

House Bill 5283, *An Act Concerning the Education Cost Sharing Grant Formula and the Funding of Other Education Programs*, includes changes that impact the Education Cost Sharing (ECS) grant for towns.

### 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 Education Cost Sharing (ECS) Formula & Phase-In

- ECS formula was adopted by the legislature in 2017, and began its planned 10-year implementation in FY 2019.
- ECS is the method the State of Connecticut uses to distribute approximately \$2 billion annually in state education aid to local and regional public school districts.
- On its current schedule, towns receiving increases in their ECS grants will be fully phased-in by FY 2028, while towns receiving decreases to their ECS grants are to be phased-out to their full funding grant by FY 2030.
- Towns' ECS grants are impacted by the following factors: 2017 ECS funding level; town's resident student count; number of students eligible for free or reduced-price lunch; eligibility for concentrated poverty weight; number of English Learner students; amount of taxable property in the town (ENGLPC); town median household income; Alliance District status; and more.

**The following is a summary of the modifications proposed in H.B. 5283 to the current system. All changes would go into effect on July 1, 2024.**

- ECS funding would be fully phased-in by FY 2025. All towns that are receiving increases in ECS ("underfunded" towns) would receive their full ECS grant effective July 1, 2024.
- H.B. 5283 makes **no changes** to towns that are overfunded, according to the ECS formula, and are receiving reductions in their annual ECS grants.
- Lines 59-83 implement technical changes to the ECS phase-in schedule for FYs 2023-24 such that the grant adjustment value is based off the prior fiscal year and not the 2016-17 base grant amount. These changes will mean towns will no

longer be projected to receive grants over or under their fully-funded grant amount.

- Lines 84-143 ensure that beginning in FY 2025 and continuing through FY 2029, as well as every year after, districts scheduled to receive an increase in ECS funding receive their fully-funded grant amount, while districts receiving decreases will continue to be phased-out in a manner that ensures they are not projected to receive less than their fully-funded grant amount.
- Lines 144-150 ensure that beginning in FY 2030, each town will receive their fully-funded grant amount.
- Lines 154-156 revise the definition of the grant adjustment value to be based on a town's grant from the prior fiscal year, and not the 2016-17 base grant amount.