

School Funding/Fiscal Policy

2009 Issues Briefing

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The League continued to support legislation that would reform how the State funds public education with implications for tax reform. In 2008, this meant supporting SB 2288 and HB 750.

- HB 750 was essentially the same bill that the League has supported over the last several years. This bill would have increased income tax, provided for property tax relief, and expanded sales tax to include services. The new monies raised would have allowed for the State to finally meet its obligations by raising the school foundation level to recommended amounts while helping to close the structural deficit.

- SB 2288, introduced in 2008, was a new version of HB 750 that added \$1B in debt service for capital projects as well as additional funds for preschool programs, higher education, and a school improvement partnership fund. SB 2288 differed from HB 750 in that it did not include an expansion of the sales tax.

Although both of these bills garnered a fair amount of legislator support, neither had enough to pass with a veto proof majority and were withdrawn with the intent of re-introducing a version of them at a later date.

However, State contribution to public schools continues to erode and is now 28% of school funding, down from 32% in 2004. According to A+ Illinois, this leaves Illinois 49th in public funding of education. With the State in dire financial straits, it's possible that any plan introduced in the spring of 2009 is likely to be less ambitious and may not include property tax relief. If legislators rely chiefly on cuts to balance the budget and pay Illinois' backlog of bills, the future of public education could be bleak indeed.

League Actions in relation to this issue during 2008:

- In the summer of 2008, the League, Better Funding for Better Schools, and the Center for Tax and Budget produced an educational document clarifying misconceptions often held on what SB 2288 and HB 750 will and will not do. This is available on the LWVIL website in the education funding advocacy section and on the CTBA website as well. While these bills are no longer active, a version of them is likely to re-surface and the information will continue to be relevant.

- The League developed a section on its website on education funding advocacy to help local Leagues promote this issue.

- Two workshops on education funding and tax reform were held in conjunction with the American Association of University Women and attended by League, AAUW, and other community organization members. These were held in Bloomington and Rockford. The purpose was educational with the intent of helping these groups interpret the issue to their membership and other local community groups.

- During the fall of 2008, the House Elementary and Secondary Education Committee held hearings throughout the state to solicit public input on the issue of school funding. The League was represented at all five hearings.

Other:

- The League is following with interest the newly introduced education reform initiative, Advance Illinois, an organization introduced in November with significant funding and support behind it.
- The League is also monitoring the progress of Public Act 95-0675, the County School Facilities Tax, which allows for county boards to put a referendum on the ballot asking to increase local sales tax up to 1% for the sole purpose of allowing schools to use the funds for capital improvements or to help pay down debt incurred for these purposes. This public act can potentially help reduce the need for new property taxes or even relieve current levels of property tax. One county has already passed a referendum and eight others are considering it.
- Joining with the Illinois Teachers Association, A+ Illinois, AAUW, and the League will be holding a regional training session in Rockford about the necessity of school funding/tax reform. Right now grassroots organizations are heavily dependent on Chicago based organizations such as A+ Illinois or Ralph Martire from CTBA to speak on this issue. This is an attempt to train local people in a more pro-active grassroots effort. If this is successful, the League hopes to join with these groups to hold these training sessions throughout the state.