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Manar 'decoupling' SB 1 from grand bargain

By Jim Broadway, Publisher, Illinois School News Service

Just because the much discussed "grand bargain" between Gov. Bruce Rauner and a bipartisan legislative branch seems to have fallen into a hole, that doesn't mean the policymakers can't capitalize on the hard work done by educators to change the way the state funds public schools, to make it "evidence-based."

Toward that end, <u>Sen. Andy Manar</u> (D-Bunker Hill) has file <u>Senate Amendment 4</u> to <u>SB 1</u>, a bill he has nurtured as a potential vehicle for dramatic school funding reform this year. The difference between SAM 4 and SAM 3 is that SAM 4 makes SB 1 a stand-alone proposal, not a part of any bargain, grand or otherwise.

That means we may not see a change in the income or property tax codes, pension "reform" or limits to policymakers' terms of office, or gambling expansion (worst idea ever), or local government consolidation - we may see none of that "grand bargain" stuff, but we still may see the Manar brand of school funding reform.

Actually, Manar is not the sponsor of record for SB 1; the bill is still in Senate President John Cullerton's custody. But all amendments so far filed have been authored by Manar, and all have been assigned to committee for consideration at any time while the bill - still a "shell" - is on third reading, passage stage, in the Senate.

But Manar's is not the only brand of school funding reform under consideration. The Republican point person on this topic is <u>Sen. Jason Barickman</u> (R-Bloomington), who has a two-bill package - a school funding bill (<u>SB 1124</u>) similar to Manar's, and a cost-cutting bill (<u>SB 1125</u>) to grow the pool of possible "yes" votes.

Barickman's bills are also still shells; they have no substance of their own, but highly detailed amendments are pending. His bills are also on third reading. Since the Senate's rules (written long ago by Republicans) give Cullerton total control of bill flow, this shows his willingness to give minority party bills a chance.

The Senate Education Committee held a "subject matter" hearing on the pending amendments to all three bills last week. Barickman's bills have only one amendment each. On Manar's bill, the hearing focused on SAM 3, because SAM 4 had not yet been filed; but the substance of SAMs 3 and 4 are essentially the same.

How were the amendments viewed by folks who filed witness slips? The legislature's web site says there were 586 slips filed in opposition to the three amendments. (My count was 585.) Fifty-four filed slips against Manar's school funding bill; 38 opposed Barickman's school funding bill; and 493 opposed the cost-cutter.

Before we look at the substance of the amendments, a little analysis of the witness slip numbers is in order. Of the 92 slips opposing amendments to SB 1 or SB 1124, there were 31 folks who filed duplicates, slips opposing both. So just seven were against only SB 1124, and 23 opposed only SB 1.

There were six duplicates opposing Barickman's cost-cutter amendment, too, which makes no sense but such things happen all the time. Of the 493 witness slps on that, only 487 were "unique values," according to my Excel program.

So we will describe below: <u>SAM 4 to SB 1</u>, Manar's 459-page proposal for funding reform; <u>SAM 1 to SB 1124</u>, Barickman's 469-page funding reform proposal; and <u>SAM 1 to SB 1125</u>, Barickman's 30-page cost-cutting proposal aimed at drawing "yes" votes from legislators whose school get no benefit from the funding bills.

There are many similarities between Manar's and Barickman's funding reform proposals. That is because both are based on the work of the Illinois Vision 20/20 coalition of veteran educators and school district officials who have labored for a couple of years to develop the "evidence-based" concept both bills embrace.

What's in Barickman's cost-cutting bill? It is largely about sheltering school districts from the costs of state mandates. It's the shortest of the three bills in question. <u>Let's take a look</u>. Not surprisingly, the bill modifies the school mandates law and proposes to elminate a bunch of exceptions, of unwaiverable mandates.

The bill would eliminate a long list of actions a school district would no longer have to comply with in relation to having its driver education provided under contract with a commercial driving school (p. 6). In other provisions for contracting with











third parties, the district's responsibility for employees' benefits is erased. (p. 11).

ISBE would review the benefits of third-party contracts in 2022 (p. 15). Immediately following that provision there is a whole new section under which residents of certain districts (essentially, those with extraordinary taxable property in them) can petition for a referendum to lower the district's property tax rates.

Following that is another new section called, "Discharge of unfunded mandates." The operative paragraph is: "School districts need not comply with and may discharge any mandate or requirement placed on school districts by this Code or by administrative rules adopted by the State Board of Education that is unfunded."

There are exceptions to the provision about ignoring mandates, however. It does not apply to laws or rules relating to students' "health, life or safety." It does not apply to mandates originating at the federal level, or to "laws pertaining to civil rights and protections." Also, public hearings and referenda are required.

One of the bill's provisions that surely stimulated a lot of opposition at last week's hearing would reduce the physical education mandate from being an every-day thing to just a minimum of three days per week, or even less for students, on a case-by-case basis, in extracurricular athletic programs (p. 19).

What about collective bargaining? Under current law, agents of the Chicago Teachers Union cannot bargain with the Chicago Public Schools board on a whole range of subjects (class sizes, scheduling, RIFs - a long list) unless the board agrees to such negotiations. SB 1125 would expand that provision statewide (p. 27).

