

House Bill 5283, *An Act Concerning the Education Cost Sharing Grant Formula and the Funding of Other Education Programs*, contains several provisions that impact how state charter schools receive funding to support the education of students who attend their schools.

### Overview of H.B. 5283

- **Accelerates the Education Cost Sharing (ECS) formula's phase-in schedule and fully funds all districts** beginning in FY 2025 when one-time federal COVID relief funds expire;
- **Expands ECS weighted funding to students attending public schools of choice** (magnet schools, charter schools, Vo-Ag programs) while protecting funding for local public schools; and
- **Provides school districts the ability to leverage historic, but temporary, federal funding** for on-going expenses.

### Current Funding of State Charter Schools

- Currently, K-12<sup>th</sup> grade students who attend state charter schools are funded by a state grant.
- The state grant features a foundation amount of \$11,525 per student, plus 4.1 percent in FY 2022 and 14.76 percent in FY 2023 for a "charter grant adjustment" (a calculation that accounts for student need, similar to the weights in the ECS formula).
- State statute does not provide for state charter funding beyond FY 2023.
- Special education costs for students who attend a charter school are paid by the student's resident town.

### The following is a summary of the modifications proposed in H.B. 5283 to the current system.

- Section 7 of H.B. 5283 continues the phase-in of the charter school weighted grant formula based on student need into FY 2024, as detailed in lines 1091-1095.
- H.B. 5283 provides full funding of the charter school weighted grant formula in FY 2025 and future years (lines 1096-1099).
  - The bill provides annual increases to the charter foundation level beginning in FY 2026 and annually thereafter (lines 1067-1072)
    - This results in charter schools receiving increased grants annually in an amount equal to the five-year average growth in personal income or inflation, whichever is higher (lines 1067-1072).

- This spending growth metric is one that has been historically used by the State of Connecticut, most notably with the state spending cap.
  - In FY 2026, the Office of Policy and Management estimates this growth will be 3.5%.
- The bill establishes a task force in Section 11 to study accountability related to the increased funding entitled under the act.
    - To the extent that the task force recommends, and the General Assembly enacts, changes to the state's current accountability standards and processes, state charter operators may be impacted.