

### Key Components

- **Fully funds Education Cost Sharing (ECS) grants**, effective FY 2025
- **Fully funds interdistrict magnet, Vo-Ag, and state charter schools** based on student needs
- **Provides fiscal stability for districts by** eliminating tuition billing for magnet school operators and Vo-Ag programs, effective FY 2025 (does NOT include special education tuition)
- **Complements new Sheff agreement** by providing equitable funding to all districts and alleviating any negative financial impact sending districts may experience.

### Why Connecticut Needs Student-Centered Funding Now

- **Bridge The “Fiscal Cliff”:** Connecticut school districts have received an influx of over \$1.5 billion in federal COVID relief aid.
  - This has provided much needed relief in the face of a global pandemic and has *temporarily* reduced the racial funding gap.
  - Without additional state support, racial and economic disparities will persist.
  - The one-time nature of these funds makes it difficult for school districts to use them for meaningful, sustainable resources such as teachers and counselors.
  - If state aid is fully funded at the expiration of federal funding, districts can begin to put funds toward reoccurring expenses to help students now.
- **Reduce Economic Disparities:** Student-Centered Funding would reduce the \$725 million funding gap between higher-need districts (25% or more students receiving free or reduced-price lunch) and all other districts.
- **Reduce the Racial Funding Gap:** The proposal would also reduce the \$713 million funding gap between districts whose student populations are greater than 25% BIPOC and all other districts. In the last year, this gap has widened by \$74 million, and will continue to widen without changes to the education funding system.
- **Increased Funding Improves Student Outcomes:** Studies have repeatedly shown that additional funding improves student outcomes. Specifically, increases in per-student spending for economically disadvantaged children result in:
  - Higher test scores, graduation rates, and academic achievement
  - Additional years of completed education
  - Higher earnings for life
  - Reductions in the incidence of adult poverty

## **Student-Centered Funding & the New Sheff Agreement**

On March 21, 2022, a 10-year agreement was officially finalized in the *Sheff v. O'Neill* court case. The agreement marks an end to the decades-long Hartford-region school segregation case and requires the State to comply with the terms of a [Comprehensive School Choice Plan](#).

### **Student-Centered Funding does NOT interfere with the terms of the Sheff agreement.**

Instead, the Student-Centered Funding proposal would complement the new *Sheff* agreement by:

- Alleviating any negative financial impact sending districts may experience as a result of the agreement's expansion of magnet seats
- Addressing the funding needs of students and districts throughout Connecticut, including the *Sheff* region

## **Independent Analysis**

The nonpartisan Office of Fiscal Analysis (OFA) confirmed the impact of the Coalition's proposal after conducting a [study on S.B. 948](#) from the 2021 legislative session. This year's proposal builds on S.B 948 and the progress the General Assembly made last year.

### **• Key takeaways from OFA's analysis:**

- Report methodology and findings are aligned with the Coalition's modeling.
- Vast majority of school operators receive net positive fiscal impacts compared to current law.
- The proposal would meet the Coalition's goal of driving additional resources to the state's most under-resourced and highest-need students.
- Proposal would add \$375 million to the state budget in FY 23. However, our **current proposal calls for full funding in FY 25**, not FY 23 as modeled by OFA.
- OFA now has framework in place to efficiently model our new proposal.