

School Funding Transition Process

Virginia Legislature - 2024

Overview

- ▶ Which states have adopted a new school funding formula?
- ▶ Have states used a school funding commission to make the help revise their formula?
- ▶ Issues around the use of a school funding commission?

Since 2000 several states have adopted new school funding formulas:

Arkansas (2002)	<i>Litigation</i>
California (2013)	<i>Governor/voter approved</i>
Illinois (2017)	<i>Legislative led change</i>
Kansas (2017)	<i>First litigation then legislative</i>
Maryland (2002)	<i>Legislative led change</i>
Ohio (2013)	<i>First litigation then legislative</i>
Pennsylvania (2015)	<i>Legislative led change</i>
Rhode Island (2010)	<i>Legislative led change</i>
Tennessee (2021)	<i>Legislative/Gov led change</i>
Wyoming (2001)	<i>Litigation</i>

Keys to a Successful Commission

▷ Keys to success:

- Goals: Have clear goals and mandates for the commission (Will you be making small changes, larger adjustments, or a complete overhaul of the system)
- Powers: Ensure that there is a understanding of the committee's powers
- Time: Make sure there is ample time to fulfil any goals
- Size: maintain a manageable membership size

▷ One more note:

- School funding commissions have the greatest chance for success when there is a “champion” guiding the process

School Funding Commissions

	Delaware		Illinois	Maryland	Maryland	Tennessee
Year	2024		2016	1999	2016	2021
Name	Public Education Funding Commission		Illinois School Funding Commission	Thornton Commission	Kirwan Commission	TISA Steering Committee
Commission Members	28 members appointed by the legislature and the governor		25 members 20 legislators and 5 gubernatorial appointments	21 members 8 appointed by the legislature and 13 appointed by the governor	25 members legislators, district representatives, & education advocates	21 members districts, schools, parents, elected officials, & community partners

School Funding Commissions

	Delaware 2024	Illinois 2016	Maryland 1999	Maryland 2016	Tennessee 2021
Name	Public Education Funding Commission	Illinois School Funding Commission	Thornton Commission	Kirwan Commission	TISA Steering Committee
Time Scale	Planned for 18 months	One year	Two-years	Two-years extended to a 3rd year	One year
Was the commission successful?	To be determined	Yes	Yes	Yes	Yes
Did they work with a consultant?	Yes National org	Yes State org	Yes National org	Yes National org	Yes Multiple national orgs

School Funding Commission

Goals and Powers

▷ System Review

- Review the full school funding system or just certain parts
 - JLARC has already completed a review of the school funding system. The information from JLARC's review could be used as a starting point for the Joint Subcommittee as a starting point.

▷ Issues on/off the table

- Creation of a new formula?
 - Move to a student-based formula or adjust the existing formula
- Increases in funding?
- Other issues off the table

School Funding Commission Goals & Powers

- What level of detail will the commission be providing:
 - General suggestions (30,000 foot)
 - Some detail
 - A fully functioning model

- Will there be any area of funding not be addressed by the commission (capital, transportation, food services)?

- Will the commission be addressing these issues:
 - Change in funding levels
 - State/local funding split
 - Determining district “wealth”
 - Student counts

School Funding Commission Time

- ▶ Successful commissions lasted between one and three years
- ▶ The more ambitious the proposed changes are the more time that the commission will need

School Funding Commission Membership

- ▶ Successful states have kept total membership in the 20's

- ▶ A delicate balance:
 - More members = More voices
 - Too many members can lead to confusion

- ▶ Question for Virginia's Membership:
 - Keep the current membership (legislators), or
 - Legislators and others as voting members, or
 - Legislators with others as non-voting members

What states have done to ease the transition *(Recommended that it be stated at the beginning of the process)*

- ▶ Gradually transition to the new funding formula
- ▶ Ensure that funding levels for individual districts are “held harmless”
- ▶ Create minimum payments in the formula
- ▶ Allow for certain mandates or programs be retained
- ▶ Educate the public & train district staff about the new formula

Questions & Answers

