

House Bill 5212, *An Act Concerning Education Funding in Connecticut*, contains several provisions that impact how operators of Connecticut's Agricultural Science and Technology Education (ASTE) programs receive funding to support the education of students who attend their programs.

Overview of H.B. 5212

- **Protects \$150 million investment** in K-12 education for FY 2025
- **Maintains accelerated phase-in schedule** for Education Cost Sharing (ECS) grant and fully funds grant beginning in FY 2026
- **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
- **Fully funds ALL public school students**, according to their needs, effective FY 2026
- **Saves local districts tens of millions of dollars annually** by maintaining cap on general education tuition charged by magnet school operators and AgriScience programs in FY 2025 before eliminating tuition altogether in FY 2026

Current Funding of Students Who Attend ASTE Programs

- ASTE programs are operated by local and regional public school districts.
- Currently, students who attend an ASTE program are funded with the support of a state grant, as well as tuition that is billed by the ASTE operator to the district in which the student resides (sending district).
- The amount of state support is currently \$5,200 per student.
- The amount of per-student tuition billed by an ASTE operator is statutorily capped at 59.2% of the foundation amount in the ECS formula, or \$6,822.80 at the current foundation amount of \$11,525 for FY 2024. For FY 2025, the amount of tuition an ASTE operator can bill a sending district is capped at 58% of what the operator charged in FY 2024.
- Any special education costs for students who attend an ASTE program are billed to, and paid by, the sending district.
- In FY 2025, an additional \$7.2 million from the biennial budget's \$150 million Education Finance Reform line item is set to be distributed to ASTE operators to increase per-student grant amounts. However, there is no system for allocating these resources.

The following is a summary of the modifications proposed in H.B. 5212 to the current ASTE funding system.

- Section 2 of H.B. 5212 changes the way students who attend ASTE programs are funded, beginning in FY 2025. Rather than being supported with a flat per-student grant from the State plus tuition, the State will pay ASTE operators a choice program grant that is equal to the full weighted amount per student calculated using the ECS formula of the sending district, thereby reflecting the needs of the community where the student resides.
- This change is phased in over two years, with operators receiving 42% of the increase in FY 2025, and the full weighted amount in FY 2026.
 - Each sending town has a weighted funding amount per-student (lines 77-80) that is based on the general needs of the students in that town.
 - The formula begins with a foundation amount of \$11,525, or the cost to educate a student without additional learning needs (lines 10-24).
 - The foundation is then multiplied by the number of need students in a town. The result of this calculation is then divided by a town's resident student count to derive a weighted funding amount per-student (lines 77-80). The weighted need-student count of a sending district is calculated as follows:
 - The total number of students enrolled in the local or regional public school district, plus
 - 30% of the number of students who are eligible for free or reduced-price lunch (FRPL), plus
 - 15% of the number of students over the statutory threshold, who reside in a district with concentrated poverty, which is triggered when more than 60% of students qualify for FRPL, plus
 - 25% of the number of students who are multilingual learners.
 - Lines 153-164 detail the grant calculations for FY 2025, while lines 165-175 detail the grant calculations for FY 2026 and beyond.
 - For example: if X district receives \$12,000 per student under the ECS formula, and a student who resides in X district decides to attend an ASTE program operated by Y district, Y district would receive a \$12,000 grant from the State for each student from X district that exercised choice and attended Y district.
- The bill provides a hold harmless to all ASTE operators in lines 162-164 and lines 173-175 to ensure no ASTE operator receives a per-student grant from the State, as a result of the modifications in the bill, which is less than the per-student total funding (state and local tuition for general education) that the operator received for the year prior to the bill's enactment.
 - This hold harmless is in effect for FY 2025, and annually thereafter, and is based on FY 2024 per-student total funding.

- Since each ASTE operator's grant will be annually calculated based on the ASTE program's student population, the flat per-student state grants and bonus grants are eliminated in Section 6 through lines 1142-1152 beginning in FY 2025.
- Since each ASTE operator's grant will be 100% paid for by the State, lines 1189-1197 remove the ability for ASTE operators to charge regular education tuition to sending districts.
- Lines 1256-1259 of Section 6 clarify that a student enrolled in an ASTE program is counted in the ECS resident student count of the district in which the student resides. This is not a change from current practice.
- Since there will no longer be a negative fiscal impact to sending districts, the ASTE operator enrollment "cap" contained in lines 1155-1167 is removed with the elimination of tuition billing.
- Section 10, lines 1401-1421, of this bill eliminates the cap on ASTE grants to "within available appropriations" to provide the full current law grant to ASTE operators in FY 2024. This change is effective on passage and before this statute is changed in Section 6, lines 1142-1152, to eliminate the current law per-student grants and implement weighted student funding.