

Education funding reform

Summary

A review and discussion over education funding is underway by special committees in the House and the Senate that formed after the state budget process this past legislative session.

During the budget deliberations, some members in the House and Senate representing high growth school districts expressed concerns over the amount of state funding they receive. In general, the amount of local funding a district board can levy is capped every year. In fast-growing districts, the cap cannot keep up with the increase in operational costs due to growth. Adding to the cap is a formula for state funding (Education Finance Act or EFA) that gives less state funding to districts with more wealth and more state funding for less wealthy districts. In the end, high growth districts successfully lobbied and received \$5 million in additional state funding; however, the amount spread across about 30 districts will likely not have the impact necessary to make a difference.

Throughout the budget debate, lawmakers resolved once again to address the issue of education funding. The Senate committee, which is charged with studying equity for the Abbeville plaintiff districts, met August 23 for its first meeting and heard proposals from various education organizations and individuals. All of the presentations included enacted some type of program. The House committee is set to meet August 30 for its first meeting and is scheduled to hear from the South Carolina Education Oversight Committee and the Southern Regional Education Board.

An in-depth review of our state's tax system and how public education is funded is long overdue. Any plan must include the following:

- generate adequate revenue for schools
- set a per pupil funding amount reflecting what it actually costs to educate a child
- expand local initiatives and the ability for districts to exceed the state minimum requirements
- include equitable components to lessen or erase the impact that a child's residence has on the quality of the education he/she receives

Legislation already filed

None specifically addressing education funding reform.

Position statement

SCSBA supports legislation to reform the state's education funding structure. Any revision should be based upon specific analysis and recommendations on (1) the current tax structure and the state's taxing policy, (2) the current education funding formulas and their ability to equalize educational opportunities statewide and (3) a realistic means of computing a per pupil funding amount, which is aligned with state-imposed student performance standards and expectations. Recommendations for reforming the method of fully funding public education in South Carolina must do the following:

- expand local district revenue-raising options;
- generate revenue that is adequate, stable and recurring;
- ensure equitable and timely distribution, to include direct distribution from the state to a district;
- provide adequate funding for other operational needs such as transportation and fringe;
- include state-driven initiatives to ensure that every public school student has the opportunity to learn in permanent school facilities that are safe, structurally sound and conducive to a good learning environment;
- ensure that districts are held harmless from receiving less money through a new funding plan; and,
- grant all elected school boards full fiscal autonomy.

