

Governor Malloy proposes a big shift in education funding.

- The pool of money to refund communities for their special education costs is proposed to grow from around \$132 million today to \$575 million. Whereas previously all communities have been awarded reimbursements from the excess cost fund on a pro rata basis, a community's reimbursement is proposed now be a function of their relative wealth.
- Malloy is proposing to decrease the amount of educational cost sharing (ECS) grant money (currently \$2 billion) by about 25%. The "reduced" amount will be shifted over to the excess cost grant. In addition, under the proposal, the number of students receiving Free and Reduced Price Lunches in a community will no longer be a factor in the award of ECS money. Instead, the number of students participating in the Husky A Medicaid program will be used (and will be weighted more heavily) to determine a community's ECS award.
- Malloy is also proposing that communities fund one-third of their share of the annual recommended contribution (ARC) to the teacher pension fund. Currently the state is responsible for funding 100% of the ARC. This contribution shift will have a significant monetary impact on communities.

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