

TO: Members
Senate Education Finance and Policy Committee

FROM: Brad Lundell
Executive Director, Schools for Equity in Education

RE: Support for Provisions in SF 960

The Governor's education budget recommendations are an ambitious set of proposals that seek to provide stability in funding and promote tax fairness during these turbulent times. Several recommendations are of great interest to Schools for Equity in Education (SEE) and warrant the organization's support. The provisions that merit the strongest support from SEE and are expressed in some form in SEE's 2021 Legislative Platform include:

- Increasing the general education revenue basic formula of 1.0% for FY 22 and 2.5% in FY 23 and linking the formula increase to inflation after that.
- Increasing equalization in three major formula components: (1) Local Option Revenue, (2) the Operating Referendum, and (3) Debt Service. The \$92 million recommended for greater equalization of these programs is a significant commitment to greater tax fairness for taxpayers in low property wealth school districts. Special mention should be given to the nearly \$20 million targeted for debt service equalization. That program has not been upgraded in over 20 years, and state aid has plummeted.
- Committing to holding the special education cross-subsidy at its current level will help protect districts' general funds, which takes on additional importance in unpredictable times.
- Putting revenue toward reducing the cross-subsidy in the English Language education program.
- Partially rectifying the revenue loss resulting from unanticipated enrollment decline due to the pandemic. Nearly identical language is contained in SF 973.

There are other provisions in the bill that SEE supports, but the items above fall most closely in SEE's mission of funding adequacy and taxpayer fairness.

If you have any questions regarding SEE's position on this or other issues, do not hesitate to contact me at brad.lundell@schoolsforequity.org or (651) 647-6251/(612) 220-7459.

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