC magnets. The bill is projected to increase state funding to RESC magnets by approximately \$95.7 million (67 percent) in FY 25, when the new funding system is adopted.⁶ A majority of this funding replaces town tuition, which the bill largely eliminates. The new weighted student funding structure for RESC magnets is the same as for state charter school students, except that Sheff region operators receive an additional weight.

⁴ Under current law, the underfunded towns would continue to receive smaller annual increases and in FY 28, reach full funding (the same full funding level that the bill would provide in FY 25).

⁵ Unless increases are required by changes in a town's student or town data components of the ECS formula.

⁶ The new funding system for RESC magnets is based on applying the ECS formula's student components to the RESCs' magnet enrollments, with an additional weight (increase) for the Sheff region operators. The additional weight begins at 30 percent in FY 25 and declines by two percentage points per year until FY 30, when the weight is 20 percent, where it remains thereafter.

The bill's FY 25 net revenue increase to the RESCs is approximately \$25.7 million (12 percent); most of the increase in state funding replaces lost tuition revenue of nearly \$74.3 million (approximately the aggregative savings to sending towns).⁷ The bill benefits five of six RESC magnet operators for all fiscal years beginning in FY 25; the sixth (held harmless from revenue losses under the bill) is begins to benefit in FY 27, due to the inflation-based increases provided to the RESC magnets.

In FY 26 through FY 30, costs are anticipated to rise annually by 2.7 to 7.4 percent, with the largest percentage increases in FY 26 and FY 27, due to the net impact of several factors: (1) inflation-based increases provided by the bill; (2) the Sheff region additional weight, which changes annually until FY 30; and (3) anticipated student increases to the Sheff region operators as required to meet the terms of the 2022 Sheff settlement. The bill allows RESCs to charge tuition to sending towns if the inflation-based increase is not funded, which may result in aggregate board of education costs of approximately \$10 million in a year.

BOE magnets. The bill is estimated to increase state funding to BOE interdistrict magnet operators by \$31.6 million (25 percent) in FY 25, when a new funding system is adopted. Each of the 11 BOE magnet operators will experience a net revenue increase beginning in FY 25, gaining approximately \$27.8 million in additional revenues and tuition savings collectively.⁸ The bill's tuition elimination results in a savings of approximately \$4 million aggregately to sending towns (including BOE magnet operators). In FY 26 through FY 32, as Sheff settlement seat

⁷ This figure includes: (1) approximately \$4.3 million in tuition paid by the Department of Education to partially defray town tuition costs for K-12 students at RESC magnets sent by East Hartford and Manchester, and (2) expected additional RESC magnet tuition costs to towns in FY 25 (under current law) of approximately \$4.2 million attributable to RESC magnet seat increases planned to meet demand under the 2022 Sheff settlement.

⁸ Eight of the 11 BOE magnet operators pay tuition for their students who attend magnets operated by other boards of education. Five BOE magnet operators charge tuition, including Hartford (which may only charge tuition for students attending one school, Great Path).

increases for certain BOE magnets are phased in, state grant costs for BOE magnets under the bill will continue to be approximately \$31.8 million to \$32.4 million higher annually than under current law.

Open Choice. The bill is anticipated to increase state funding to Open Choice receiving districts by approximately \$27.2 million (127 percent) in FY 25, when the new funding system is adopted. Each of the participating districts (currently 47) will receive an increase. The increases are largest on a per-student basis for those receiving districts that are: (1) outside the Sheff region, as Sheff region schools receive a higher level of Open Choice funding under current law (but still less than the lowest per-student grant under the bill); and (2) receiving fewer students as a share of the district's total enrollment, as such schools have the lowest per-student grant rate under current law. In FY 26 through FY 29, as Sheff settlement seat increases for Open Choice students from Hartford continue to be phased in, state grant costs under the bill will be approximately \$27.6 million to \$28.8 million higher annually than under current law.

Vo Ag. The bill is anticipated to result in additional state costs for Vo Ag of nearly \$17.3 million in FY 25, when a new funding system is adopted. Each of the 20 Vo Ag operators is anticipated to experience a net increase, totaling approximately \$4.9 million (16 percent), in additional revenues and tuition savings. The bill's tuition elimination results in a savings of approximately \$13.1 million aggregately to sending towns (including Vo Ag operators).

