



Children First

Testimony Presented By

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To the

Pennsylvania House Democratic Policy Committee

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Regarding the Basic Education Funding Commission

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I commend the members of the Pennsylvania Democratic House Policy Committee for devoting copious time to gather testimony regarding the deliberations, findings, and implications of the Basic Education Funding Commission which completed its mandated periodic review of the education funding formula earlier this year.

As this Committee knows, that the Commission's work commenced after Pennsylvania Commonwealth Court Justice Renée Cohn Jubelirer found a year ago the state's system of funding unconstitutional on the grounds that students of color and those in low-wealth school districts were afforded a demonstrably inferior education compared to their counterparts in whiter and more well-resourced school districts. While today you are gathered in a partisan caucus of all Democrats, it is heartening to point out that the groundbreaking judicial decision was authored by a judge who is a lifelong Republican, elected to the bench in 2011 and now serves as the President judge the court. Jubelirer is a conservative jurist, not known for a history of activism and, in fact, has served on key committees for George Mason University Law School, one of the more conservative legal training institutions in the nation. These facts tell us a great deal about the jurist and explain why she so assiduously relied on the original intent and letter of the law to formulate the decision that ended with the following statement:

The Court was asked to interpret the Education Clause and what it means to "provide for the maintenance and support of a thorough and efficient system of public education to serve the needs of the Commonwealth." Upon consideration of the plain language of the Education Clause, "as understood by the people when they voted on its adoption," the Court concludes it requires that every student receive a meaningful opportunity to succeed academically, socially, and civically, which requires that all students have access to a comprehensive, effective, and contemporary system of public education. Not only is this interpretation consistent with the Education Clause's plain language, it is also in accord with the Education Clause's history and with how other jurisdictions have interpreted similarly-worded education clauses...

the Court concludes Petitioners satisfied their burden of establishing the Education Clause was clearly, palpably, and plainly violated because of a failure to provide all students with access to a comprehensive, effective, and contemporary system of public education that will give them a meaningful opportunity to succeed academically, socially, and civically.

As members of this Committee know, every defendant found the proceedings and conclusion so persuasive that none have filed an appeal. The legal matter is solved. Pennsylvania parents, students, and citizens expected the Basic Education Funding Commission to be the venue to create consensus behind a proposal to end the legislatively enabled violation of the constitutional rights of our citizens. In spite of the Republican roots of the court's decision, Republican members of the Commission failed to advance any specific methods of resolving this unconstitutional situation and also refused to amend or back proposals by the Democrats serving the majority. However, the minority did articulate in its final report that, "when the General Assembly takes up the issue of adequacy, in our view, any additional funding that districts would receive to address adequacy gaps must include an accountability component to ensure those districts invest in programs that focus on high-quality academics for students, especially those students who are economically disadvantaged and historically underperforming."

In line with this statement, both the Minority and Majority reports include a well-founded list of twenty-eight proven educational interventions that, when implemented with sufficient resources, good training and program fidelity, will boost student performance. I urge the members of this Committee to recognize that both parties agree about ways to help more students achieve at higher levels, which is a starting point for building bipartisan support behind the Majority report's concrete and well-reasoned approach to boosting state funding for public schools over seven years and close the resource gaps found to exist and to have significant deleterious impact on students across the state.

For instance, some Republican lawmakers are proposing that the state require school districts to flunk third grade students who are not reading at grade level, under the banner of ending “social promotion.” In fact, every lawmaker should be concerned that third grade achievement is a marker of school/life achievement and 40% of the state’s students can’t reach the marker.

Of course, flunking poorly performing third grade students in underfunded schools is not the answer because those schools start out without the resources needed to help struggling readers and they are the very districts with most of the students who’s third grade reading skills are the weakest.

