

Basic Education Funding Commission Hearing Testimony
State Representative Todd Stephens, 151st Legislative District
October 16, 2014

Thank you Co-Chairmen Browne and Vereb for giving me the opportunity to provide testimony before the Basic Education Funding Commission this morning.

Since first being elected to the Pennsylvania House of Representatives, I've worked hard to ensure our local schools receive the funding necessary to provide the education our children deserve. We need to have a basic education funding formula that reflects the actual cost to educate a child. While I recognize some school districts across the state are facing great financial difficulties, the school districts I represent receive only about 16% of their funding from the state – hardly living up to our Constitutional obligation to our students. Conversely, some school districts across the Commonwealth receive over 70% of their funding from the state.

Under the current basic education funding formula, the average basic education subsidy is approximately \$3,000 per student per year – but a gross disparity in funding exists with districts receiving between \$478 per student per year and \$12,102 per student per year. Locally, my school districts receive no more than \$918 per student from the state each year. The Wissahickon School District receives only \$531 per student from the state each year.

These low levels of funding require my school districts to rely more heavily on locally raised property taxes to provide an education to our children. Since my school districts receive only 16% of their funding from the state, the local property-taxpayers are responsible for making up the additional costs. It is unfair to residents, especially our seniors, to have to fill the gap the state is creating through the disparities inherent in our school funding formula.

Property taxes are one of the most unfair taxes we impose. The problem with relying on locally raised property taxes is that these taxes are not related to an individual's ability to pay. These property taxes are levied on what an individual owns or inherits, not on what they earn each year. Although my district and other districts throughout Montgomery County are considered wealthy to some, many individuals – including senior citizens on a fixed income – are unable to pay the property taxes levied on their property. With the state paying only 16% of the bill, my school districts are forced to rely to a greater degree on locally raised property taxes to educate children.

One of the most concerning aspects of the Education Code is the “hold harmless” provision which states no school district shall receive less state education funding than the year before, even if the school's enrollment has declined. Schools should be funded based on today's enrollment – not the enrollment more than twenty years ago.

While I understand the importance of ensuring schools are able to provide a quality public education for their students, the “hold harmless” provision funds schools to educate children who are no longer there. This practice prevents schools with an increasing average daily membership from receiving the additional funding they need to educate their growing population. By removing this provision, the state could allocate funding to the schools so as to more accurately reflect the needs of their student population.

In closing, the current formula is blatantly unfair because it values students across the state differently. While some of Pennsylvania's students are worth \$478 in state funding, other students across the state are worth \$12,102 in state funding. The students who live in my district are worth just as much as the

other students across the state. As the House of Representatives continues to address basic education funding, I will continue working to protect our students and our property-taxpayers. In the end, a fair school funding formula should reflect the actual costs to educate a child. The gentlemen with me will help describe the cost factors they see when it comes to educating children and these factors should be included in a school funding formula.

I would like to introduce two members of my panel who will be testifying before you today. Dr. Curtis Dietrich is the superintendent of the North Penn School District which is located in Southeastern Pennsylvania. The school district covers 42 square miles which includes three boroughs, four townships and one village. Dr. Dietrich has served as the superintendent of the North Penn School District since February 2009. Prior to becoming the district's superintendent he was their assistant superintendent. Throughout his career he has served as an administrator, a principal, a teacher and a member of the Northwestern Lehigh School Board.

Dr. Curtis Griffin, the superintendent of the Hatboro-Horsham School District will also be testifying on this panel. The Hatboro-Horsham School District is located in Southeastern Pennsylvania, north of Philadelphia and covers Hatboro Borough and Horsham Township. Dr. Griffin has over 30 years of experience in education. In addition to his role as superintendent, he has served as a principal, a teacher and a member of the central office administration.

Thank you for allowing me the opportunity to address the Basic Education Funding Commission. I appreciate your commitment to develop a new, equitable formula for basic education funding in Pennsylvania.