The bill's lifting of the cap on out-of-district Vo Ag enrollment, beginning in FY 25, may produce a higher number of such students. If that effect occurs: (1) Vo Ag operators may experience higher revenue gains under the bill; and (2) state grant costs will rise. The level of impact depends on any growth in out-of-district and in-district Vo Ag students, and the student need levels of the out-of-district students' towns.

Numerous factors. The bill's fiscal impact in the biennium and the out years is subject to changes in many factors, including: (1) enrollment,

including enrollment changes related to the Sheff settlement; (2) student characteristics; (3) the number of students sent from each town to any of the affected programs; (4) new or closed schools or programs (beyond those within the January 2022 Sheff settlement); (5) tuition levels; and (6) inflation.

The bill's grants to BOE magnets, Open Choice, and Vo Ag operators depend in large part on the student characteristics of the towns sending out-of-district students to the programs, which vary from year to year. While in a year the average change across towns is typically small, the change to the grant amount associated with students from any one town can be large (either lower or higher). Any such changes will result in different grant totals than projected above (impacting the anticipated General Fund appropriations) and affect grants to the towns or districts operating the programs. In FY 24, used for this estimate, the grant amounts for these students ranged from \$11,554 (students sent from New Canaan) to \$15,872 (students sent from New London).

Changes to Alliance District Program

The bill replaces the alliance district designations, beginning in FY 25, with: (1) educational reform districts, which are districts that have the 20 lowest accountability index scores, and (2) legacy alliance districts, which are districts that were designated as alliance districts between FY 13 and FY 24.

The bill's provisions regarding these designations result in 16 current alliance districts no longer being subject to the alliance district constraints regarding a portion of ECS funding, beginning in FY 25. There are no impacts on the overall level of funding to current alliance districts from ECS or other grant programs, as the ECS and PILOT protections for alliance districts are extended to the new designations.

The Out Years

The bill's projected annual costs to the General Fund (compared to current law) in FY 26 through FY 30 range from \$322.1 million (FY 26) to \$249.1 million (FY 28). Costs relative to current law will decline in FY

26 through FY 28, and then rise annually beyond FY 30 due to the inflation provision for state charter schools and RESC magnets. As discussed above, the fiscal impact of the bill depends on many factors and will vary, possibly markedly, from this estimate, and year to year.

OLR Bill Analysis**sHB 5003*****AN ACT CONCERNING EDUCATION FUNDING IN CONNECTICUT.*****SUMMARY**

The bill makes significant changes to five major education funding grant programs: (1) Education Cost Sharing (ECS), (2) interdistrict magnet schools, (3) regional agricultural science and technology centers (i.e., “vo-ag centers”), (4) Open Choice enrollment, and (5) state charter schools.

The bill changes the statutory schedule for ECS grant increases. Under the bill, towns that the ECS grant formula currently underfunds are fully funded sooner than under current law, by FY 25 rather than by FY 28. It maintains (1) the scheduled ECS reductions for overfunded towns and (2) a minimum of at least the previous year’s ECS grant for any alliance district town.

The bill eliminates, beginning with FY 25, the existing magnet school, vo-ag center, and Open Choice grant programs and replaces them with new grants under the choice program, which the bill creates.

The choice program grant provides funding for local or regional boards of education (i.e., “school boards”) that operate a magnet school, a vo-ag center, or host students through Open Choice interdistrict school attendance program. The bill also creates a separate grant for any magnet school operated by an entity that is not a board of education, such as an independent institution of higher education.

The bill uses student need weightings in the choice program grants and the non-board of education magnet school grants that mirror the weighting used in existing law for ECS and charter school grants: additional weight for those eligible for free or reduced priced meals or

free milk (FRPM), or designated as an English language learner. So, these grants give added funding for students that meet those criteria.

Also beginning in FY 25, the bill generally prohibits magnet schools and vo-ag centers from charging tuition to the towns that send students to magnet schools or vo-ag programs. The bill specifies that the new grant must give at least an amount of state funds that is equal to what a magnet school operator or vo-ag center received in FY 24, both from the state and from tuition from sending districts (i.e., a “hold harmless” provision).

Under existing law, the per-student state charter school grant increased in FY 23. The bill requires additional increases for FYs 24 and 25, with state charters receiving full funding in FY 25.

