

INVESTING IN EQUITY FOR ILLINOIS STUDENTS

House Elementary & Secondary Education Appropriations Committee

May 22, 2018

fund the *formula*
ILLINOIS



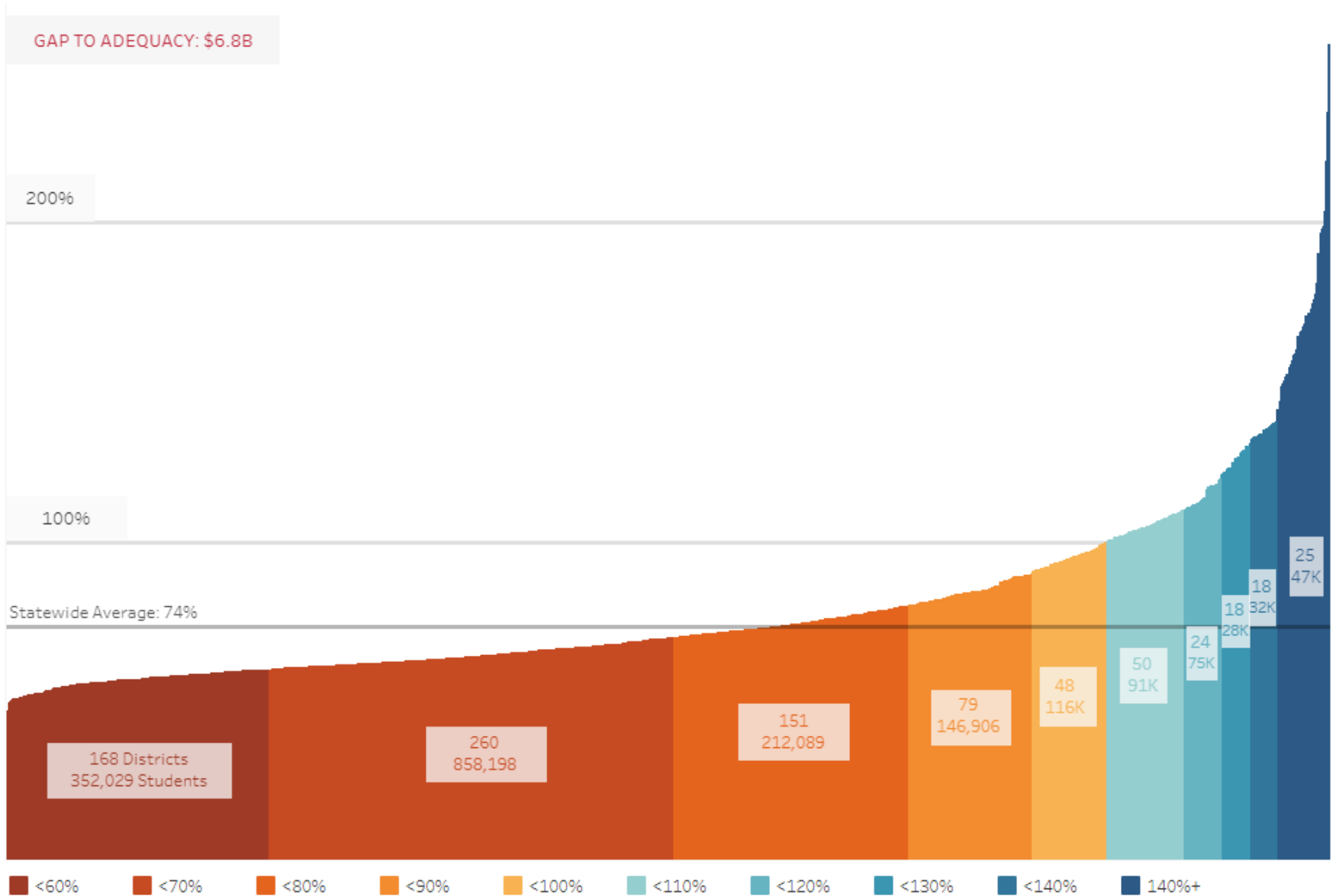
THE FORMULA IS WORKING!

