

## SUMMARY OF THE BUDGET FOR THE CONNECTICUT STATE DEPARTMENT OF EDUCATION FOR FISCAL YEARS 2020 AND 2021

June 26, 2019

With Governor Ned Lamont's signature on June 26, 2019, the biennial state budget for fiscal years 2020 and 2021, which was passed by the Connecticut General Assembly earlier in the month, has officially been enacted.<sup>1</sup> Under the new budget, the Connecticut State Department of Education's (CSDE) budget is increased by \$56 million (1.9 percent) in FY 2020 over estimated FY 2019 expenditures.<sup>2,3</sup> The CSDE's budget is further increased by an additional \$51.5 million (1.7 percent) in FY 2021, over FY 2020 funding levels, resulting in a \$107.5 million (3.6 percent) increase in CSDE funding over the biennium.<sup>4</sup>

When comparing the CSDE's budget for FY 2020 to FY 2019, there are a number of significant increases in funding of \$1 million or more, including increases of:

- \$37.6 million for the Education Cost Sharing (ECS) grant;<sup>5</sup>
- \$7.8 million for magnet schools;<sup>6</sup>
- \$5 million for the Connecticut Technical Education and Career System;<sup>7</sup>
- \$3.7 million for state charter schools;<sup>8</sup>
- \$1.6 million for the Open Choice program;<sup>9</sup>
- \$1 million for the vocational agriculture program;<sup>10</sup>
- \$1 million for after school programs.<sup>11</sup>

The biennial state budget also features a number of modifications to existing appropriations, including:

- A transfer of \$6.3 million from the Priority School District appropriation to new appropriations named School Accountability (\$3.4 million) and Extended School Hours (\$2.9 million);<sup>12</sup>
- The creation of a new *Sheff* Transportation appropriation that is funded with transfers from the Magnet School appropriation (\$30.1 million), the Open Choice program (\$13.9 million), and the *Sheff* Settlement account (\$800,000);<sup>13</sup>
- The renaming of the K-3 Reading Assessment Pilot appropriation into the new Curriculum and Standards appropriation, which maintains level funding of \$2.2 million;<sup>14</sup> and
- The renaming of the Longitudinal Data Systems appropriations into the new EdSight appropriation, which maintains level funding of \$1.1 million.<sup>15</sup>

**Note: This summary should not be construed as either supporting or opposing any of the budget provisions and/or changes detailed in this document. Additionally, this summary is not meant to be an exhaustive analysis of the biennial state budget for fiscal years 2020 and 2021. As a result, programs or resource transfers possibly impacting K-12 education in Connecticut that are found under other state agency budgets or funds have not been analyzed or included in this summary.**

## Enacted Budget Implementer Language for FYs 2020 and 2021 for the Connecticut State Department of Education<sup>16</sup>

The following table summarizes implementer language contained in the biennial state budget that may impact the operations of the CSDE.

Bill	Section(s)	Summary	Possible Financial Impact <sup>A</sup>
Public Act 19-117: An Act Concerning the State Budget for the Biennium Ending June Thirtieth, 2021, and Making Appropriations Therefor, and Implementing Provisions of the Budget	11(a) and 12	The Office of Policy and Management (OPM) is empowered to reduce executive branch appropriations by \$29 million in FY 2020 and \$26.2 million in FY 2021. ECS reductions are prohibited.	\$29 million in General Fund savings in FY 2020 and \$26.2 million in General Fund savings in FY 2021. This has the potential to impact the CSDE budget to the extent the governor reduces CSDE appropriations.
“	13	OPM is empowered to achieve statewide hiring savings of \$7 million in both FY 2020 and FY 2021.	\$7 million in General Fund savings in FY 2020 and FY 2021. This has the potential to impact the CSDE budget to the extent the governor reduces CSDE appropriations.
“	67	Requires the Connecticut Board of Regents to waive tuition and fees for Ansonia High School students who participate in the College Connections program at Derby High School.	\$25,000 in additional General Fund costs.
“	183-189	Establishes the Partnership for Connecticut, Inc. as a nonprofit corporation funded with a contribution of philanthropic and state monies. The purpose of the corporation is to strengthen public education in Connecticut and promote upward mobility for at-risk high school-aged youth, among others.	Up to \$20 million annually in additional General Fund costs to be funded after matching philanthropic contributions are made between FY 2020 to FY 2024.
“	229	Requires OPM to promote and facilitate “the most efficient, high-quality, and	Budget Neutral. Funding is provided from a reallocation of funds in the municipal reimbursement

<sup>A</sup> The possible financial impact column estimates how each provision impacted the FY 2020-FY 2021 biennial budget current services deficit.

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		cost-effective" special education service delivery.	and revenue account including a reduction of funds to support the uniform chart of accounts.
"	248	Modifies the After School Program grants that are distributed annually by the CSDE by allowing the CSDE to make awards to a combination of eligible entities. Beginning in FY 2020, and each year thereafter, the CSDE is required to award at least 10% of the funds appropriated for the After School Program to municipalities or boards of education with a population of 7,500 or less.	Budget neutral to the state. May impact municipalities that were previously awarded After School Program grants from the CSDE.
"	249	Expands the required list of items that must be contained in the uniform chart of accounts developed by the CSDE to include federal impact aid received by a local or regional board of education, Regional Education Service Center, charter school, or charter management organization.	Budget neutral.
"	250	Requires the CSDE to provide a minimum budget requirement (MBR) calculation worksheet to each school district in the state. The CSDE is also required to post these worksheets on its website.	Budget neutral.
"	251-256	Transfers responsibility for administering the Youth Service Bureaus grant from the CSDE to Department of Children and Families.	Budget neutral.
"	261	As in prior years, allows the CSDE to continue to make <i>Sheff</i> magnet transportation grants and supplemental	\$30 million cost to the General Fund in FY 2020 and a \$30.5 million cost to the General Fund in FY 2021. Please note the

