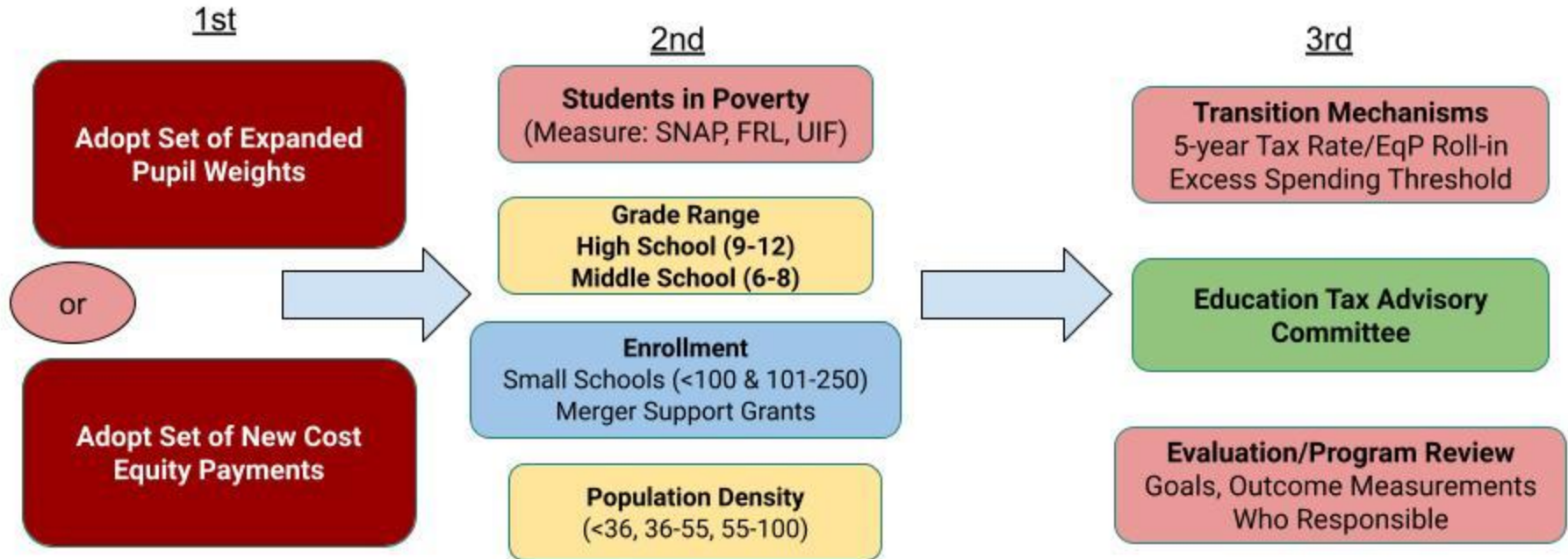


Education Finance Restructuring - Decisions Flow Chart Senate Finance Committee - 1.25.22



- Education Committee Recommendations**
1. ELL Program Support
 2. Small School/Merger Grants
 3. Tuition Setting & Early College



Finance Committee Concurrence or Modifications

Red - Priority School Funding Decision
Pink - Secondary Decision
Blue - Education Committee Work
Green - Taxation/Ed Fund Revenue
Yellow - No Decision Needed

- Education Homestead Tax Options**
- Maintain current income & property tax blend
 - Transition to income-based tax only (S.212)

Recommended Weights and Cost Equity Payments, by Category

| Category | Type | Current Weight | Proposed Weight (1) | Proposed Cost Equity Payment (2) |
|---------------------------|------------------------------------|-----------------------|----------------------------|---|
| Student Needs | Poverty | 0.25 | 1.03 | \$10,480 |
| | English Language Learners (ELL) | 0.2 | Cat Aid (3) | Cat Aid (3) |
| Grade Range | Middle Grades Enrollment (6-8) | NA | 0.36 | \$3,663 |
| | Secondary Grades Enrollment (9-12) | 1.13 | 0.39 | \$3,968 |
| | Pre-Kindergarten | 0.46 | TBD | TBD |
| Enrollment | <100 Students | NA | 0.21 | \$2,174 |
| | 101-250 Students | NA | 0.07 | \$712 |
| Population Density | <36 persons/square mile | NA | 0.15 | \$1,526 |
| | 36 to <55 persons/square mile | NA | 0.12 | \$1,221 |
| | 55 too <100 persons/square mile | NA | 0.07 | \$712 |

Notes: (1) The proposed weights are based on the [October 28, 2021 memo](#) from Prof. Kolbe, calculated using school-level data, all additive operations, a base of zero, and FRL poverty measurement.

(2) The proposed cost equity payment amounts are for FY23 based on the [January 11, 2022 memo](#) from Prof. Kolbe based on FY18 calculations escalated for inflation as a 2% annual rate.

(3) The Pupil Weighting Task Force recommended creating a targeted categorical aid program for ELL support. A “placeholder” amount per pupil was proposed in the Report and the Task Force requested a recommended amount from Prof. Kolbe, which she provided in her [January 11, 2022 memo](#). This amount is \$25,335 per pupil, which is the average cost equivalent to the ELL weight of 2.49.

The Pros and Cons of the Systemic Options

Expanded Pupil Weights Option

Pros

- Maintains current system & familiar framework
- Dynamic to differential budget needs of local school districts
- Adjusts for inflation more easily
- Maintains local control of spending priorities & decisions

Cons

- Does not guarantee additional funds will be approved by voters or spent on area of need, so may not improve educational equity
- Larger weights offset impact of smaller weights (interactive effect)
- Equalized pupil calculations are confusing to voters (and legislators!)
- Needs regular recalibration
- May increase overall education spending

New Cost Equity Payment Option

Pros

- Delivers direct payments to district that reflect average per pupil cost for different categories of need, so not subject to local budget votes
- Maintains ability for districts to spend additional funding as desired
- Simplifies formula by eliminating equalized pupil calculation
- Improves transparency and accountability

Cons

- More extreme tax and education spending impacts on school districts
- Unknown unknowns (it's new!)
- Not sensitive to differential local budget needs or marginal costs
- Needs regular recalibration or inflation adjustments
- May increase overall education spending

Note: These lists of pros and cons, as well as more summary information can be found in the [slide deck for the presentation by the Task Force Co-Chairs](#) provided to the Committee on Thursday, January 6, 2022. A lengthier analysis of the differences between weights and cost equity payments can be found in the final [Task Force Report](#) in Section V, pp. 9-18. In addition, the use of weights and cost equity payments does not necessarily have to be an either/or choice, as a carefully crafted hybrid could be devised using weights for some categories of costs and cost equity payments for others.

Select Task Force Report Sections

Pupil Weights vs. Cost Equity Payments

[Pupil Weighting Task Force Report - pp. 9-18](#)

Measurement for Counting Students Living in Poverty

[Pupil Weighting Task Force Report - pp. 23-25](#)

Small Schools and Merger Support Grants

[Pupil Weighting Task Force Report - pp. 25-26](#)

Transition Mechanisms

[Pupil Weighting Task Force Report - pp. 26-28](#)

Education Tax Advisory Committee/Recalibration and Oversight

[Pupil Weighting Task Force Report - pp. 17-18](#)

Program Goals, Review and Evaluation

[Pupil Weighting Task Force Report - pp. 31-32](#)

ELL Program Support

[Pupil Weighting Task Force Report - pp.18-23](#)

Education Taxation System

[Pupil Weighting Task Force Report - pp. 30 -31](#)

Note: These links will take you to the beginning of the Report where you will find a table of contents with links to each individual section.