Instead, to boost the share of students on grade level, marry the proposal to close the school funding adequacy gap with a clear expectation that some of new funds be deployed toward the structured literacy measured designed in a bipartisan manner by Reps Flemming and Ortity in House Bill 998. In fact, the legislature should be clear that new funds can and must make the twenty-eight proven practices that both Democrats and Republicans agree on available to students as districts get closer and closer to their adequacy targets. It makes much more sense to do that first and then evaluate the impact on reading before the state adopts strategies proven to have no impact on boosting third grade reading scores like mandatory flunking standards. Turning to the detailed funding proposal to cure the constitutional infringement of the current approach to school funding, a summary impact of the Majority proposal provides an illuminating understanding of how flawed the current system is and how critical it is that the four elements of this plan be coupled with the codification of a seven-year commitment to fulfill the plan. To start with, the new proposal, structured to meet constitutional muster will impact 416 of the state’s 500 school districts. The structure of the proposal exposes the fact that our current funding system is failing 87% of the state’s students.

How do we know that? Because to figure out how to give every student educational opportunity, the Commission identified model districts where students are succeeding, and established an educational adequacy benchmark for how much funding is required to enable the same level of success achieved in these model districts.

I want to be clear right now about why we are urging a seven-year commitment. When the Commission modeled these adequacy benchmarks, they came up with a large sum of \$5.4 billion across all school districts and divided it into seven years. That means that the funds proposed for SY24-25 are one-seventh of the amount needed to close ensure that all students have what they need to be successful.

With that data in mind, it was also essential to set a tax equity marker for the appropriate local tax effort. That means that, where property values are weakest in the state, if a district is taxing itself in a disproportionately burdensome way to get to or maintain the adequacy funding benchmark, more state funds would be allocated to reduce the heavy local tax burden.

The adequacy funding benchmark is set at \$13,704 per student and the local tax effort marker was set at 66% of the statewide median. Both well-reasoned factors that were once built into the school funding formula would produce better quality schools in the 83% of the school districts across the state where the district is spending below the adequacy benchmark or taxing itself higher than the tax equity marker, or both.

Further, the Commission recommended that where student population has declined and, as a result their state funds would otherwise be reduced, if those districts were also not yet at the adequacy target, their current level of state funds would be preserved and built into their base in perpetuity. That means that declining, or what we call hold harmless districts, were given a head start in the multi-year plan of getting every school district to adequacy funding and tax equity. That's a huge relief and boon to those 315 districts.

Meanwhile every district will also benefit from the plan's proposed increases in Basic and Special Education Funding and the long overdue cyber charter school tuition reforms that will save districts nearly \$200 million.

In sum the proposal offers four strategies that, when codified with a seven-year roll-out, establish a sturdy table supporting a constitutionally sound education funding system.

1. Revised base to give declining districts a head start on meeting adequacy targets and receiving tax equity – 315 districts.
2. Additional funds in the BEF, SEF, and cyber tuition savings – 500 districts.
3. State funds to get districts to the adequacy funding benchmark of \$13,070 – 247 districts.
4. State funds to provide tax equity funding based on the 66% median marker – 45 districts.

To ensure that every district can count on reaching adequacy and equity, it is imperative that the final plan be codified with a seven-year roll out so that parents, students, and taxpayers have predictability and are assured that the legislature is clear in its commitment to meet its constitutional obligation. Without codifying language, the hold harmless schools will be afforded more of a state infusion toward their adequacy funding benchmark than stable and growing districts.

Here in Chester County, there are 12 school districts that all benefit in different ways from this proposal: five districts receive an adequacy supplement, seven receive a tax equity supplement, and four benefit from the advantage given to declining districts earning a head start towards adequacy. In total, this plan brings \$2.6 million to Chester County schools in the 2024-25 school year. To look even closer, Representative Bizarro's school districts offer two great case studies for how the proposed school funding proposal benefits districts. In the case of Millcreek, the district will benefit from three of the four elements of the proposal.

The Millcreek School District is a shrinking district. Its student population declined by 14% in just the last ten years. As a result, the district has benefited from the hold harmless funding that protects school districts from losing state funds when they lose students. If the state were to deduct funds associated with declining enrollment, Millcreek would receive \$360,000 less in state aid. Fortunately for Millcreek, because it is not yet reaching the spending target set by the successful schools, the proposed education funding plan, embeds that \$360,000 into the base state funding for the district for the upcoming school year and every thereafter. It is reasonable to consider this is a \$360,000 head start on state funds toward their adequacy funding benchmark since stable and growing districts do not benefit from this element of the formula.

