



Policy Position Statement on Education

BACKGROUND:

The Chamber recognizes the valuable role education plays in fulfilling our mission statement to make Lancaster County a model of prosperity for 21st Century America. The educational network in Lancaster County is an economic generator in two ways: First, a strong education network is essential for the quality of our future workforce and the overall quality of life in the County; and, second, education is a strong component of our overall economy through the number of jobs, the local purchasing, the value it can add to the local real estate market and many other factors.

Business and industry have long relied on policies and programs to ensure young people receive a high-quality education, but that notion is changing as school officials become increasingly dependent on outside funding sources. In return for these investments, business expects improved early-childhood, K-12 and postsecondary schools to provide a better educated and trained workforce. And yet, schools are faced with challenges that make it difficult to balance mandates with improved education and training. We must seriously begin to address these issues if we expect a well-trained, well-educated workforce where our community and its people realize their maximum potential.

To that end, The Chamber offers our support for education policies in Pennsylvania which will improve and promote career and college readiness. Finding ways to promote flexibility in the delivery of an essential service would allow education to be delivered in a way that is effective, efficient and reflects the changing needs and expectations of our society.

POLICY POSITION:

While we always encourage fiscal discipline, The Chamber has also long-held the belief that more must be done to address the unique needs and benefits of our pre-K through post-secondary comprehensive educational network. Outlined below are methods and approaches that go beyond providing more money, but rather look at ways to provide consistency and predictability.

- Mandate Relief

Issue: One of the most onerous cost-drivers for public education is the amount of mandates imposed by the State. These mandates are often unfunded, take away local flexibility and decision making and add to the bureaucratic and budget challenges of running a public school district. Examples of unfunded mandates include the cost of AED certification, Keystone test training and prevailing wage.

Approach: With overall mandate reform remaining a priority, clarity on the cost impact of mandates should serve as the minimum threshold for any new mandate considerations. By ending unfunded mandates, there would be a minimization in the elimination of effective programming and less stress on schools' budgets.

- Special Education Funding Formula

Issue: Currently, the state distributes special education dollars using the "census-based" funding formula; thereby, assuming that 16 percent of a district's student population requires special services and distributing a share of money based solely on that percentage. As a consequence, that results in some districts being underfunded while others receive more money than they need for special education funding.

Approach: Develop a formula that is responsive to current needs and bases the calculation of an individual district's subsidy on the actual special-needs student enrollment and the level of services required. