
OLR Bill Analysis

sSB 7

AN ACT CONCERNING EDUCATIONAL EQUITY.

SUMMARY

This bill increases the education cost sharing (ECS) grant foundation amount from \$11,525 to \$15,500 over a four-year period, and then annually adjusts it in line with the state budget spending cap. In doing so, it generally increases state education aid to towns, as well as state grants for the choice program (magnet schools and vocational agriculture programs) and charter schools.

The bill also extends ECS's regional bonus to towns that do not have high schools and pay tuition to another district so their students can attend high school there. The bonus equals \$100 for each student attending a high school in another district, multiplied by the number of grades for which resident students attend high school in the district. Under current law, this bonus applies to towns that are members of a regional school district or that pay tuition for its students to attend an endowed academy that is serving as the public high school.

Lastly, the bill creates a 16-member ECS working group to study the ECS formula and other state public education funding. By January 1, 2027, the working group must report its findings to the Education Committee. The group ends January 1, 2027, or when it submits its report, whichever is later. The bill also repeals an obsolete statute on a defunct working group.

EFFECTIVE DATE: July 1, 2026, except the working group provisions are effective upon passage.

ECS FOUNDATION INCREASE

The ECS foundation amount is set by statute and is intended to represent the estimated cost of educating a general education student

who does not have additional needs. Generally, to determine a town's ECS grant, the foundation amount is multiplied by (1) a town's weighted student count (which equals the number of resident students, adjusted for student need) and (2) its state aid percentage (which reflects town wealth, based on property value and household income).

The bill increases the ECS foundation amount by about \$1,000 per year over a four-year period (see table below) and then annually increases the amount in line with the state's spending cap. Specifically, starting in FY 31, the ECS foundation amount equals the prior year's amount adjusted by the spending cap's maximum allowable growth rate (the greater of the percentage increase in personal income or inflation, see BACKGROUND).

Table: ECS Foundation Amount Under the Bill, FYs 27-30

Fiscal Year	Foundation Amount
Current	\$11,525
27	12,500
28	13,500
29	14,500
30	15,500

ECS WORKING GROUP

The bill creates a 16-member working group to study the ECS formula and other state public education funding. The group must, at a minimum, examine all components of the formula and other funding and recommend ways to make them more equitable and fiscally sound.

The working group consists of the Education Committee chairpersons and 14 members appointed by the legislative leaders (see table below). The bill allows the appointing authorities to appoint legislators to the working group, if they meet the required criteria. When making appointments, the legislative leaders must try to select individuals who are representative of the full geographic diversity of the communities in the state.

Table: Appointed Members

Appointing Authority	Number	Criteria
Senate President Pro Tempore	Three	<ul style="list-style-type: none"> • One elected municipal official • One public school principal • One Connecticut Association of School Business Officials representative
House Speaker	Three	<ul style="list-style-type: none"> • One elected municipal official • One public school principal • One enrolled public school student
Senate Majority Leader	Two	<ul style="list-style-type: none"> • One American Federation of Teachers-Connecticut representative • One member with expertise in student needs that require additional school investment
House Majority Leader	Two	<ul style="list-style-type: none"> • One Connecticut Education Association representative • One State and School Finance Project representative
Senate Minority Leader	Two	<ul style="list-style-type: none"> • One elected municipal official • One Connecticut Association of Boards of Education representative
House Minority Leader	Two	<ul style="list-style-type: none"> • One elected municipal official • One Connecticut Association of Public School Superintendents representative

Under the bill, members must be appointed to the group within 30 days after the bill takes effect, and vacancies must be filled by the appointing authority. The Education Committee's staff serve as the working group's administrative staff.

The bill requires the House speaker and the Senate president pro tempore to select the working group's chairpersons from its membership. The chairpersons must schedule the group's first meeting within 60 days after the bill takes effect.

BACKGROUND

Spending Cap Allowable Growth Rate

In the absence of emergency or extraordinary circumstances, the spending cap restricts the annual growth in general state budget expenditures by the greater of the percentage increase in personal income or inflation.

The “increase in personal income” is the state’s compound annual growth rate in personal income over the preceding five calendar years, based on U.S. Bureau of Economic Analysis data. The “increase in inflation” is the increase in the consumer price index for all urban consumers during the preceding calendar year (for all items except food and energy), calculated on a December over December basis using U.S. Bureau of Labor Statistics data (CGS § 2-33a(b)(1) & (2)).

Related Bill

sHB 5002, favorably reported by the Education Committee, annually adjusts the ECS foundation amount starting in FY 27.

COMMITTEE ACTION

Education Committee

Joint Favorable Substitute

Yea 45 Nay 0 (03/16/2026)