The bill adds a cost-of-living increase, starting in FY 26, for the foundation amount used to calculate grants for non-board of education magnet schools and state charter schools based on an annual percent increase in personal income or inflation, whichever is greater.

It requires the State Department of Education (SDE), annually starting by February 1, 2024, to calculate and give to the relevant operators or towns certain estimates for the various grants under the bill.

The bill also:

1. creates a commission to study various educational issues including (a) funding for local school districts, charter schools, and magnet schools as provided under the bill; (b) the alliance district plan process; and (c) charter school grade expansion (§ 11);
2. explicitly places charter schools under the educational interests of the state law that includes a complaint process if a party believes the school is not meeting the educational interests of the state (§§ 12 & 13); and

3. renames and revises the alliance district program (renamed educational reform districts and legacy alliance districts) (§§ 14-16).

EFFECTIVE DATE: July 1, 2024, except the provisions on (1) changing to the ECS funding schedule, increasing the charter school grant, and placing charter schools under the educational interests of the state are effective July 1, 2023, and (2) SDE's duty to calculate estimates of the choice grants and creating the commission are upon passage.

§ 1 — ECS GRANT SCHEDULE

By law, the ECS grant has a multi-year schedule with incremental increases for towns that are underfunded and incremental decreases, or years with no change in funding, for overfunded towns.

When determining ECS grant increases or decreases, the formula uses a town's "grant adjustment," which is the absolute value of the difference between a town's ECS grant amount for the previous year and its fully funded grant amount. So, for underfunded towns, the grant adjustment is the amount needed to be fully funded; for overfunded towns, it is the amount the town is funded in excess of its fully funded grant.

Under current law, underfunded towns receive ECS funding increases in each of FYs 24-27 and are fully funded in FY 28. Under the bill, these towns receive the existing scheduled increase for FY 24 (the previous year's amount plus 20% of its grant adjustment). In FY 25, the bill begins fully funding these towns each year, rather than giving the previous year's amount plus a certain percentage of its grant adjustment.

Under the bill, the scheduled ECS reductions for overfunded towns are not changed and towns that are alliance districts, if overfunded, continue to be funded at the same level. (Beginning in FY 25, the bill renames alliance districts, as "legacy alliance districts" and "educational reform districts" (see §§ 14-16, and BACKGROUND).)

Some towns are overfunded due primarily to the years when the state froze the level of funding for all towns even when some towns' student enrollment dropped. A town with declining enrollment generally receives less funding when the formula is updated with new enrollment figures.

§ 2 — CHOICE PROGRAM GRANTS

Beginning with FY 25, the bill annually provides choice program grants for vo-ag centers, the Open Choice program, and two different interdistrict magnet school grants, based on who is operating the magnet school. The state's vo-ag centers serve high school students from multiple sending towns and provide an agricultural career education in addition to the comprehensive high school education. Open Choice is an interdistrict enrollment program that allows students in urban centers to attend school in suburban districts and vice versa.

One magnet school grant is for school board-operated magnets and the other is for operators that are not school boards, such as an independent institution of higher education.

Grant Student Weights

For choice program grants, the bill creates the choice program grant formula, which applies weights for certain students, such as whether the students are (1) from families that qualify for FRPM or (2) English language learners.

The weights increase the grant amounts for those students because the grant amount is produced by multiplying the need student number by the foundation number. For example, the bill provides for a 30% weighting for student poverty (i.e., students that qualify for FRPM) for each of these grants. If 100 students from a district qualify, then, for grant purposes, those students count as 130 students. This increases the grant as the weighted number becomes the new student number that is multiplied by the foundation amount (see below).

Host Magnet and Vo-Ag Grants

Under the bill grants for the magnets operated by a school board (i.e., a host magnet) and vo-ag center use similar factors.

Beginning with FY 25, the magnet operator or the vo-ag center get grants that are the sum of (1) the sending town adjustment factors for each sending town added together and (2) the number of in-district students for the choice program multiplied by the applicable per-student grant amount (magnet or vo-ag). The sending town is the student's town of residence that would otherwise be responsible for educating the student.