Add to that new certainty about their base calculation of state aid, Millcreek is currently spending \$ \$2,740 less per student than what is needed to hit the target of successful schools. So, for this year and the next six years, the plan proposes increasing the state funds to help the district get to that target by \$1.9 million this year and subsequent increases over the next six years, bringing the sum of new state funds to \$13 million.

Millcreek would also benefit from a third strategy that reaches all 500 districts, with an increase of almost \$600,000 in the combination of the proposed increases to the Basic Education and Special Education allocations and the district would benefit by saving \$524,000 that it currently pays to very troubled cyber charter industry schools.

It does not benefit from the tax equity supplement.

Fairview looks quite different. It's a growing district with about 200 more students enrolled compared to ten years ago. As a result, it doesn't get funds in the first element of the strategy of updating the base. However, since the district is more behind with respect to adequacy (or about \$2,433 per student behind where it should be), state funding would grow by more than \$640,000 next year.

And Fairview has a relatively high local tax effort, so unlike Millcreek, it will benefit – albeit very modestly – from the small allocation of tax equity payment. Add to that payment, though, the increases in Basic and Special Education and the cyber savings which in sum add \$210,000 in new state funding and savings in the next school year. From the three of four strategies that benefit Fairview the district will receive more than \$865,000 in new state aid this year. And that will grow to \$4.5 million over seven years if the legislature ensures the seven-year rollout of funds in legislation.

At the end of seven years, Rep Bizarro, with that language codified in state law, you can be proud of delivering at least \$460 more per student to both districts, or nearly \$10,000 more for every classroom in both districts.

Attached to this testimony is an exhibit which shows each Representative how their districts fare under the seven-year school funding plan. I urge you to keep in mind that each of the four elements, connected by language that codifies the seven years, gives every school district in the state something to point to that will help their students. All the elements and the seven-year commitment go together or the table that was built to be the method for you to meet your constitutional obligation to provide a thorough and efficient system of public education will collapse.

Overall District Totals									
School District	Hold Harmless Avoidance	Total State Share of Adequacy Gap	Total Tax Equity Gap	2024-25 Adequacy Supplement	2024-25 Tax Equity Supplement	2024-25 BEF Student-Weighted Formula Distribution Increase	2024-25 SEF Student-Weighted Formula Distribution Increase	Cyber Reform Savings	Total 2024-25 Increases and Savings
Fairview	-\$680,365	\$4,500,109	\$8,667	\$642,873	\$1,238	\$126,031	\$32,618	\$62,349	\$865,109
Millcreek Township	\$361,406	\$13,823,243	\$0	\$1,974,749	\$0	\$437,309	\$164,224	\$524,833	\$3,101,115
Totals		\$18,323,352	\$8,667	\$2,617,622	\$1,238	\$563,340	\$196,842	\$587,181	\$3,966,223

Erie City **-\$19,220,792** \$107,255,158 \$0 \$15,322,165 \$0 \$3,423,653 \$644,360 \$837,943 \$20,228,121

School District	Fairview SD	Millcreek Township SD	Totals
Hold Harmless Avoidance	-\$680,365	\$361,406	
Total State Share of Adequacy Gap	\$4,500,109	\$13,823,243	\$18,323,352
Total Tax Equity Gap	\$8,667	\$0	\$8,667
2024-25 Adequacy Supplement	\$642,873	\$1,974,749	\$2,617,622
2024-25 Tax Equity Supplement	\$1,238	\$0	\$1,238
2024-25 BEF Student-Weighted Formula Distribution Increase	\$126,031	\$437,309	\$563,340
2024-25 SEF Student-Weighted Formula Distribution Increase	\$32,618	\$164,224	\$196,842
Cyber Reform Savings	\$62,349	\$524,833	\$587,181
Total 2024-25 Increases and Savings	\$865,109	\$3,101,115	\$3,966,223



