

Talking Points Regarding State Funding of Education

1) Mandate that the state live up to its obligations!

If the state commits to providing a specific revenue amount (General State Aid) and fund specific programs (Categorical Grants), the schools must have a reasonable expectation that the state will fulfill that commitment. After all, the district bases its budget (hires teachers, purchases curriculum, etc.) on what the state has confirmed it will provide the district in revenues. When the state fails to pay its obligations, the burden becomes the district's/taxpayers' to fill the shortfall since the programs are either mandated or in progress. The district's budget year begins July 1. It would be extremely beneficial if the districts knew, for certain, the amount of state revenues that would be provided to the district by spring so proper budget planning could be done for the following school year.

2) Propose law that will require the state to pay the interest on the Tax Anticipation Warrants (TAWs) that schools take out to cover lapses in state funding.

Schools are required to set their budgets in September and throughout the school year bills are paid (such as payroll). When the state is unable to provide the schools with the promised funding in a timely manner, but the bills continue to be incurred by the school district, the district needs a temporary loan. The loan is called a Tax Anticipation Warrant and the money received by the district is used to cover costs until the anticipated revenues are received. However, like all loans, the district must pay interest on the amount borrowed. Since the loan was necessary because of state funding issues, we think the state should also be held responsible to cover the interest costs.

3) Support law that reduces/eliminates unfunded mandates from the state.

Districts have hundreds of mandates from the state that the state doesn't fund. The cost of these mandates is then passed on to the district/taxpayers. If the state believes that something is so important that it must be mandated in schools (automated external defibrillators & training, specific curriculum, etc.) they should provide the funding to run those initiatives. There is currently legislation proposed to address these types of issues such as Senate Bill HJR0074 by Rodger Eddy. It establishes a Blue Ribbon Committee on Elementary and Secondary Education Mandates to make recommendations to the General Assembly on unnecessary and costly mandates in the School Code and the Administrative Code.

4) Make it personal.

District representatives are speaking with local legislators to let them know how the state funding issues are affecting the district. You need to let the legislators know how it is affecting you, your classroom or your family. You are the voting public. The legislators represent your interests, but they need to know what your priorities are.