Sending Town Adjustment Factor. The sending town adjustment factor is the number of the town's resident choice program students multiplied by the greater of the sending town's (1) weighted funding amount per pupil or (2) total revenue per pupil. The "weighted funding amount per pupil" is (1) the foundation amount multiplied by a town's total need students for the fiscal year before the grant payment year and (2) the resulting product is divided by the number of a town's resident students. The "total revenue per pupil" is the combined per-pupil amount of state grants and tuition received for choice students for FY 24. This means the FY 24 amounts become the hold harmless minimum for these grants.

Additional Definitions

Additionally, the bill defines the following terms for purposes of the new grants:

1. the "foundation" amount is \$11,525, which is the same as in ECS law, although the bill includes an annual personal income or inflation adjustment for magnet school operators that are not a board of education, see below;
2. "total need students" means a (a) student poverty weighting (as under ECS law) of 30% of students eligible for FRPM plus 15% of any FRPM-eligible students above 60% of the total number of resident students and (b) 25% of the number of students

identified as English language learners;

3. “resident students” means generally the number of students in a town enrolled in its public schools at the town’s expense as of October 1 of each year (as under the ECS law); and
4. “resident choice program students” means the number of part-time and full-time students of a town enrolled or participating in a particular choice program.

Non-Board of Education Magnet Schools

For this grant, a magnet school operator is defined as an entity that is (1) not a board of education (presumably, this includes regional educational services centers (RESCs)); (2) a nonprofit private institution of higher education that has its main campus in the state; or (3) a third-party nonprofit corporation that the education commissioner approves. Under the bill, starting in FY 25, these operators are entitled to a grant that equals the product of the foundation and its total magnet school program need students, with the added requirement that the grant cannot be less than the magnet operator received for the total revenue per pupil for FY 24 (this is similar to the total revenue per pupil hold harmless provision included in the “sending town adjustment factor” mentioned above).

The bill creates a formula for calculating total magnet school program needs students that (1) counts full- and part-time students at the magnet schools, (2) generally uses the ECS student weighting percentages, and (3) includes a *Sheff* region additional student weighting. The foundation component for this grant also has an annual cost-of-living factor that potentially increases the foundation from one year to the next.

Student Weighting. The student need weighting reflects the ECS formula weighting as follows: (1) student poverty weighting is 30% of students eligible for FRPM plus an additional 15% of any FRPM-eligible students above 60% of the total number of resident students and (2) a 25% weighting for the number of students who are identified English language learners.

The bill adds additional student weighting for magnet schools that are helping the state meet its obligations under the *Sheff v. O'Neill* desegregation court decision and related agreements or orders (see BACKGROUND). This additional weighting is reduced over a six-year period from an initial 30% to 20% as shown in the table below.

Table: Additional Weighting for Students Attending *Sheff* Magnets

<i>FY</i>	<i>Weighting Percentage</i>
25	30%
26	28%
27	26%
28	24%
29	22%
30 and beyond	20%

Foundation Annual Adjustments Starting in FY 26 for Magnet Schools. The bill adds a foundation cost-of-living increase for magnet school operators that are not a local or regional board of education, based on the annual percent increase in personal income or inflation, whichever is greater, starting in FY 26. For FY 26, the cost-of-living adjustment is \$11,525, adjusted by the appropriate annual percent increase, and for FY 27 and each following year, it is the previous year's amount adjusted by the appropriate annual percent increase.

The bill uses the following statutory definitions for these terms:

1. "increase in personal income" is the compound annual growth rate of personal income in Connecticut over the previous five calendar years, using federal Bureau of Economic Analysis data; and
2. "increase in inflation" is the increase in the consumer price index for all urban consumers, for all items except food and energy, during the prior year, using federal Bureau of Labor Statistics data (CGS § 2-33a).

Open Choice Program

Under the bill, beginning in FY 25, any receiving district that accepts students in the Open Choice program will be entitled to a grant in the amount of the sum of the sending town adjustment factor for each sending town.

§ 3 — ECS, CHOICE PROGRAM, AND CHARTER SCHOOL GRANT ESTIMATES

The bill tasks SDE, starting by February 1, 2024, with annually calculating and giving the relevant operators or towns estimates for the following grants for the next fiscal year:

1. each choice program grant established under the bill (SDE must notify each local and regional board of education and magnet school program operator that is not a local or regional board of education) and
2. fully funded ECS grants (SDE must notify each town).

