

Costing-out study illustrates need for property tax reform

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The headlines on the release of the state Department of Education costing-out study last week emphasized the gaps in funding necessary to adequately educate Pennsylvania students for the future.

But the importance of the study is much more complex.

The study marks the first attempt to answer the question of what it takes to provide a high quality education to every student in this commonwealth -- not just what it costs to educate a student in Pottstown and not just how that education compares in test scores to other districts.

The study "reinforces the assertion made by education advocates that too many school districts in Pennsylvania are not receiving the funding needed to ensure that students receive a high quality education," wrote Good Schools Pennsylvania, the Education Law Center and the Education Policy and Leadership Center in a joint press release.

The costing-out analysis found that \$12,057 is the average level of funding per child required to ensure that every student reaches state standards of academic achievement. The study took into account factors such as students in poverty, those learning English as a second language and those with special needs.

The base cost amount was also adjusted for districts that are growing, rural or faced with other educational challenges. Overall, the study found that 474 of the 501 school districts in Pennsylvania are spending below student-adequacy levels, and that as a whole, public education is underfunded by \$4.61 billion.

The solution to the problem is not to raise taxes in the districts that are underfunded. In fact, those districts typically have higher tax rates but produce lower revenues because of eroding property values. In wealthier districts, tax rates are lower but produce more revenue and result in higher per-pupil spending.

The problem lies in Pennsylvania's lack of a stable source of education funding. Among the 50 states in the nation, Pennsylvania ranks 44th in its percentage contribution to overall public education costs.

The state has consistently ranked among the worst states in the nation in terms of funding equity between rich and poor districts, a fact illustrated in the costing-out study.

Pennsylvania is at the top of the list, however, among states who rely on a local property tax for schools, a system that translates to educational funding inequity.

"Pennsylvania's current education funding causes a student's ZIP code to be her destiny," writes Good Schools Pennsylvania.

This inequity will continue as long as Pennsylvania retains its antiquated system of taxing property to fund schools.

The costing-out study was not proposed to support the tax reform movement, but it offers powerful information to support the cause.

This study is a first step — a useful tool — that can be used to guide the state into better funding of public education.

The key is in understanding that major tax reform is critical for Pennsylvania, not just for property owners but for the destiny of young people as well.

- *Pottstown Mercury*