



# Connecticut Report

## A Detailed Look at Connecticut's Funding Policies

## Connecticut



### Funding Basics

#### Formula Type

Connecticut has a primarily student-based formula. It assigns a cost to the education of a student with no special needs or services, called a base amount, and provides increased funding to educate specific categories of students. The categories of students considered in Connecticut's funding policy are English-language learners, students from low-income households and students in high-poverty districts, and students enrolled in career and technical education (CTE) programs.

Connecticut expects school districts to contribute to the funding of their public schools, with the amount of the local share based primarily on districts' property values and the incomes of district residents. Districts in Connecticut are permitted to raise and keep additional local revenues for regular district operations.

Supplemental funding for English-language learners, students from low-income households, and students in high-poverty districts is generated through the application of multipliers to the base amount. Services for most students with disabilities are assumed to be funded through the base amount. Services for students enrolled in CTE programs and for students with high-cost disabilities are funded through program-specific allocations.

#### Base Amount

Connecticut has a fixed base funding amount per student. For FY2022, the per-student base amount was \$11,525.

This means that an average student with no special needs or disadvantages would be funded at that level. This funding is also intended to cover a large portion of the additional costs of serving students with disabilities, who do not automatically generate funding over and above the base amount.

The formula that uses this base amount is used for students enrolled in traditional school districts, but is not used for students enrolled in the Connecticut Technical Education and Career System or for students attending a state charter school.

### Local Revenue

## Expected Local Share

Connecticut expects school districts to contribute revenue to the funding of public schools. The amount each district is expected to raise is based on a combination of its property values and its residents' income, as well as other indicators of economic health.

Once the state calculates the total amount of funding necessary to educate students within a district, it determines what percentage of this amount the state will provide in the form of state education aid. It bases this calculation on information about the district's property values (weighted at 70% within the formula) and its median household income (weighted at 30%). For the state's 19 most economically burdened districts (based on a state ranking that awards points based on factors such as average income, unemployment rates, numbers of families receiving temporary assistance, property values, and property tax rates), the state increases its support by a prescribed amount.

Additionally, the formula requires the state to fund a minimum of 1% of each district's necessary funding, regardless of its local wealth. This minimum level rises to 10% for certain low-performing school districts.

## Property Tax Floors and Ceilings

Connecticut does not set a floor or a ceiling for local property tax rates, or a level above which voter approval is required. School districts in Connecticut may not directly impose taxes; property taxes for education are imposed by municipalities.

## Other Local Taxes for Education

School districts in Connecticut may receive local revenue from property taxes and from motor vehicle taxes.

School districts in Connecticut may not directly impose taxes; rather, they rely on municipalities to raise revenue. Municipalities may levy property taxes and motor vehicle taxes to fund a variety of local services, including public education.

# Student Characteristics

## Grade Level

Connecticut does not differentiate funding based on students' grade levels.

## English-Language Learner

Connecticut provides increased funding for English-language learners. It does so by applying a multiplier of 1.25 to the base per-pupil amount for these students.

For funding purposes, English-language learners are all students reported as English-language learners to the Connecticut Department of Education by the local or regional board of education.

## Poverty

Connecticut provides increased funding for students from low-income households and for districts with high concentrations of students from low-income households. It does so by applying a multiplier of 1.3 to the base per-pupil amount for these students and providing further supplemental funding for districts where at least 60% of students are from low-income households (see "Concentrated Poverty" for more information).

Students are eligible for supplemental funding if they qualify for free or reduced-price lunch under the National School Lunch Program or for free milk under the Special Milk Program.

## Special Education

Connecticut does not provide specific, increased funding for special education in most cases, and state funds are set aside only for students with extremely high-cost or atypical special needs.

While services for students with disabilities are generally funded out of the base amount under the formula, the state provides an Excess Cost Grant to limit districts' liability for the cost of providing services to students with extraordinary needs. The Excess Cost Grant provides reimbursement when the cost of educating a student with disabilities exceeds 4.5 times the district's prior-year net current expenditure per pupil, which is the total per-pupil educational expenditure, excluding certain categories, such as spending for transportation and capital expenditures.

For students educated in placements made by a state agency, such as the Connecticut Department of Children and Families, the Excess Cost Grant provides reimbursement when the cost of educating a student with disabilities exceeds the prior-year net current expenditure per pupil.

## Gifted

Connecticut does not provide increased funding for gifted and talented students.

## Career and Technical Education

Connecticut provides increased funding for career and technical education programs. It does so through direct support for the Connecticut Technical Education and Career System, the expenses of technical high schools, and vocational agriculture programs.

In FY2022, the state appropriated approximately \$143.3 million for the Regional Vocational-Technical School System, \$22.7 million for technical high school expenses, and \$18.8 million for vocational agriculture programs.

# District Characteristics

## Concentrated Poverty

Connecticut provides increased funding for districts based on the concentrations of students from low-income households that they serve. It does so by providing supplemental funding for districts where at least 60% of students are from low-income households.

Connecticut applies a multiplier of 1.3 to the base per-pupil amount for all students eligible for free or reduced-price lunch under the National School Lunch Program or for free milk under the Special Milk Program. In districts where at least 60% of students are from low-income backgrounds, students from low-income households above this threshold generate supplemental funding equal to an additional 0.15 times the base per-pupil amount.

## Sparsity and/or Small Size

Connecticut does not provide increased funding for sparse districts or for small schools or districts.

## Charter Funding

Funding for some charter schools in Connecticut is calculated based on local school district expenditures, while funding for other charter schools is calculated based on a formula similar to the one used to calculate funding for traditional public schools.

Charter schools authorized by local school districts receive funding based on the per-student cost in the local school district in which the charter is located, with some types of expenditures excluded. In addition, the state board of education may approve a per-student grant to locally authorized charter schools not to exceed \$3,000 per student. Charter schools also receive funding for students with disabilities from the districts where their students reside. Charter schools authorized by the state, like traditional public schools, are funded through a student-based funding formula that considers the characteristics of students they educate.

Some charter schools in Connecticut receive a share of local tax revenue, while other charter schools do not. Charter schools authorized by local school districts receive a share of revenue raised in the school district in which they are located, in that they receive a share of district expenditures. This includes expenditures funded by local taxes, except those for land, capital construction, or debt service. Charter schools authorized by the state do not receive a share of revenue raised by local school districts.