

**DRAFT Public School Funding Formula Legislation
Testimony provided by Fred Birnbaum
Vice President of the Idaho Freedom Foundation
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My objective today is to point out some of the technical issues that need to be addressed before the final public school funding formula bill is introduced.

1. Using enrollment data and moving away from support units is a good step.
2. Our concerns are as follows:
 - a. The Idaho web ready model uses 2017-18 funding to compare the current formula, to the new formula which uses 2018-19 funding. This violates the notion of a fair comparison because changes to the model are intertwined with changes in the dollars. The model needs to be updated to keep dollars and enrollment constant such that changes that result from the model – are clearly visible.
 - b. It is not mathematically possible to alter the current formula, which has a wide variation of funding per pupil, district to district, and not have a new set of winners and losers. Keeping the dollars constant, formula to formula, lays it bare, and it is the best way to start the necessary conversations.
 - c. It stands to reason that given that the current formula has been around for more than two decades, some districts have learned how to use it to their advantage. Therefor a more “equitable” formula will hurt them – and they will oppose it. Perhaps the way you tackle this issue is a more gradual wind-down than three years.
 - d. The formula still uses too many factors: base count – yes, special education – yes; however the group of K-3, 9-12, At-risk, ELL, teacher experience, gifted/talented and size adjustment (these 7 should be whittled down to 2 or 3). Finally, wealth adjustment, remote building, and large district – should probably be tossed out. The large district adjustment only applies to two districts Boise and West Ada and the notion of diseconomies

of scale is difficult to fathom given that also in the model you have a small district size adjustment.

e. Economically disadvantaged, English language learners, and special education students all have escalators that take place over 3 to 5 years, increase the weighting of these factors. It is very difficult to project the impact of these changes to districts 5 years hence, for example.

f. One final point, 76% of the dollars in the model are allocated purely on the enrollment base count. Separately I observed that roughly 80% of the costs from the budget estimating tab are teacher and staff salaries and benefits. Perhaps it would make sense to allocate teacher and staff salaries just on the base count enrollments and then use the other 20% to accommodate 2 to 4 additional categories. Then see where the holes are and plug those for a longer period of time than 3 years. A simple model might require a longer phase in to keep districts whole, but it would be a lot easier to explain.