

#### PA Schools Work Calls for a 2023-24 Education Budget that Prioritizes Adequacy and Equity

#### **Our Vision**

A strong and equitable education system is foundational for a thriving economy, democracy, and society. Every child in Pennsylvania, regardless of race, place, or income, deserves to attend a school with caring and talented educators, safe and adequate facilities, high-quality and up-to-date instructional materials, rigorous course offerings, and extracurricular activities. We envision a statewide school funding system that ensures every school and every student in Pennsylvania has the resources they need to succeed.

### The Problem

Pennsylvania's school funding system is underfunded by over \$4 billion, despite high local tax efforts, and more than 80% of all districts are underfunded according to the state's own adequacy formula. This gap grows larger every year, as mandated costs such as special education and charter school reimbursements increase at a much higher rate than state funding increases. Local school districts are forced to make increasingly draconian cuts or raise property taxes to untenable levels to balance their budgets, and students and taxpayers are the ones who suffer.

While nearly all districts are underfunded, not all suffer equally. The districts farthest from adequacy serve a disproportionate share of the state's students of color, students living in poverty, students with disabilities, and English learners. While Pennsylvania's Basic Education Formula provides weighted student funding for districts with higher levels of need, only new education spending is distributed using the formula. At the current rate of increases in state educational spending, it will take decades or more for the most underfunded districts to reach adequate funding through increases in new Basic Education Funding spending; the increases are too small and spread across too many districts to close the gap.

These large adequacy and equity gaps prevent districts from meeting the needs of hundreds of thousands of our most underserved students, limiting their educational opportunities and threatening the Commonwealth's future workforce, tax base, and economy.

# **The Solution**

We know that when Pennsylvania students are given the proper tools and resources to succeed, they not only meet expectations but surpass them.

In order to meet constitutional education requirements to provide a thorough and efficient system of public education, the incoming Shapiro administration must follow in the footsteps of the Wolf administration by prioritizing significant additional funding to our public education system in the upcoming fiscal year's state budget - and in fiscal years to come.

Research shows that the Commonwealth needs to dedicate an additional \$4 billion in Basic Education Funding during Governor-elect Shapiro's first term in office - \$1 billion over the next four years - to close the gap. This new funding should be distributed through both the Fair Funding Formula and the Level Up supplement.

## Why this Distribution?

The proposal above effectively addresses adequacy and equity in districts across the state as outlined by a 2008 state law that set a formula for calculating the resources that schools need so that their students have a shot at reaching state academic standards. The plan above would provide significant recurring revenue to all school districts to begin to close adequacy gaps and reduce racial and socioeconomic inequities by more precisely targeting the students with the highest needs. It avoids the volatility and uncertainty of proposals that redistribute all funds through the formula, benefits more districts overall, and eliminates the possibility of substantial cuts to some districts and students. To achieve adequacy and eliminate longstanding inequities in school funding, the state must invest a significant amount of additional, recurring funding into our public schools.

Under the Individuals with Disabilities Education Act (IDEA), students with disabilities are entitled to a free and appropriate public education (FAPE). For the state to meet this standard, the Commonwealth must increase its share of special education costs from 21% to 38% over the next four years. Currently, local school districts are responsible for the largest share (roughly 65% after federal dollars) of ensuring special education supports and services for their students with disabilities. The General Assembly and the incoming Shapiro Administration must prioritize increasing the state's special education funding in order to ensure all students with disabilities, regardless of what school district they reside in, are able to receive FAPE and the supports and services required in their Individualized Education Program (IEP).

