

Testimony By William Peduto, Mayor of Pittsburgh, to Basic Education Funding Commission

April 27, 2015

Senator Browne, Representative Vereb, members of the Basic Education Funding Commission: Welcome to the City of Pittsburgh and thank you for your commitment to improving the lives of children and youth here and across our Commonwealth.

I know you have been gathering testimony since last summer and are hearing from a great many talented individuals, including those assembled here today. By now, you have received testimony telling you how in Pennsylvania we have a broken system for providing Basic Education Funding to 500 school districts. You have learned about how this system perpetuates inequality. Board members, superintendents, parents and advocates have testified about the challenges the funding system poses to the success of our students.

Rather than tell you what is wrong with the system, let me share with you, from my perspective as the Mayor of the second largest city in the state, some of my hard-won experience in fixing broken systems and offer three principles that could help guide you in the development of a solution to better serve the students in Pittsburgh and all across the state.

Pittsburgh has lately been receiving accolades from across the globe but a decade ago things were very different.

In 2003, when I was in my first term on Pittsburgh City Council, the state designated the City of Pittsburgh a distressed municipality as defined by Act 47, and the following year the state legislature created a second oversight board. First as a member of council and now as mayor, I have had to lay off hundreds of employees, freeze wages, and scale back our operations by closing pools, paving less streets, and running fewer programs, including those serving our young people. I have spent more than a decade fixing our own broken systems here in Pittsburgh and, as the headlines indicate, we are making progress.

At the same time, the board and superintendent of the Pittsburgh Public Schools engaged in similar work. Recognizing the fact that our fates are tied, the board and superintendents scaled back the district's operations with dramatic cuts to personnel and the closure of nearly three-dozen schools. Then, in recent years, they were faced with further reductions from the state, which they've survived, though not comfortably.

Part of our recent success here in Pittsburgh stems from the fact that in recent years, we have stopped focusing on managing decline in a process of picking winners and losers of diminishing resources. Instead, we have focused on our

residents, our children, our communities and our assets, and have tried to figure out how everyone could be better off.

So, as you develop a formula for Basic Education Funding, I encourage you to consider the Pittsburgh success story. You do not want to manage decline and pick winners and losers, but instead develop comprehensive solutions that benefit every child. This means, **number one**, that no child should receive fewer resources than when the Basic Education Funding commission started meeting.

The **second** guiding principle is: know the needs of students, and develop a formula that accounts for the different needs of students and districts. In other words, develop a solution that is student based and student driven.

Students as well as districts have different needs. The base costs for students need to be figured in with the base costs a district such as Pittsburgh faces, and the unique burdens it has with high poverty rates, and social support, transportation, and security needs. Districts deserve to have a weighted funding system to give these kids a chance.

The **third** principle that should guide your work is that of shared responsibility. As Mayor of Pittsburgh I know that state government is not just our partner; it has a shared authority and power as well as an obligation related to improving the financial health of the City of Pittsburgh. We need that same type of shared responsibility when it comes to our school systems.

I have no official role in the Pittsburgh school district, but our fates (not to mention our taxpayers' wallets) are one and the same, and the city and the schools worked in tandem to address the same types of financial difficulties over the past 10 years. Last year I brought together the first mayoral task force on education in two decades, which took this a step further by calling for further shared commitments to the taxpayers and children we have in common.

In the same way that Act 47 has tied the City and the state, there is a shared responsibility between state and the District to provide Basic Education Funding.

As much as they are able, districts must provide the resources and the tools children need. But the state must also provide resources to guarantee that no matter where students live, they have an equal opportunity to succeed academically in school and be prepared for career and life.

The state must look more closely at the relative wealth of each district and its ability to provide the resources students need in order to meet our academic standards. The tool that has been used to make this calculation should be closely evaluated to determine if it actually does measure what it purports to measure. In Pittsburgh, for example, we have lots of high value real estate, but much of it is not taxable. The tool recognizes this, but we need the same factors incorporated for personal wealth.

Shared responsibility is not simply between the schools and the state. This is a partnership among the schools, municipal governments, and the state. We all have the same basic interests, and taxpayer bases; it is just a matter of aligning our efforts.

So to review, as you work to establish a fair and equitable formula I urge you to do so holding fast to a couple of basic principles:

- No child should receive less funding under any proposed reform to Basic Education Funding
- Any proposed formula should start with base cost, count students, add weight for those factors adversely affecting a student's chances of success, and add weight for factors that affect a district's distribution of resources.
- Any formula you create should recognize the shared responsibility among the state, local school districts and local municipalities for providing all children in the Commonwealth with the opportunities they need to succeed academically and be career ready.

Thank you.

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