



July 18, 2017

Funding for Education in Illinois

Article X of the Constitution of the state of Illinois states that “a fundamental goal of the People of the State is the educational development of all persons to the limits of their capacities. The State shall provide for an efficient system of high quality public educational institutions and services.”

“Education in public schools through the secondary level shall be free. There may be such other free education as the General Assembly provides by law. The State has the primary responsibility for financing the system of public education.”

As many know, Illinois currently has the least equitable education funding system in the country. Illinois comes in last place among all states in the amount of state funding contributed to its public schools. And because education funding is built primarily on local property taxes, we also have the nation’s largest gap between its wealthy and poor school districts. The way we fund education in Illinois doesn’t allow school districts to meet the needs of every child.

During this session, the Illinois General Assembly passed Senate Bill 1, which would change how Illinois funds public education, if it is signed into law by Governor Rauner.

The new funding formula, which is based on the Evidence-Based Model (EBM), would be a more adequate and equitable way to fund public schools in Illinois. I support and I voted for SB 1, aiming to change the K-12 public education funding formula based on the EBM.

The state’s current “Foundation Level” funding formula is not based on any research — nor is it based on the actual costs of educating children. Instead, a per-pupil funding amount is developed for the entire state based on what decision-makers determine the state can afford. Given that Illinois state government has run a deficit in its General Fund every year since 1995, this method of determining school funding has proven to be consistently inadequate.

The EBM determines educational expenditures by identifying how much research-based “best practices” actually cost, and the EBM accomplishes this by first identifying and then costing-out those educational practices which the research shows: Enhance student achievement over time; Improve school climate while reducing disciplinary problems; Reduce drop-out rates while enhancing high school graduation and college enrollment rates; Meet academic and the social/emotional needs of students from diverse backgrounds; and Help create a K-12 system with the capacity to provide an education of sufficient quality for all students to graduate high school college and be career ready, irrespective of income, race, geography, or ethnicity.

The current formula uses a Foundation Level that is set by the General Assembly at the same dollar amount for all districts across the state. This fails to recognize the different needs and capacities of local school districts — and actually penalizes those districts which have low equalized assessed values (EAV) but high taxes.

On top of that, a third of all state education funding currently flows through categorical items, like special education or programs for students who are English learners, which do not account for the wealth of a district. Thus a wealthy district receives the same amount as a low-income district via categorical funding.

SB 1 recognizes that all school districts, and their individual needs, are different. The new formula would establish a local capacity target for each district based upon that district's local property wealth, and then discounts some of the local investment made by low EAV-high property tax districts, to provide those districts with more state resources, which can support both reaching an adequate level of educational funding, as well as providing property tax relief.

Because most categorical funding is included in the EBM formula, future distributions will be more equitable, as they will account for local wealth and the demographics of each school district. And because of the hold harmless provision in SB 1, no school district will lose even a dollar of the categorical funding that it received in the year prior. Under current law, if more money is added to the Foundation Level, most districts receive the same percentage increase in funding, no matter how far away from adequacy those districts happen to be.

The funding distribution in SB 1 fixes this inequity by directing proportionately more funds to districts that are furthest from adequacy. In fact, approximately two-thirds of all new funding in the first year of SB 1 will go to those districts furthest from adequacy.

SB 1 now goes to Governor Rauner, who will either sign the bill into law or veto it. Hopefully the Governor decides to sign SB 1, and thus create a more adequate and equitable public education funding system.

Either way, there is still much work to be done. Illinois still woefully underfunds public education, and more money is needed to properly fund our public schools. But SB 1 is a major step in the right direction. By first establishing how much money that a school district needs — the adequacy component — to be a high-performing school district, and then by ensuring that any new money put towards K-12 education will go to the schools that need it the most and towards programs that are shown to improve educational outcomes, education funding reform can bring Illinois closer to fulfilling the promise of educational opportunity for all.

A letter from one of my constituents says it best: "Gov. Rauner has vowed to 'amend' SB1, the bill to channel funds to public schools across the state. The governor's move will punish one-third of Illinois' low income students who live in Chicago -- overwhelmingly Black and Brown students -- and do nothing to help Chicago reach more stable financial ground or improve the funding climate for ALL of Illinois' school districts over the long term. This is short-sighted, mean-spirited and fundamentally unfair. I urge you to vote to override Governor Rauner's amendatory veto and pass SB1 in the original form that was passed by the state legislature."

Sincerely,

A handwritten signature in black ink, appearing to read 'La Shawn K. Ford', written in a cursive style.

La Shawn K. Ford
State Representative-Eighth District