Barickman rightly observes that many districts enjoy such taxable property wealth that they will see zero fiscal benefits from the school funding reform proposals. To get legislators representing those areas to vote "yes" on the funding reform, he believes, some strong mandate-relief and pro-employer provisions are required.

A key agreement on the school funding reform side of the equations is that there shall be "no losers." That is, if the reforms take place in the 2017-18 school year, no school district shall receive fewer state dollars in that year than it is getting in this school year. All districts are to be "held harmless" by a new law.

There was some disagreement about that at Thursday's hearing. Manar stressed that every district should be included in the "hold harmless" provision, but Barickman's bill eliminates a "block grant" that the Chicago Public Schools receive in the current amount of \$250 million.

Barickman countered that the loss to the CPS is mitigated by the fact that his bill would have the state pay the employers' share into the CTU pension system, as it does for downstate members of the Teachers Retirement System. But that cost is just about \$215 million - leaving about a \$35 million gap, it would appear.

Otherwise, both Barickman and Manar implied that their bills - SB 1124 and SB 1 - contain more similarities than differences. They both would codify an "evidence-based" approach to school funding under which every school district would be assigned a "unique adequacy target" based on many factors.

The template on which both bills are based is the result, as noted, of the work of the Illinois Vision 20/20 coalition and others. There are 27 factors to consider. Some are fiscal. (How much is the district spending and what ability does it have to generate local property tax revenue?) Some relate to students' demographics and their environment. (What percentage of students' families are in poverty and/or speak a language other than English at home?)

As noted, both SB 1 and SB 1124 are very long and complicated. Both create a new section, Section 18-8.15, to the School Code. This section not only prescribes what is to be done in the calculation of funds to be distributed to each school district, but they also explain - in identical terms - the reasons why:

"The purpose of this Section is to ensure that, by June 30, 2027 and beyond, this State has a kindergarten through grade 12 public education system with the capacity to ensure the educational development of all persons to the limits of their capacities in accordance with Section 1 of Article X of the Constitution of the State of Illinois."

Note the date to achieve this goal - it's 10 years out.

In SAM 4 to SB 1, you'll find those words on page 308; in SAM 1 to SB 1124, they're on page 301. In SB 1, the new section runs 51 pages; in SB 1124, it runs 45 pages. (By the way, after an identical beginning, similar language *first created* the new section in HB 2808, sponsored by Rep. William Davis. But his bill is dead.)

So three versions of school funding reform, all with the same statutory rationale stated in the same language, all detailing similar provisions and implementation policy for "evidence-based" school funding reform in Illinois. Take your pick. Each is a masterpiece of achievement in the drafting of legislation.

While everyone seems to agree that "something" must be done to "fix" Illinois' "broken" school funding system, not everyone will agree that the model described in the pending bills is the way to go. Remember that slew of witness slips in opposition to one - or both - of the bills heard in the Senate committee last week.

Every education program has a constituency that will work to protect it against any threat, against even any uncertainty. This is particularly true for special education and physical education. Advocacy leaders want absolute certainty that their favored program has its own line item in the budget, its own minimum amount.

The non-winners also have more than just the fact that they stand to wait for years, perhaps even forever, before they see the slightest updward nudge in the dollar amounts they receive from the state. What will make it obvious? Their "unique adequacy targets" will be a fraction of what they actually have to spend.

Barickman's proposed process for allowing citizens to force, by petitions, ballot questions that, if approved, would lower their school districts' tax rates - combined with the ease of comparing a districts' per-student spending with its calculated unique adequacy target - yeah, that could stir up a bit of opposition.

An amazing amount of work has been done by the Vision 20/20 coalition and other advocates of school funding reform (too many to name; I fear I'd leave some out) to put proposals and their detailed rationale in the hands of the legislators. All that work is bound to pay off - sometime, if not this year.

It is most problematic that no revenue agreement has been reached between Rauner and the leaders of the House and the Senate. Even if one of the evidence-based funding bills passes, it can have no effect unless heaps of new money for schools goes with it. Otherwise, everyone gets the same as this year. Hold harmless.

The need for new revenue is obvious for reasons other than education. The unpaid debt total posted on the home page of Comptroller <u>Susana Mendoza's web site</u> has passed 12 billion, 350 million dollars and rises by about \$11 million per day. But raising revenue is politically risky, and elections are on the horizon.

Aren't there any legislators who feel strongly enough about the potential for an historic achievement in public education that they will risk reelection, even invite their own political defeat? Of course there are such legislators. But there are not nearly enough of them to make much of a difference on a roll call for SB 1.

Both chambers are scheduled to be at work in the Capitol building this week. The House has <u>many hearingl scheduled</u>, mostly for resolutions and for bills that have arrived from the Senate. Meanwhile the Senate, which considered a lot of House bills last week, <u>has many more posted</u> for its committees.

Only <u>one House PK-12 committee</u> has a hearing scheduled to consider two Senate bills and a resolution. The Senate Education Committee <u>has a significant agenda</u>, which does not include either of the chambers school funding bills. We'll catch you up on what happens later, perhaps by mid-week.

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