

Education Funding
LWVIL Issues Briefing, February 6, 2010
Claire Flynn McIntyre, Issues Specialist

Please bear in mind that much of what is reported here will dovetail with the Fiscal Policy report as they are intricately tied together.

Legislation:

HB 174 and SB 750: Both of these bills would have improved Illinois' fiscal outlook as well as brought new money into public education, from early education to the university level. Both included language for accountability reform, teacher/principal mentoring programs, expanded grants for high poverty schools, and additional support for science, math, and technology programs. Most importantly, both would have modernized the state tax system and helped to close the structural deficit, addressed the unfair school funding system by devoting a portion of the new revenues to the Common School Fund, and adequately funding human services. HB 174 passed the Senate but languished in the House. (Not passed by expected to be re-introduced)

SB 612 (PA 96-105): In anticipation of the Federal Race to the Top (RTTT or RT3) funds, charter schools in IL received a boost. PA 96-105 doubles the number of charter schools with the bulk of the increase going to Chicago. The public act also adds some changes to how charters operate: 75% of charter school staff will be required to be certified by the state, teachers will be allowed to unionize, and charters will be required to submit yearly audits. (Passed)

105IL CSC 13 P-20 Education Data System Act: The P-20 Longitudinal Data System Act for student career data management was passed in the spring session and is another piece of legislation designed with the RTTT funds in mind. This legislation would set up a system to follow students throughout their school careers and purportedly allow school staff to better plan for a child's educational needs. (Passed)

HB 4886: Introduced by Rep. William Black (R-Danville), this resolution, seen as a way to cut costs, would allow schools to operate on a 4 day school week basis although the schools would still be responsible for completing a certain number of hours yearly, as opposed to a certain number of days. (Pending)

HB 4711: Introduced by Rep. Roger Eddy (R-Hutsonville), this bill proposes to prevent the legislature from imposing unfunded mandates on school districts. Exempted from this would be special education, transportation, school lunch programs, and courses required for graduation. Unfortunately, those exemptions cover a great deal of what schools have to pay for, in particular special education, which has not been fully funded for years. (Pending)

SB 315 and SB 616 (PA 98-0861 and PA 98-0862) See discussion under 'Race to the Top'.

Issues:

In general, funding continues to be a problem for schools. The latest news fairly sums up what the schools have faced over the past year.

The state continues to lag in payments to schools. Although schools continue to receive their GSA (General State Aid) payments, the state is about 6 months behind in categorical payments for special education, early education, transportation. Districts are being warned that the 3rd and 4th payments for the year may not arrive until next fiscal year. Some districts are surviving on their fund balances. Many school districts without the luxury of a fund balance are beginning to issue anticipation warrants on next year's revenue to make it through this year. It is anticipated that FY 2011 will be the worst year schools have experienced.

The Illinois State Board of Education has asked for \$7.3 billion for the FY 2011 budget. This is what was appropriated for FY 2010. The state will have to appropriate an additional \$922 million to replace the ARRA (American Resource and Recovery Act) funds used to fund the schools through the General Revenue Fund. As of 2011, the ARRA funds will no longer be available. To keep the Foundation level at its current \$6119 per student, the General State Aid line must have an additional \$43 million. Early childhood education would receive a \$38 million increase bringing it back to 2009 levels and bi-lingual education would see an increase of \$7.5 million. Cuts in 'hold harmless', mandated categorical funding, and eliminating the text book loan program would help offset these changes. However, no one expects that ISBE will receive the requested amount.

Race to the Top: Illinois is still on track to submit its proposal for RTTT funds. IL stands to gain up to \$500 million if its bid is successful, although \$400 million is more likely. The submission deadline is Jan. 19. To better position themselves for these funds, the state has been passing legislation to meet RTTT's goals- more charter schools and charter reforms, student career data management (P-20 legislation), and, most recently, two new bills were passed. One (SB 315) would address teacher and administrator evaluations as related to student achievement and the second (SB616) would allow non-profits to run alternative certification programs for teachers. The last two bills are contingent upon IL winning a RTTT grant. However, half of the school districts have declined to apply for RTTT funds. There is general concern that when the Federal dollars behind the RTTT program run out, that the state and the districts will continue to be held responsible for programs initiated under RTTT.

Actions

Most notably, the LWVIL and some of its local Leagues have joined the Responsible Budget Coalition, a large coalition of social service, education, and advocacy organizations across the state to urge passage of legislation for reasonable and responsible tax reform. The RBC supports HB 174 or a bill that will provide new revenues in a progressive manner. The League has responded by writing letters to the editor, calling and visiting legislators, holding informational sessions for the public, and by publishing an education pamphlet, Comprehensive Tax Reform: Why and How, which is available on the LWVIL website for downloading. The Ad Hoc LWVIL education committee has also revised the advocacy tool kit on education funding and tax reform, which is also available on LWVIL.org. A special thank you goes to Ann Courter, Jean Pierce, and Cheryl Chapman for their work on the tool kit and pamphlet. Tax and Education Funding Reform continue to be a primary concern of the LWVIL and a Will of Convention was passed at the State Convention in June supporting these two positions.