

from the 2005-06 PASA Resolutions

Priority Resolutions - Referendum

“PASA opposes referendum for increases in school tax rates for the following reasons:

- State and federal mandates increase the cost of education. Increasingly, local revenue must cover the rising costs for these mandates when state and federal funds are insufficient. Local officials must have flexibility to raise revenue to meet mandated costs. Without that option, local officials may be forced to cut important programs and services that enhance education.
- Annual state funding levels are unpredictable. Without flexibility to reach other predictable sources of revenue, long-term fiscal planning becomes virtually impossible. Referendum would make access to local revenue more unpredictable.
- The failure of the federal government to provide its promised 40% share of the costs of the special education, and the state’s decline in support for basic instruction costs from 55% to 35% have combined to place an increasing burden on local taxpayers. The result is inequitable and inadequate funding. Referendum does not address these issues – it only exacerbates the problem by limiting some communities’ access to the revenue necessary to provide adequate education programs.
- Referendum forces local school officials to spend an inordinate amount of time convincing voters that tax increases are needed, diminishing time administrators and board members need to focus on the education program. School district tax rate increases are the only tax increases subject to voter approval, requiring school boards to bear voters’ general frustration with taxes, not just their concern about school taxes.
- By state law, the local school budget process is open to the public and offers ample opportunity for public input and understanding about how budget decisions are made and upon what needs those decisions are based. Local school boards elected by their communities and school administrators already are answerable to the public in their program and fiscal decisions. Adopting referendum grants to the public all decision-making authority on fiscal matters but does not require either public understanding of the budget process or public responsibility for the school program.
- In other states, referendum diminishes education equity and adequacy. The failure of referendum to pass has forced schools in other states to end the school year weeks earlier and drastically slash programs.
- Restrictions on taxing authority are not necessary. School boards do not relish raising tax rates, and over time the tax rate increases in most districts have been below the increases permitted by the Act 72 index. Indeed, school tax rates have not grown as rapidly as have tax rates for other local governments or the state. Further, the restrictions on future tax rate increases and the uncertainty about future revenue needs may encourage some boards to “bank” their indexed increases until they can better predict their revenue and needs.”

Priority Resolution – Funding of Public Schools

I. Funding of Public Education

Five principles should guide the Commonwealth's system for funding basic education. They are equity, for students and taxpayers, adequacy, predictability, accountability and efficiency. The state has a greater obligation to insure that funds are available to support a program adequate to meet student and community needs where access to local revenue for the support of schools is limited either because of a weak tax base or because of limited access to the tax base.

A. Basic Education Funding

PASA urges the Legislature to enact legislation and appropriations to assure that schools have the means to comply with mandated requirements and to assure that every child in the Commonwealth is provided an opportunity to achieve high academic standards in every Pennsylvania public school. This is the essence of adequacy. Variations in local school districts' wealth and the cost of providing educational service should be substantially offset by differences in state aid to assure equal educational opportunity. This is the essence of equity. State funding for instruction should be driven by a formula that recognizes the realistic cost of providing education and the ability of the community to raise revenue to cover that cost, and the state funding formula for local education should insure the state share of at least 50% of the instructional cost. The use of a formula and real data promotes predictability, and the shared obligation of the state and local communities to pay for the program they jointly define promotes accountability and efficiency.

B. Special Education Funding.

PASA urges the Legislature and Congress to appropriate adequate state funding to provide all school districts with at least an aid ratio share of their real (audited) special education costs.

General Resolutions - Funding of Public Schools

“PASA supports the local property tax as an important, stable and predictable source of revenue to support school programs. But Pennsylvania over-relies on the property tax and other local revenues sources to pay for education. PASA urges the legislature to provide significant property tax relief by adequately funding school district programs through an equalizing subsidy that recognizes the real cost of delivering these programs.”