The bill also requires SDE, annually starting by February 1, 2024, to (1) calculate the product of the foundation and the total charter need students for each state charter school fiscal authority for the next fiscal year and (2) notify each fiscal authority of the result.

For each of these calculations, the bill requires SDE to calculate estimates for the next fiscal year using data collected during the current one.

§§ 4 & 5 — ELIMINATING CURRENT MAGNET SCHOOL GRANT PROGRAMS AND TUITION

The bill eliminates, beginning with FY 25, the existing per-student magnet school grants and replaces them with the grants created in the bill (see § 2). Under current law, a magnet school generally receives a \$3,060 grant for each student from the district that hosts the school (home district) and, depending on the type of magnet school, one of the grants listed in the table below for students from sending towns. In addition to repealing the \$3,060 grant for host district students, the bill

repeals all the magnet school grants shown in this table for students from sending districts.

Table: Magnet School Grants Repealed Under the Bill

<i>Type of Magnet</i>	<i>Bill §</i>	<i>Current Law Amount for Sending Students</i>
Non-Sheff host magnet	4(c)(1)	\$7,227
Non-Sheff RESC magnet with less than 55% enrollment from one town	4(c)(3)(A)	8,058
Non-Sheff RESC magnet with 55% or more of enrollment from one town	4(c)(3)(B)	7,227
RESC magnet that began operations in the 2001-2002 school year and meets certain other criteria (i.e., former Edison Magnet in Meriden)	4(c)(3)(C)(ii)	Maximum 8,344 (lower for some students depending on certain factors, such as where they live)
Sheff host magnet	4(c)(3)(F)	13,315
RESC magnet enrolling less than 60% of its students from Hartford (i.e., Sheff magnet)	4(c)(3)(D)(i)	10,652
RESC magnet enrolling less than 50% of its students from Hartford (i.e., Sheff magnet)	4(c)(3)(D)(ii)	8,058 (for half of the non-Hartford students enrolled over 50% of total enrollment) 10,652 (for all the other students)
Magnet operated by independent institution of higher education and that meets certain criteria (Goodwin University)	4(c)(3)(E)	65% of the 10,652 grant for students enrolled in both semesters each year 32.5% of 10,652 for those enrolled in one semester a year
Greater Hartford Academy of the Arts	4(c)(3)(H)	65% of 8,058 (the grant for RESC magnets with less than 55% from a single town)

The bill specifies that beginning with FY 25 magnet school operators are entitled to the new grant as determined under the bill (see § 2).

Tuition Ban and Exception to the Ban

Starting in FY 25, the bill generally prohibits magnet schools from charging tuition to the towns that send students to the magnets for grades K to 12. This applies to all the magnet operators: (1) local or regional boards of education; (2) RESCs; (3) independent higher education institutions; and (4) any third-party, nonprofit corporation the education commissioner approves.

Beginning with FY 26, the bill allows any magnet school operator that is not a board of education (i.e., a RESC, independent higher education institution, or approved nonprofit) to charge tuition to a sending town's board of education if the operator's state grant under the bill is not calculated using the foundation number adjusted for an increase in personal income or inflation, as the bill requires. However, the tuition cannot exceed the difference between the amount the operator would be entitled to receive under the bill using the foundation adjustment calculation and the amount they will receive. (The bill does not require SDE to notify magnet school operators when the income/inflation adjustment is not made, so it is unclear how they would know they are authorized to charge tuition.)

Whenever one of these operators opts to start charging tuition, it must notify SDE of the (1) per-student and total tuition charged for the fiscal year, (2) total amount charged to each sending town, and (3) school boards for the sending towns that were charged.

The bill requires SDE to annually develop a report of the tuition charged and submit it annually to the Appropriations and Education committees by January 1.

Magnet Students and ECS

Under the bill, magnet school students are counted in the town where they reside for the student count for ECS grants, which codifies current practice.

§ 6 — CHARTER SCHOOL GRANT INCREASES

The bill increases the per-student state charter school grant for FYs 24 and 25, with state charters receiving full funding in FY 25. By law, the grants go to the charter school's governing authority.

Charter Grant Factors

By law, the state charter grant has the same student need weighting percentages with the same factors (FRPM and English learner status) that are used in existing ECS law and in the bill for choice grants.

