



# ED-RED Finance Legislation Meeting

School Funding Reform: Ongoing Dialog

February 10, 2017



# Welcome/Introduction



# Approval of Minutes



# Springfield Update

# Senate “Grand Bargain

- SB 1: Funding Reform Placeholder
- **SB 2: Minimum Wage Increase**
- **SB 3: Local Government Consolidation**
- SB 4: GO Bond Restructuring
- SB 5: Pensions
- SB 6: Budget Extension
- SB 7: Gaming Expansion
- **SB 8: Procurement Reform**
- SB 9: Revenue Enhancements
- SB 10: Local Gov’t Receipts
- SB 11 : Tier 1 Pensions
- SB 12: Worker’s Comp Reforms
- SB 13: Property Tax Freeze/Mandate Relief

## Approved to Date

- SB3 - Local Gov’t Consolidation (36-4-7)
- SB8 - Procurement Reform (34-14-11)
- SB10 - Local Gov't Receipts Collection (36-13-10)

## Attempted this week...

SB11 – Pension Reform (18-29-10)





# Governor's Commission Consensus

- Formula should establish defined Adequacy target for each school
- Acknowledge State does not have funds for every District to achieve Adequacy target
- Significantly Improve Equity while approaching Adequacy
- Adequacy Targets should be based on evidence, best practices
- New Model should be based on distance from Adequacy

# Commission Draft Report

## Adequacy Model

- 27 elements?
- Rates/Ratio
- “Realistic” Statewide Adequacy Gap

## Equity

- Address spending gaps statewide

## Funding for Low Income Students

# Commission Draft Report

## Concentrated Poverty

- Adequacy vs. Distribution

## Hold Harmless / Base Funding

- How calculated
- Duration
- Reduced / Reallocation (SB231)



# Commission Draft Report

## Distribution Model

- Target Districts farthest from Adequacy
- “Means testing”
- Impact of State reduction in funding (future)

## Tax Policy implications

- Property Tax Freeze
- Property Tax Relief

## Pensions

- In Adequacy? State Aid?
- Shift? Terms?

# Commission Draft Report

## Early Childhood Funding

- Fund outside formula

## Special Education Funding

- Fund outside of formula (high cost students)

## English Learner Funding

- Full funding

# Commission Draft Report

## Mandate Relief

- Physical Education
- Driver's Education
- Third-party Contracting

## Accountability & Transparency

- Outcomes (Growth) v Input (Resource Allocation)
- School specific
- Intra-District equity
- Connection to ESSA / IBAM
- Tied to new state funds

# Commission Draft Report

## Professional Judgment Panel

- Periodic Review of Adequacy Model
- Composition

## District Consolidation

- Outside funding formula

## Disconnected Youth

- Re-enroll students

## School Choice

- Funding equity for charters

# Key Decisions Ahead...