Under the new formula and FY18 funding

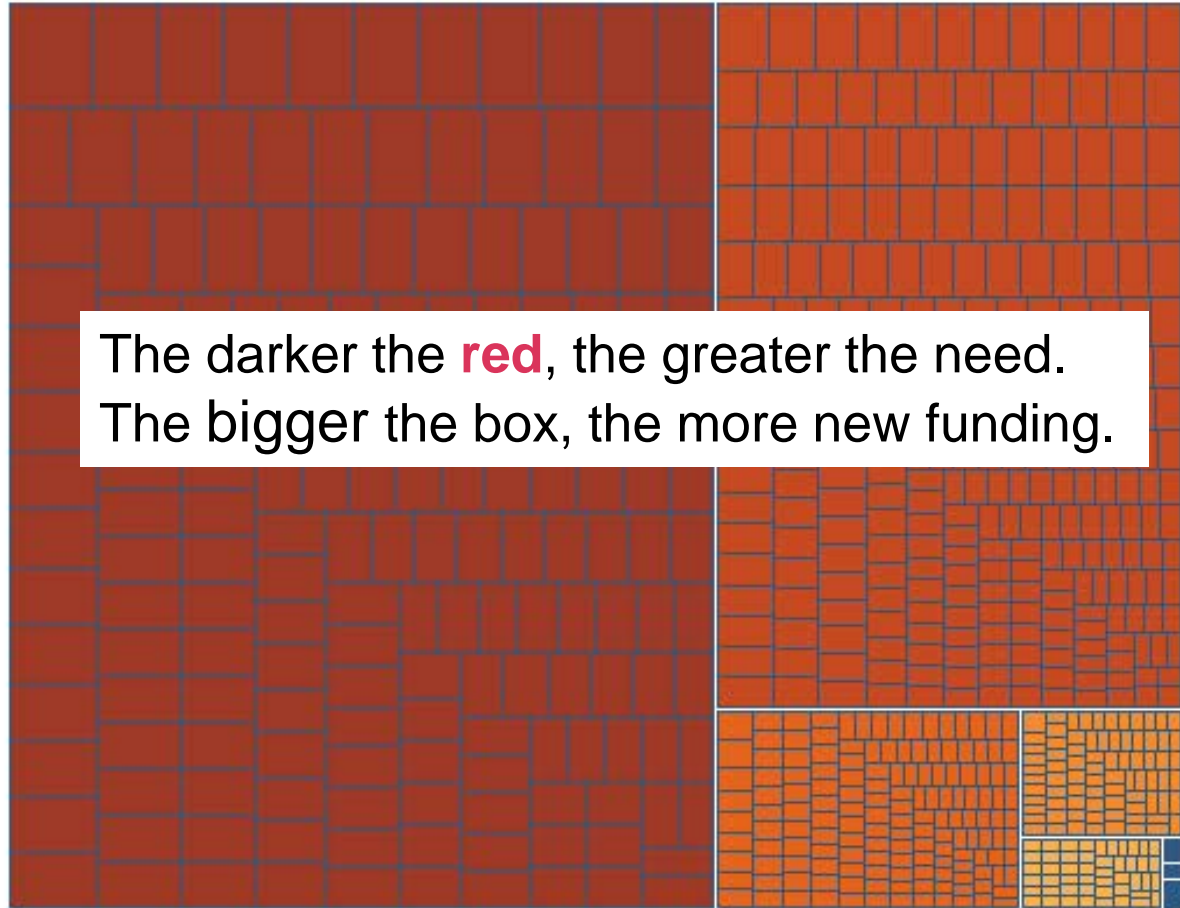
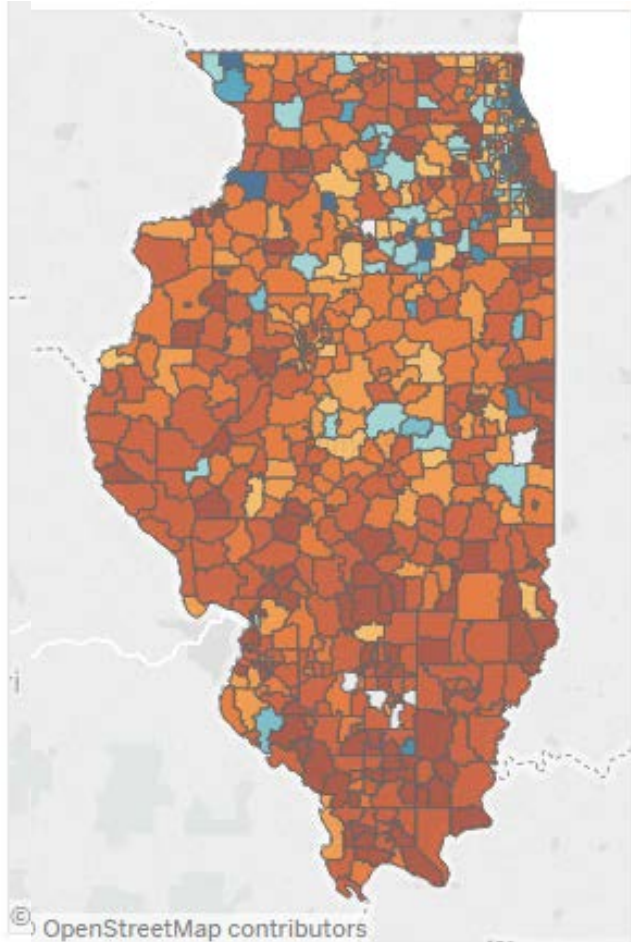
- \$366 million in new FY18 funding distributed to schools based on student need
- 80% of new funding went to districts with over 50% low-income students
- Over 70% of new dollars went to districts below median property wealth
- 25 districts gain more than 5% points towards adequacy
- No district is below 50% of adequacy

