

Tomea A. Sippio-Smith
Education Policy Director
Public Citizens for Children and Youth (PCCY)
990 Spring Garden Street, Suite 200
Philadelphia, PA 19123

FAIR EDUCATION FUNDING FOR PUBLIC SCHOOLS
House Democratic Policy Committee Meeting

August 12, 2019

In 2016, Pennsylvania devised a way to fund the schools in a fair and equitable way. In a bi-partisan, bi-cameral almost unanimous decision, legislators across the aisle passed the fair funding formula – a way to fix a broken system that left half the students in the state in schools without enough money to provide students with the resources they need. That’s over 785,000 students.

The formula has not done what it was devised to do. Why? It has not been fully funded. If it had been, there would be no fair funding lawsuit and there would be no need for this hearing today.

Pennsylvania has the widest gap between wealthy and poor school districts in the country.

That means school districts with more resources can provide students with counselors, experienced teachers, smaller class sizes, competitive courses, up-to-date technology and tutors. While we know that poor children, English language learners, and children with disabilities cost more to educate, many of our most vulnerable students live in school districts that cannot give them access to these much needed services.

Like all states, Pennsylvania’s schools are funded with federal, state and local dollars. But the Commonwealth is at the bottom of the list when it comes to how much it contributes to education. This. Is. Not. Fair. 147 districts should not be subsidizing the rest of the state’s education, while the students in those districts are increasingly struggling.

The cost of education in the state has steadily risen, while the state's investment in education has not kept pace. School districts that have homes with higher property values and a strong business base can compensate for the state's failure to keep up with the rising costs of educating students. Under resourced districts cannot.

Right here in Coatesville, as instructional costs went up by 14% to almost \$15 million dollars, state contributions went down 4% – a loss of more than \$1 million dollars. Special education costs rose by almost \$13 million dollars – that's a 49% increase. While the state contributed 7% more - or only \$330,000 to fill the gap. During that same time, charter payments ballooned by 85% - or more than \$15.5 million dollars. That's the equivalent of 263 teachers!

To be clear, this is not just a Coatesville problem. In Pottstown, instructional costs went up by 22%, but state contribution only increased by 1%. Charter school expenses swelled by 70%. Similarly, in Lancaster, the cost to teach students went up by 22%, but state funding lagged behind at 14% and charter payments rose by 49%. Statewide, across school districts, pension costs rose a shocking 418%.

Only five other states rely more heavily on local rather than state revenue to support schools. And when the state does not adequately fund schools to offset those rising costs, taxpayers pick up the slack. The districts that have the greatest shortfalls are often home to taxpayers for whom the burden is most heavy. Taxes go up year after year. And that's not enough to cover the costs of mandates. If the state contributed more, the tax burden on residents in these hard-hit communities would go down.

There is a solution. Better education funding at the state level. Adequately funding schools takes a significant burden off local taxpayers and gives students access to tools to be prepared to enter the workforce with strong skills.

The research is clear - when students have access to better resources, they perform better in school. The idea that spending money on students is throwing good money after bad is false!

When states have invested in students, particularly poor ones, "math, reading, science and social studies test scores for 4th and 8th grade students" went way up. In fact, right here in Pennsylvania, between 2003 and 2010, when the state increased the money it sent to district, districts receiving the largest increases boasted the biggest gains in test scores.

Let's be clear. More money for students is an investment in Pennsylvania's workforce. Through 2024, it is estimated that more than half of Pennsylvania's 6.2 million available jobs will be "skilled jobs." Yet, without an adequate education, many of the state's students will not have the skill set to do these jobs. Temple University's Center for Regional Politics estimates that educational student performance gaps cost Pennsylvania's existing labor force a projected \$1 billion to \$3 billion in lost earnings or \$1 billion to \$2 billion in diminished GDP *annually*.

I'm here today to share 5 tools that can get Pennsylvania's education funding back on track. We are asking you to adopt a package that funds Pennsylvania's school fairly and equitably.

1. Fully fund the basic education formula. By significantly increasing the amount of money that runs through the fair funding formula, especially to struggling districts, you enable more schools to provide their students with resources *and* tourniquet the taxpayers burden of rising taxes.
2. Keep investing in special education. The \$50 million boost this year will help so many students. With greater investments in special education funding, you are supporting differently-abled students, so that they can gain skills or advance their skills to strengthen their communities' workforce.
3. Capitalize on the need for CTE. When you increase funding for career and technical programs, you offer more students options to pursue fast-growing careers and fill positions across the state that support state infrastructure.
4. Boost the districts that are most underfunded. Underfunded districts have the biggest skills gaps to fill. It is estimated that Pennsylvania's economy would gain between \$3 and \$5 billion dollars every year.
5. Use that additional revenue to provide substantive tax relief to communities across the state. The legislature can pass a budget that delivers immediate funding to struggling districts and as part of the package pass a bill that lifts the burden off of taxpayers like Mr. Mollure, Ms. Mills and Mr. Felice.

Legislators, the power to fairly fund education in Pennsylvania lies with you. When you invest in education at the state level, *you* are supporting Pennsylvania's economic growth and steadying its future as one of the economic powerhouses of the country. Pennsylvania's economic future is in your hands. We implore you to invest wisely.