Under current law, the increase in the state grant is a percentage of a school's charter grant adjustment, which is the absolute value of the difference between the (1) foundation (\$11,525) and (2) charter full weighted funding per student for the state charter schools under a governing authority's control for the school year.

The "charter full weighted funding per student" is a value calculated as (1) the product of the total charter need students and the foundation, divided by (2) the number of enrolled students under the charter school governing authority's control for the school year.

Grant Increases

The current (FY 23) per-student grant for charter school governing authorities is the foundation amount plus 25.42% of its charter grant adjustment. Under the bill, the per-student grant is:

1. for FY 24, the foundation plus 36.08% of its charter grant adjustment and
2. for FY 25 and each year after, the product of the foundation and the school's total charter need students (i.e., full funding under the formula).

Foundation Annual Adjustments Starting in FY 26 for Charter Schools. The bill adds a foundation cost-of-living increase for charter school governing authorities based on an annual percent increase in personal income or inflation, whichever is greater, starting in FY 26 and

for each following year (this is the same method for non-board of education magnet school annual adjustments in § 2).

§§ 7-9 — ELIMINATING CURRENT VO-AG CENTER GRANTS AND TUITION

Beginning with FY 25, the bill repeals the current \$5,200 per-student state grant for vo-ag centers and replaces it with the vo-ag choice grant the bill creates (§ 2). The bill also repeals related supplementary grants for vo-ag centers ranging from \$60 to \$500 per student.

Under current law, a vo-ag center can charge the sending towns tuition for the students they send to the program, but it caps tuition at 59.2% of the foundation (\$11,525) used for ECS, resulting in a maximum tuition of \$6,823. The bill prohibits a vo-ag center from charging this tuition starting July 1, 2024. However, it maintains a current provision that allows tuition for educating special education students but only if, and in the amount, the cost exceeds the state grant received for the student under the bill.

The bill repeals the requirement that a sending district provide students in their district an equivalent number of seats from one year to the next to enroll in the vo-ag program. Current law requires the districts to (1) make available at least the same number of seats as stated in any written agreement or, in the absence of one, the average number enrolled over the last three years and (2) specifically for each ninth-grade class, make available either the agreement number or the average number who enrolled in ninth grade in the last three years.

The bill also (1) repeals the mandate on districts that send students to a vo-ag program to pay tuition and (2) specifies that for a town's student count for the ECS grant, a student enrolled in a vo-ag center is counted in the town where the student resides, which codifies current practice.

§ 10 — ELIMINATING CURRENT OPEN CHOICE GRANT SCHEDULE

Beginning in FY 25, the bill replaces the current Open Choice grant schedule with the grant created in the bill (§ 2). Open Choice is a

voluntary inter-district attendance program that allows students generally from the Hartford, New Haven, and Bridgeport districts to attend suburban school districts, and vice versa, on a space-available basis. SDE provides a per-student grant for school districts that receive Open Choice students.

Under current law, the grants range from \$3,000 to \$8,000 per student, with larger grants for districts that enroll a higher percentage of Open Choice students. For example, a district receives \$3,000 per student if Open Choice students are less than 2% of its student population. The grant amount increases incrementally until, at the highest amount, a district receives \$8,000 per student if Open Choice students are at least 4% of the student population.

The bill relatedly repeals the additional \$2,000 per-student grant given to receiving school districts for each out-of-district student who resides in the Hartford region (i.e., the *Sheff* region) and attends school in a receiving district under the program (see BACKGROUND).

§ 11 — COMMISSION TO STUDY EDUCATION FUNDING AND ACCOUNTABILITY MEASURES

The bill creates the Building Educational Responsibility with Greater Improvement Networks Commission to study various educational issues including funding for local school districts, charter schools, and magnet schools as provided under the bill (§ 2) and accountability measures for alliance districts (educational reform districts and legacy alliance districts, under the bill) and charter schools.

The commission study must be presented in two separate parts. The first part examines school district, charter school, and magnet school funding entitlements and must include, at a minimum:

1. the compensation, benefits, retention, and recruitment of teachers, paraprofessionals, and social workers;
2. restrictions on the use of, and reporting requirements for, any additional funds received under the bill, both ECS funds and the new grants; and

3. optimal class sizes.

The second part of the study focuses on alliance districts and charter schools.