BEFORE FY18 FUNDING

706 SCHOOL DISTRICTS WERE BELOW ADEQUACY



WITH FY18 FUNDING: NEARLY 100 FEWER DISTRICTS BELOW 60% ADEQUACY; NONE BELOW 50%

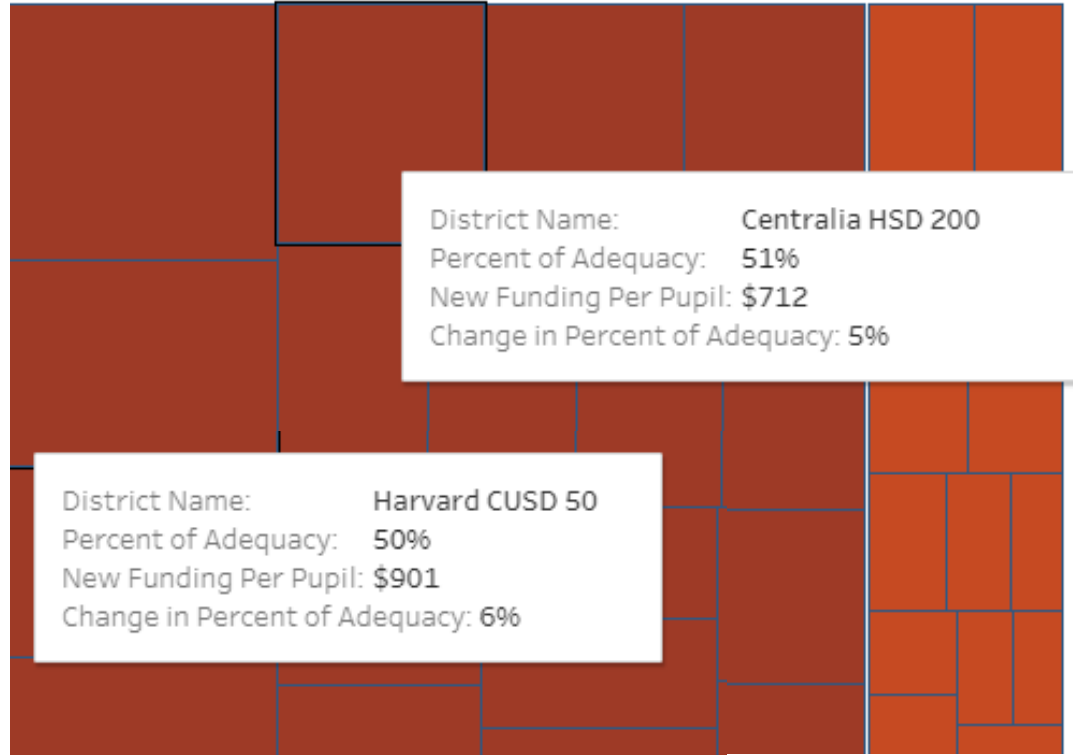
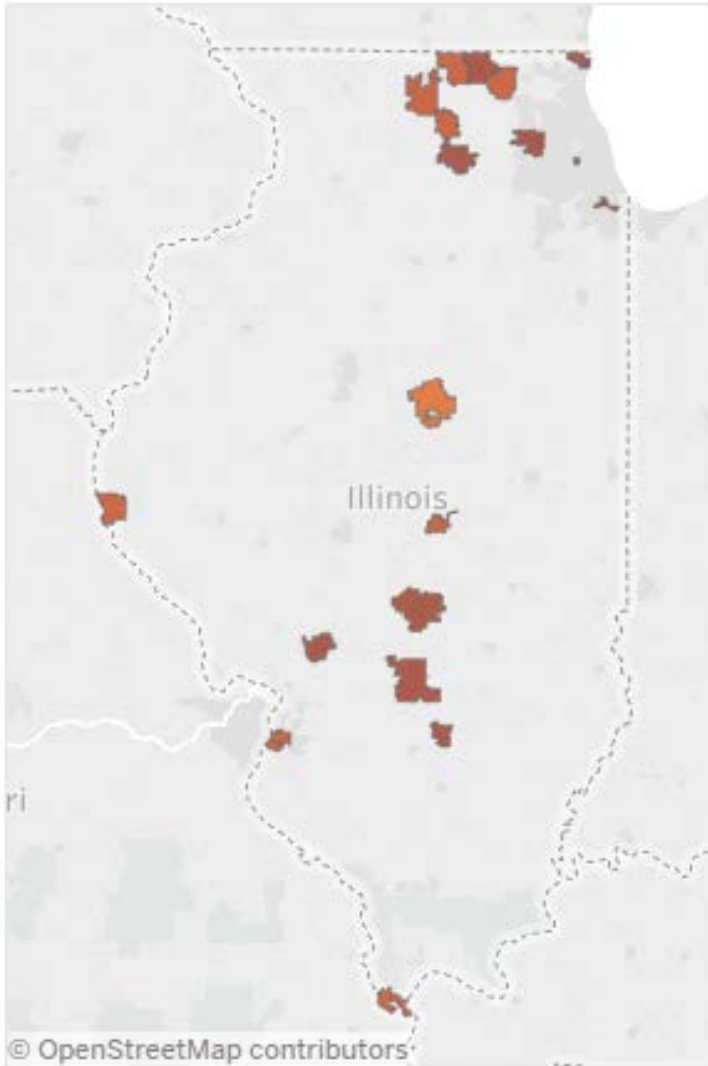


