ED-RED Finance-Legislation Meeting
October 4, 2013

WELCOME BACK!!

Veto Session/Spring Session Preview

ED-RED Survey
Funding, Charter schools, Common Core, Tax Policy
Pension Reform
Senate Education Funding Advisory Committee (EFAC)

- 8 members
- Report due 2/1/14
- Goals
  - Review distribution of GSA
  - Develop recommendations to provide greater adequacy and equity
  - Consider districts' ability to provide local resources

Senate Education Funding Advisory Committee (EFAC)

- Other items to consider
  - Regional indexing
  - Minimum level of local effort
  - Changes in GSA eligibility/state authority
- APA Report
  - Flat/alternate grants
  - Poverty grant eligibility
  - PTELL adjustment
Charter school issues

- Charter School Funding Task Force
  - compile analysis of charter school funding practice
  - examine Illinois’ charter school funding formula
  - review effect of State-authorized charter schools on the students served by the charter, the students in the home school district, and the home school district’s budget

- HB 494: moratorium on new multi-district, virtual charter schools until April 1, 2014.

HR 543: Common Core State Standards

- Introduced in August 2013
- 10 sponsors
- Encourages a delay until ISBE determines costs associated with the CCSS and PARCC
Other issues under review

- ISBE: status of the “70/30 Rule”
- Modifications to SB 7 and PERA
- New School Report Card
- Township School Treasurers
- Block grant funding for CPS
- Required flexibility for students who are parents or victims of abuse
- Bilingual education administrative rules/statutory requirements

Tax Policy Discussions in 2014

- Phase down of state income tax
- Eliminate the state gas tax
- Graduated income tax structure
  - Must be approved by 3/5 of voters voting on the question or majority of voters voting in the election
  - G.A. would need to create graduated income tax structure in statute
- Retread property tax legislation
- ED-RED meeting on 12/6/13
Conference Committee on SB 1

No deal; no new numbers
Provisions under review:
• COLA: ½ CPI compounded (floor = 1%, ceiling = 4%)
• Cap on pensionable salary
• Delay in COLA accrual
• Reduction in employee contribution
• Cullerton: “less unconstitutional than SB 1”

Cost Shift

• Not part of conference committee discussions
• Rumors about January 2014
• Relationship to benefit changes
• How much will it be?
• When will it start?
• Veto Session strategy
• ED-RED meeting on 11/1/13
Other pension considerations

- Effective date
- Emanuel's support for pension reform
- Tier 2 fix
- Support for union proposal (SB 2404)
- Quinn: no tax incentive package without pension reform
- Changes to the definition of TRS-eligible employees