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		transportation grants. Rather than legislatively extend these grants for a two-year period, this bill provides such authority to the CSDE indefinitely.	biennial budget created a separate magnet school transportation appropriation to isolate the expense of magnet school transportation from magnet school per-pupil grant expenditures.
"	264	Extends the statutory cap on the appropriation for adult education programs.	Approximately \$2 million in General Fund savings in FY 2020 and \$2.2 million in General Fund savings in FY 2021.
"	265	Extends the statutory cap on the appropriation for bilingual education.	Budget neutral.
"	266	Extends the statutory cap on the appropriation for school districts' special education costs for public agency-placed students under an order of temporary custody.	General Fund savings are included in section 267's fiscal impact.
"	267	Extends the statutory cap on the appropriation for school districts' excess special education cost appropriation.	\$62.3 million in General Fund savings in FY 2020 and \$68.6 million in General Fund savings in FY 2021.
"	268	Extends the statutory cap on the appropriation for excess regular education costs for state-placed children education by private residential facilities.	General Fund savings are included in section 267's fiscal impact.
"	269	Extends the statutory cap on the appropriation for health grants for private nonprofit schools.	\$3.5 million in General Fund savings in FY 2020 and \$3.6 million in General Fund savings in FY 2021.
"	270	Increases the maximum per-student interdistrict operating magnet school grants for all students by 2% beginning in FY 2020. Maintains the CSDE's authority to limit grant payments to magnet schools based on the school's lowest enrollment from 2013 to 2018 as of October 1 of each year.	\$6 million annual General Fund cost in FY 2020 and FY 2021.

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		Reauthorizes the CSDE to determine if a magnet school is eligible for the per-pupil operating grant depending on whether the school is meeting reduced-isolation setting student enrollment standards.	
“	271	Reauthorizes and makes adjustments to the MBR for FY 2020 and FY 2021. Provides new criteria for when MBR reductions can be made and delineates the type of efficiencies the commissioner of the CSDE can recognize through documentable cost savings. Maintains an exemption from the MBR for those districts that are in the top 10 of the accountability index and continues to provide that Alliance Districts cannot reduce their MBR.	Budget neutral to the General Fund. May result in cost savings to local and regional school districts.
“	272	For the purposes of calculating a school district's MBR, redefines aid increase and aid decrease of education equalization aid (ECS) to the prior FY's grant amount rather than referring to grants received in FY 2018 and FY 2019.	Budget neutral to the General Fund.
“	273-284	Delays the transition of the Technical Education and Career System from the CSDE to an independent agency.	\$864,331 in General Fund savings in each FY 2020 and FY 2021.
“	285	Increases from 1% of a municipality's budgeted appropriation to 2% of a municipality's budgeted appropriation, the amount of unexpended education dollars that can be deposited by a municipality in a non-	Budget neutral to the General Fund. May result in cost savings to local or regional school districts.

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		lapsing account and carried forward for utilization in future years.	
“	286	Waives the FY 2019 MBR penalty for the Town of Plymouth if the town increases its appropriation in FY 2020 in an amount equal to its FY 2019 MBR penalty.	Possibly precludes a cost savings to the General Fund in the upcoming biennium.
“	287	Allows the Town of Portland to reduce its MBR in FY 2019 in an amount equal to the documentable savings achieved in FY 2018. The reduction is capped at no more than 0.5% of its budgeted appropriation in FY 2017.	Possibly precludes a cost savings to the General Fund in the upcoming biennium.
“	288	Reduces the penalty for non-compliance of the MBR in FY 2019 from double the shortfall to the appropriation shortfall. The forfeiture of ECS grants equal to the appropriation shortfall will impact a municipality's FY 2021 grant.	Reduces an indeterminate cost savings to the General Fund in FY 2021 if a municipality were to not comply with the MBR.
“	289	Allows the Region 14 school district to receive excess cost reimbursement from the CSDE for costs incurred in FY 2019 irrespective of statutory grant application deadlines.	Budget neutral to the General Fund. Will impact excess cost grant reimbursements to municipalities.
“	290	Requires each local and regional board of education to post current and projected expenses and revenue on its website and to submit a copy of said information to the municipal legislative body or board of selectmen. Such dissemination of information must be presented quarterly.	Budget neutral to the General Fund.

## Endnotes

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<sup>1</sup> Conn. Acts 19-117.

<sup>2</sup> Ibid.

<sup>3</sup> Connecticut General Assembly, Office of Fiscal Analysis. (2019). *OFA Expenditure Detail: June 2019*. Hartford, CT: Author. Retrieved from [https://www.cga.ct.gov/ofa/Documents/year/PROJ/2019PROJ-20190625\\_June%2025,%202019%20Expenditure%20Detail.pdf](https://www.cga.ct.gov/ofa/Documents/year/PROJ/2019PROJ-20190625_June%2025,%202019%20Expenditure%20Detail.pdf).

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

<sup>9</sup> Ibid.

<sup>10</sup> Ibid.

<sup>11</sup> Ibid.

<sup>12</sup> Conn. Acts 19-117.

<sup>13</sup> Ibid.

<sup>14</sup> Ibid.

<sup>15</sup> Ibid.

<sup>16</sup> Ibid.