

School funding reform in the air

By Jim Nowlan

Illinois has long been the poster child for how not to fund public schools. Wealthy districts spend as much as \$20,000 per pupil while property poor districts have as little as \$6,000 per pupil.

After many failed efforts over the decades to address the inequities, a new school funding reform effort has passed the state Senate and awaits action in the House.

I predict this proposal will be enacted in January, over the protests of Republicans.

The per pupil spending disparities exist for several reasons. Illinois relies heavily on the local property tax to fund schools.

Sixty-one percent of funding for schools statewide comes from the local property levy; only 28 percent is from the state, with the remainder from the federal government. Across the states, almost half of school funding comes from the state governments.

Second, Illinois has more school districts—867—than most states, and the property wealth across these small geographic districts varies dramatically.

Third, the relatively small amount of state funding is inadequate to bring poor districts up to the level of high-spending districts.

The present state school funding system is a complicated mix of funding streams that address, separately, property wealth, poverty, special education, transportation, property tax relief and other categorical programs.

There is an old saying that only six people understand the school aid formula and they aren't allowed to fly on the same plane.

State Sen. Andy Manar (D-Bunker Hill) is chief sponsor of the bill that would reduce the disparities among school districts. His bill would base almost all the state's funding for local schools on property wealth and poverty.

Districts with low property wealth and high poverty pupil counts would get the most money, so schools in blighted urban centers and rural areas would fare best.

But the shift of more money to these schools means that schools with good property tax bases and few poverty students would be big losers.

I took a look at how several school districts would fare under the new proposal. The old industrial town of Kewanee in my territory, with 74 percent low income and a low property tax base, would gain a whopping \$2,000 per pupil, which would bring its spending per pupil up to about \$9,800, still about \$2,000 below the state average.

New Trier High School on the prosperous North Shore above Chicago would lose \$400 per pupil, which would bring its spending down to \$20,000. Of course, voters there could always increase local spending, as the district's great wealth allows the district to have a low property tax rate.

The 28,000-student Indian Prairie district in the Aurora-Naperville area, with 19 percent low income and a good property tax base, would lose about \$330 per pupil. This would reduce the district's spending from \$10,575, which is already below the state average of \$11,842, to \$10,245 or so.

A school funding reform bill cannot be enacted unless it treats Chicago well. Under the new formulation, Chicago would lose about \$40 million, but another element of the bill provides

Chicago with new funding of \$200 million for its teachers' retirement system, so the city school district comes out a big winner. (The state has always put funding into the downstate teachers' retirement system, but not into Chicago's, until this bill.)

School funding issues are in large part a matter of "print-out politics." That is, each lawmaker asks to see the spread sheets of how his or her districts would fare under any proposed changes.

Under the Manar bill, as noted, urban centers and downstate rural schools are generally winners and prosperous suburban districts are losers.

In Senate action, Republicans voted against the bill. In the House, where the bill resides now, my sources tell me that Democratic Speaker of the House Michael Madigan has taken an interest in the bill, which is a good sign for the bill.

On its merits, I support a proposal that reduces funding disparities. Yet I have the luxury of not having to vote on the bill, which causes consternation among the losers, and many lawmakers have both winners and losers within their districts.

If Madigan sees this as important to Chicago and to many of his members, I predict he will draw upon urban and rural Democrats in January to enact the bill.