

October 31, 2023

Dr. Christine Benson, Chair Finance and Audit Committee of the Whole

Dr. Tony Sanders State Superintendent of Education

Illinois State Board of Education Members

RE: FY25 PEER-IL ISBE Budget Hearing Written Statement

Dear Dr. Benson, Dr. Sanders and State Board of Education Members:

We represent the Partnership for Equity and Education Rights Illinois (PEER-IL), a statewide advocacy network working to drive reinvestment in public education. We bring together parents, school leaders, advocates, researchers and organizers to advocate for high quality and fully-resourced public schools that meet the unique needs of every child in Illinois, regardless of their race, neighborhood, and family socioeconomic status. We urge the Illinois State Board of Education (ISBE) to commit to addressing the persistent gaps in education funding across our state by including an investment in Evidence-Based Funding (EBF) in its FY25 budget.

According to research conducted by the Education Law Center, a national non-profit supporting the work of state-based advocates to improve school funding equity, the current EBF funding gap stands at \$4.8 billion in K-12 Evidence-Based Funding (EBF). This amount is calculated at 100% adequacy as outlined by the Evidence-Based Funding for Student Success Act itself, rather than a 90% adequacy calculation which artificially deflates the state investment necessary for all school districts to receive the statute's own definition of adequate state funding. See 105 ILCS 5/18-8.15. According to the Education Law Center's research, Illinois must make a new annual investment of \$1.4 billion each year to close this funding gap by the 2027 target promised to Illinois students in the law.

Despite the 2027 target for full funding of EBF, the state has persisted in increasing EBF at, or below, the minimum increased funding level of \$350 million per year and calling this "full funding." This promotes a misunderstanding to the greater public who are led to believe that the legal minimum funding level is enough to reach full funding of our state's lauded K-12 education funding formula by the 2027 target. It is not. At the current funding pace, Illinois' public schools will not be adequately funded until generations after 2027, denying public school students across the state their right to a quality public education and perpetuating school funding gaps that disproportionately impact students in high needs school districts and undermine equity.



As stated in <u>ISBE's own Equity Statement</u>, "Illinois has an urgent and collective responsibility to achieve education equity by ensuring that all policies, programs and practices affirm the strengths that each and every child brings within their diverse backgrounds and life experiences, and by delivering the comprehensive supports, programs, and educational opportunities they need to succeed." Our state's EBF formula may be the lever necessary to deliver on these promised supports, programs and educational opportunities, but delivery on that promise to all Illinois students is not possible without full funding of the formula.

Data - and the lived experiences within Illinois school communities - demonstrate that students from the most vulnerable school districts with high resource needs experience both immediate and long term effects of chronic underinvestment. Additional investment in EBF would allow districts to provide additional resources that parents have identified as necessary based on their students' educational experiences, such as more teacher assistants, more multilingual bilingual teachers, tutoring/after school programs, science equipment, and early childhood programs. Additional investment would also allow for more competitive salaries and teaching conditions which could improve educator retention and yield positive impacts on student outcomes. Research clearly demonstrates that equitable funding leads to better life outcomes by allowing children access to higher paying jobs, upward mobility, and healthy, thriving lives. While implementation of the EBF formula has been a step forward for Illinois, it is clear that inequities in school funding persist and that students in historically underfunded districts will continue to disproportionately bear the burden of those inequities. Closing the gaps in EBF funding is required for Illinois to meet its promise of adequate K-12 education funding and address these inequities. A quality education influences the futures of our children, communities, and entire state.

In addition to addressing persistent funding gaps, through its FY25 budget requests ISBE has the ability and responsibility to prevent schools furthest from their adequacy target from experiencing the detrimental effects of the looming ESSER fiscal cliff. Research suggests that the end of ESSER funding coming in September 2024 will lead to painful budget cuts for school districts and threaten advances made in equity. Budget cuts that will disproportionately impact students in high-needs districts where ESSER funds were used to address operational deficits. Robust and urgent investment in EBF appropriations is necessary to forestall these imminent impacts.

Furthermore, the persistence and amount of EBF funding gaps for school districts around the state are impacted by <u>fluctuations in the Corporate Personal Property Replacement Tax</u> (<u>CPPRT</u>). While the CPPRT component of school district's adequacy has grown considerably in recent years due in significant part to inflation, this does not constitute a permanent source of revenue. As inflation levels revert to more historical trends, this source of revenue will decrease, making a significant increase in the state's appropriation for EBF even more urgent.



Furthermore, overreliance on CPPRT and local property taxes perpetuate the regressive nature of reliance on local wealth to fund our school system, undermining the intended purpose of EBF to "shift a significant portion of the responsibility to fund education away from local resources and onto state-based resources."

EBF calculations will necessarily change year over year as economic conditions shift, but the current gap of \$4.8 billion is undeniable and has real world consequences for students, families, and communities. Rather than relying on the most favorable snapshot as a basis for budget requests, we urge ISBE to advocate for an increased investment in K-12 funding that meets the moment and sets the conditions necessary to meet the 2027 adequacy target.

For additional information and analysis of the persistent funding gaps faced by Illinois school districts, we invite you to review our <u>EBF Calculation Tool</u>, a funding analysis and interactive data visualization tool offered by PEER IL and the Education Law Center to support the public's understanding of and advocacy on EBF.

We believe it is ISBE's responsibility to meet its stated commitment to advancing equity in Illinois' education system. ISBE has an opportunity to do so by advancing a FY 2025 Budget that demonstrates a meaningful commitment to closing the EBF funding gap, educating state leaders on what providing adequate K-12 education funding will really take, and advocating for ISBE's most important constituents—public school students.

Sincerely,

Natasha Erskine Executive Director Raise Your Hand for Illinois Public Schools Co-Convener, PEER Illinois Beatriz Diaz-Pollack
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