For alliance districts, the study must, at a minimum, include an analysis of how school boards develop alliance district plans and how they are reviewed and approved by the education commissioner, and recommendations for narrowing the focus of or replacing the plans. The study must also consider the following:

1. possibly eliminating the withholding of a portion of an alliance district's ECS grant,
2. the feasibility of creating independent financial audits of the expenditures under the entire budget of an alliance district's school board,
3. the feasibility of requiring alliance district school boards to hold hearings on interventions and make annual evaluations of any new programming established in the school district,
4. setting guidelines for the hiring of nonclassroom personnel, and
5. interventions that SDE may take in regard to the operations in an alliance district.

For charter schools, the study must include, at a minimum:

1. the feasibility of a full grade expansion of existing charters, including grade expansion;
2. an examination of the impact of moratoriums on any new charter school approval, as well as new magnet school program approval; and
3. a consideration of the duration of a charter's validity and the State Board of Education's (SBE) standards used to determine whether to renew a charter.

Task Force Membership

Under the bill, the education commissioner and the Office of Policy and Management secretary, or their respective designees, are members. The table below shows the 16 additional members, what authority appoints them, and any required organizational affiliations.

Table: Task Force to Study Education Funding Membership and Appointing Authority

Appointing Authority (Appointments)	Member Organization or Position
House speaker (three)	<ul style="list-style-type: none"> • Connecticut Association of Public School Superintendents representative • Connecticut Council of Administrators of Special Education representative • RESC Alliance representative
Senate president pro tempore (three)	<ul style="list-style-type: none"> • Connecticut Association of Boards of Education representative • Special Education Equity for Kids representative • Center for Children’s Advocacy representative
House majority leader (three)	<ul style="list-style-type: none"> • Connecticut School Counselor Association representative • Connecticut Education Association representative • Superintendent of an alliance district
Senate majority leader (three)	<ul style="list-style-type: none"> • American Federation of Teachers-Connecticut representative • ConnCAN representative • School and State Finance Project representative
House minority leader (two)	<ul style="list-style-type: none"> • Connecticut Association of School Administrators representative • Connecticut Association of School Business Officials representative
Senate minority leader (two)	<ul style="list-style-type: none"> • Connecticut Charter School Association representative • Executive director of an agricultural science and technology education center

Organizational Matters and Report Deadline

The bill requires all initial commission appointments to be made within 30 days after the bill’s effective date and any subsequent vacancy to be filled by the appointing authority. The House speaker and Senate president pro tempore must select the chairpersons from among the

commission members.

The bill requires the chairpersons to schedule the commissioner's first meeting, which must be held within 60 days after the bill's effective date. The Education Committee's administrative staff must serve as the task force's administrative staff.

The commission must submit the first part of its study, with findings and recommendations, to the Education and Appropriations committees by February 1, 2024. It must submit the second and final part of the study to the Education Committee by January 15, 2025.

It terminates when it submits the last report or July 1, 2025, whichever is later.

§§ 12 & 13 — CHARTER SCHOOLS AND THE EDUCATIONAL INTERESTS OF THE STATE

By law, charter schools are required to follow all federal and state laws governing public schools, with limited exceptions. The bill explicitly adds that state laws governing public schools includes the educational interests of the state. It also allows complaints to be brought to SBE in situations where a resident or a parent alleges the failure or inability of a charter school to implement the educational interests of the state. This complaint provision currently applies to local and regional boards of education.

The existing exceptions allow (1) charter schools to seek an enrollment lottery waiver from SBE to pursue a school that has a special student body such as (a) students with a history of behavioral and social difficulties, (b) English language learners, or (c) students of a single gender and (2) the commissioner to waive certain teacher certification requirements for charter school staff.

Educational Interests of the State and Complaint Process

By law, the educational interests of the state include the requirement to implement the educational state mandates and that each:

1. child must have equal opportunity to receive a suitable program of educational experiences as prescribed in law;
2. school district must finance, at a reasonable level at least equal to the minimum budget requirement required by state law, an educational program designed to provide suitable educational experiences; and
3. school district shall provide educational opportunities for its students to interact with students and teachers from other racial, ethnic, and economic backgrounds and may provide these opportunities with students from other communities.

Complaints must be made to SBE in writing and SBE may initiate a complaint on its own. If after an investigation, during which the school board or charter school is given the opportunity to present its case, SBE can require the school board or charter to develop and plan to address the situation or take other reasonable steps.