District 3

Overall District Totals									
School District	Hold Harmless Avoidance	Total State Share of Adequacy Gap	Total Tax Equity Gap	2024-25 Adequacy Supplement	2024-25 Tax Equity Supplement	2024-25 BEF Student-Weighted Formula Distribution Increase	2024-25 SEF Student-Weighted Formula Distribution Increase	Cyber Reform Savings	Total 2024-25 Increases and Savings
Baldwin-Whitehall	-\$2,274,188	\$24,338,989	\$5,789,180	\$3,476,998	\$827,026	\$392,663	\$160,206	\$164,336	\$5,021,229
McKeesport Area	-\$6,427,458	\$24,920,691	\$1,795,663	\$3,560,099	\$256,523	\$1,085,848	\$245,146	\$391,784	\$5,539,400
Pittsburgh	\$85,693,693	\$0	\$0	\$0	\$0	\$2,337,857	\$189,149	\$13,301,968	\$15,828,974
South Allegheny	\$4,346,012	\$7,038,912	\$932,911	\$1,005,559	\$133,273	\$190,847	\$109,709	\$157,781	\$1,597,169
West Mifflin Area	-\$3,273,469	\$4,492,418	\$10,782,268	\$641,774	\$1,540,324	\$373,097	\$146,825	\$360,428	\$3,062,448
Totals		\$60,791,010	\$19,300,022	\$8,684,430	\$2,757,146	\$4,380,312	\$851,035	\$14,376,298	\$31,049,221

School District	Baldwin-Whitehall SD	McKeesport Area SD	Pittsburgh SD	South Allegheny SD	West Mifflin Area SD	Totals
Hold Harmless Avoidance	-\$2,274,188	-\$6,427,458	\$85,693,693	\$4,346,012	-\$3,273,469	
Total State Share of Adequacy Gap	\$24,338,989	\$24,920,691	\$0	\$7,038,912	\$4,492,418	\$60,791,010
Total Tax Equity Gap	\$5,789,180	\$1,795,663	\$0	\$932,911	\$10,782,268	\$19,300,022
2024-25 Adequacy Supplement	\$3,476,998	\$3,560,099	\$0	\$1,005,559	\$641,774	\$8,684,430
2024-25 Tax Equity Supplement	\$827,026	\$256,523	\$0	\$133,273	\$1,540,324	\$2,757,146
2024-25 BEF Student-Weighted Formula Distribution Increase	\$392,663	\$1,085,848	\$2,337,857	\$190,847	\$373,097	\$4,380,312
2024-25 SEF Student-Weighted Formula Distribution Increase	\$160,206	\$245,146	\$189,149	\$109,709	\$146,825	\$851,035
Cyber Reform Savings	\$164,336	\$391,784	\$13,301,968	\$157,781	\$360,428	\$14,376,298
Total 2024-25 Increases and Savings	\$5,021,229	\$5,539,400	\$15,828,974	\$1,597,169	\$3,062,448	\$31,049,221



District 38

Overall District Totals									
School District	Hold Harmless Avoidance	Total State Share of Adequacy Gap	Total Tax Equity Gap	2024-25 Adequacy Supplement	2024-25 Tax Equity Supplement	2024-25 BEF Student-Weighted Formula Distribution Increase	2024-25 SEF Student-Weighted Formula Distribution Increase	Cyber Reform Savings	Total 2024-25 Increases and Savings
Great Valley	-\$3,080,748	\$0	\$0	\$0	\$0	\$180,884	\$20,676	\$736,775	\$938,335
Phoenixville Area	-\$3,383,887	\$0	\$87,476	\$0	\$12,497	\$257,730	\$11,734	\$396,024	\$677,985
Tredyffrin-Easttown	-\$3,166,812	\$0	\$0	\$0	\$0	\$216,061	\$39,347	\$237,262	\$492,670
Totals		\$0	\$87,476	\$0	\$12,497	\$654,675	\$71,757	\$1,370,062	\$2,108,991

