

House Bill 5003, *An Act Concerning Education Funding in Connecticut*, contains several provisions that impact changes that impact the Education Cost Sharing (ECS) grant for towns.

Overview of H.B. 5003

- **Fully funds Education Cost Sharing (ECS) grants**, effective FY 2025
- **Expands ECS weighted funding to students attending public schools of choice** (magnet schools, charter schools, AgriScience programs, and the Open Choice program) while protecting funding for local public schools
- **Eliminates general education tuition billing** for magnet school operators and AgriScience programs, effective FY 2025
- **Maintains current schedule for towns receiving reductions in their ECS grants** with many of these districts seeing a net increase from the elimination of tuition and increased state aid for school choice programs.

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: prior year funding; 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. 5003 to the current ECS grant and formula. All changes would go into effect on July 1, 2024.

- ECS funding would be fully phased-in by FY 2025. All towns receiving increases in their ECS grant ("underfunded" towns) would receive their full ECS grant effective July 1, 2024.
- H.B. 5003 makes **no changes** to towns that are overfunded, according to the ECS formula, and are receiving reductions in their annual ECS grants.
- Lines 73-152 ensure that beginning in FY 2025, and continuing through FY 2029, districts scheduled to receive an increase in ECS funding would receive their fully-funded grant amount, while districts receiving decreases would continue to

be phased-out in a manner that ensures they are not projected to receive less than their fully-funded grant amount.

- Lines 153-159 ensure that beginning in FY 2030, each town will receive their fully-funded grant amount.