§§ 14-16 — RENAMING THE ALLIANCE DISTRICTS

Beginning in FY 25, the bill renames the alliance districts and revises the alliance district program. The term “educational reform district” replaces “alliance district” and the bill reduces the number of districts with this designation from 36 to 20. Also, “legacy alliance district” means a school district for a town that was designated as an alliance district for the fiscal years ending June 30, 2013, to June 30, 2024, inclusive. This means the legacy alliance districts include all the educational reform districts and the 16 other districts that are no longer designated alliance districts.

Under current law, an alliance district is a school district that is among the towns with the 33 lowest accountability index (AI) scores as calculated by SDE. Additionally, the law required the education commissioner to designate 36 alliance districts for the five-year period from FYs 23-27. (The additional three included were the three districts that had been in the 33 lowest, but with the last AI scores, they were no longer among the 33 lowest.)

The bill requires the education commissioner to designate as educational reform districts the districts among the towns with the 20 lowest AI scores for two-year period, beginning with FY 25. It also repeals the current definition of “educational reform district,” which is an alliance district that is among the 10 lowest AI scores in the state.

Under this program, the comptroller withholds from an alliance district town any increase in ECS funds that exceed the amount the town received in 2012 (the year the program began). But, for districts designated as alliance districts for the first time for FY 23, the comptroller must withhold ECS funds over the FY 22 amount. The comptroller transfers the money to the education commissioner to withhold until she approves the district’s alliance district application and plan to improve academic performance.

Under the bill beginning with FY 25 and for each following year, the amount withheld for the 20 educational reform districts will be the amount of ECS funds they are entitled to that exceed the amount the town received in 2012. The 16 districts that are no longer designated as alliance districts will not have funds withheld.

Existing law requires the alliance districts to spend their alliance funds (1) according to the plan submitted with the application; (2) on the minority candidate certification, retention, and residency program; (3) on ECS spending requirements; and (4) for any other items allowed under SDE guidelines.

The bill also allows a school district that has not been designated an educational reform district, but is among the 50 towns with the lowest AI scores, to request technical assistance or other interventions from SDE in order to provide student academic support services.

Conforming Changes for ECS and PILOT Funds (§§ 15 & 16)

The bill makes conforming changes by making the same name change to two laws that reference alliance districts (and otherwise keeps the provisions unchanged):

1. the ECS funding provision that requires a town designated as a legacy alliance district or an educational reform district to have a minimum base aid ratio of 10%, guaranteeing a minimum amount of aid; and
2. the payment in lieu of taxes (PILOT) provision for a town designated as a legacy alliance district or an educational reform district.

BACKGROUND

Related Bills

sSB 1028 (File 440), favorably reported out by the Education Committee, sunsets one targeted magnet school grant.

sSB 1, favorably reported out by the Education Committee, removes the five-year term on the alliance district designation and allows for the designation of additional alliance districts.

Accountability Index Score

The “accountability index score” for a school district or an individual school is the score resulting from multiple weighted measures that (1) include the mastery test scores (i.e., the performance index score) and high school graduation rates and (2) may include academic growth over time, attendance and chronic absenteeism, postsecondary education and career readiness, enrollment in and graduation from higher education institutions and postsecondary education programs, civics and arts education, and physical fitness (CGS § 10-223e(a)).

Sheff v. O’Neill State Supreme Court Decision

In this 1996 decision, the Connecticut Supreme Court ruled that the state had a constitutional obligation to remedy the educational inequities in the Hartford schools caused by racial and ethnic isolation (*Sheff v. O’Neill*, 238 Conn. 1 (1996)). The court ordered the state legislature and the governor to craft a solution and legislation was passed to create voluntary desegregation in Hartford by creating magnet schools and using other programs, such as Open Choice.

Sheff Region

This region includes the school districts for the towns of Avon, Bloomfield, Canton, East Granby, East Hartford, East Windsor, Ellington, Farmington, Glastonbury, Granby, Hartford, Manchester, Newington, Rocky Hill, Simsbury, South Windsor, Suffield, Vernon, West Hartford, Wethersfield, Windsor, and Windsor Locks.

COMMITTEE ACTION

Education Committee

Joint Favorable Substitute

Yea 44 Nay 0 (03/24/2023)