School District	Great Valley SD	Phoenixville Area SD	Tredyffrin-Easttown SD	Totals
Hold Harmless Avoidance	-\$3,080,748	-\$3,383,887	-\$3,166,812	
Total State Share of Adequacy Gap	\$0	\$0	\$0	\$0
Total Tax Equity Gap	\$0	\$87,476	\$0	\$87,476
2024-25 Adequacy Supplement	\$0	\$0	\$0	\$0
2024-25 Tax Equity Supplement	\$0	\$12,497	\$0	\$12,497
2024-25 BEF Student-Weighted Formula Distribution Increase	\$180,884	\$257,730	\$216,061	\$654,675
2024-25 SEF Student-Weighted Formula Distribution Increase	\$20,676	\$11,734	\$39,347	\$71,757
Cyber Reform Savings	\$736,775	\$396,024	\$237,262	\$1,370,062
Total 2024-25 Increases and Savings	\$938,335	\$677,985	\$492,670	\$2,108,991



District 157

Overall District Totals									
School District	Hold Harmless Avoidance	Total State Share of Adequacy Gap	Total Tax Equity Gap	2024-25 Adequacy Supplement	2024-25 Tax Equity Supplement	2024-25 BEF Student-Weighted Formula Distribution Increase	2024-25 SEF Student-Weighted Formula Distribution Increase	Cyber Reform Savings	Total 2024-25 Increases and Savings
Philadelphia City	-\$22,703,496	\$1,418,543,038	\$0	\$202,649,005	\$0	\$38,329,793	\$5,021,739	\$37,965,560	\$283,966,097
Totals		\$1,418,543,038	\$0	\$202,649,005	\$0	\$38,329,793	\$5,021,739	\$37,965,560	\$283,966,097

School District	Philadelphia City SD	Totals
Hold Harmless Avoidance	-\$22,703,496	
Total State Share of Adequacy Gap	\$1,418,543,038	\$1,418,543,038
Total Tax Equity Gap	\$0	\$0
2024-25 Adequacy Supplement	\$202,649,005	\$202,649,005
2024-25 Tax Equity Supplement	\$0	\$0
2024-25 BEF Student-Weighted Formula Distribution Increase	\$38,329,793	\$38,329,793
2024-25 SEF Student-Weighted Formula Distribution Increase	\$5,021,739	\$5,021,739
Cyber Reform Savings	\$37,965,560	\$37,965,560
Total 2024-25 Increases and Savings	\$283,966,097	\$283,966,097



District 175

Overall District Totals									
School District	Hold Harmless Avoidance	Total State Share of Adequacy Gap	Total Tax Equity Gap	2024-25 Adequacy Supplement	2024-25 Tax Equity Supplement	2024-25 BEF Student-Weighted Formula Distribution Increase	2024-25 SEF Student-Weighted Formula Distribution Increase	Cyber Reform Savings	Total 2024-25 Increases and Savings
Philadelphia City	-\$22,703,496	\$1,418,543,038	\$0	\$202,649,005	\$0	\$38,329,793	\$5,021,739	\$37,965,560	\$283,966,097
Totals		\$1,418,543,038	\$0	\$202,649,005	\$0	\$38,329,793	\$5,021,739	\$37,965,560	\$283,966,097

School District	Philadelphia City SD	Totals
Hold Harmless Avoidance	-\$22,703,496	
Total State Share of Adequacy Gap	\$1,418,543,038	\$1,418,543,038
Total Tax Equity Gap	\$0	\$0
2024-25 Adequacy Supplement	\$202,649,005	\$202,649,005
2024-25 Tax Equity Supplement	\$0	\$0
2024-25 BEF Student-Weighted Formula Distribution Increase	\$38,329,793	\$38,329,793
2024-25 SEF Student-Weighted Formula Distribution Increase	\$5,021,739	\$5,021,739
Cyber Reform Savings	\$37,965,560	\$37,965,560
Total 2024-25 Increases and Savings	\$283,966,097	\$283,966,097



District 197