The darker the **red**, the greater the need.
The bigger the box, the more new funding.

PERCENT OF ADEQUACY ■ <60% ■ <70% ■ <80% ■ <90% ■ <100% ■ <110% ■ <120% ■ <130% ■ <140% ■ 140%+

\$200M to districts below 60% of adequacy
\$147M to districts between 60% and 70% of adequacy

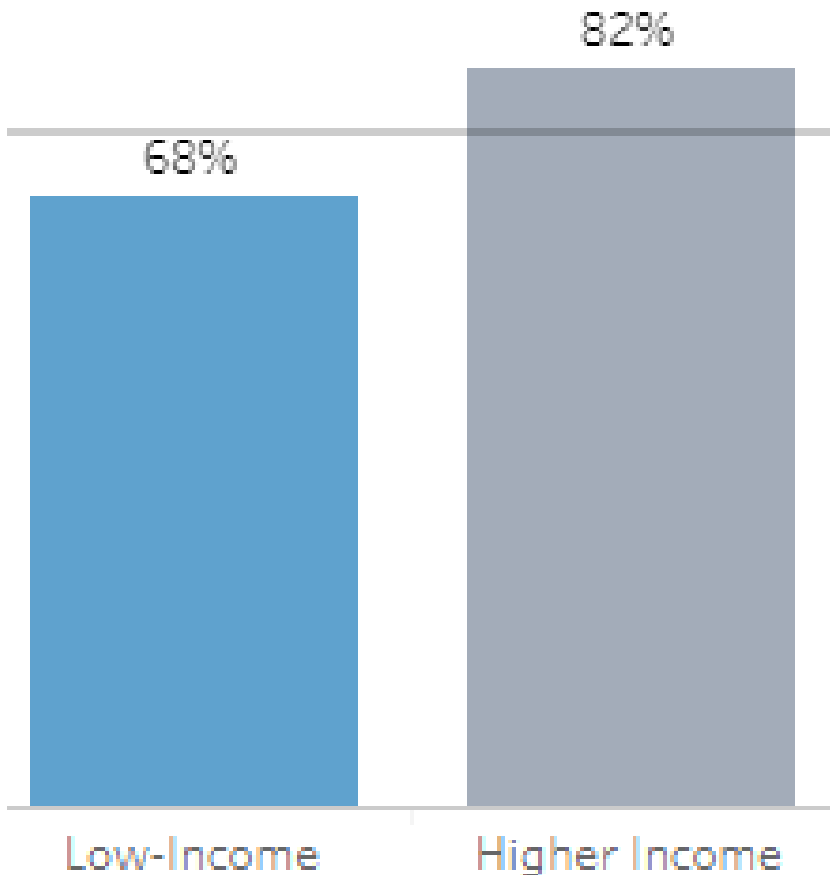
DISTRICTS WITH GREATEST NEED RECEIVE MOST NEW FUNDING



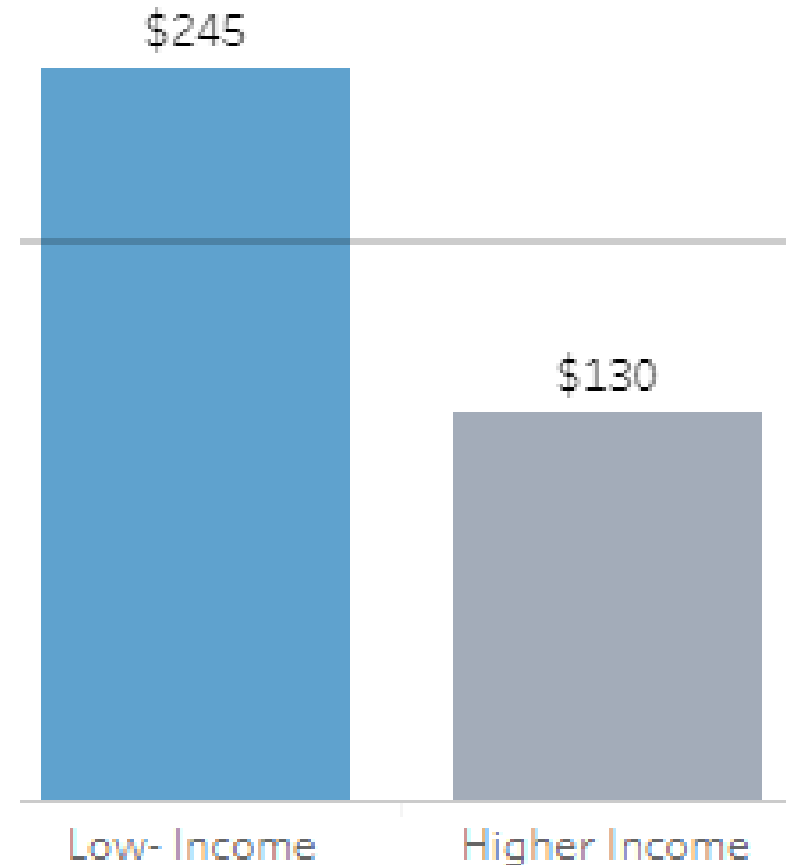
PERCENT OF ADEQUACY ■ <60% ■ <70% ■ <80%

GAP BETWEEN LOW-INCOME AND WEALTHIER STUDENTS CLOSES BY \$115 PER PUPIL

BEFORE FY18 FUNDING:
Higher Income Students
Closer to Adequacy



FY18 FUNDING: More Per Pupil Went to Low-Income Students



PROPERTY TAX RELIEF FUND CAN HELP DISTRICTS IN FY19

Targeted to districts with high property tax rates but low property wealth

- Districts apply for state grant which they use to reduce property taxes
- For example, unit districts can lower their tax rate about 1 percentage point: a district with a 7% operating tax rate could lower it to 6%

Requires appropriation to fund the grants

- No funding was appropriated in FY18
- Starting in FY 19, if at least \$350M is appropriated for EBF, \$50M automatically goes into Property Tax Relief Fund—no separate appropriation needed

NEED AT LEAST \$400 MILLION IN NEW DOLLARS TO KEEP MAKING PROGRESS TO EQUITY & ADEQUACY

This year will be another step in the right direction if

- We continue to add funds to the formula
- Property tax relief fund reduces burden on high tax, low wealth areas

Fund the formula and provide equitable property tax relief:

**\$350M for the Formula + \$50M for Property Tax Relief Fund
=
\$400 Million in FY19**

fund the *formula*
ILLINOIS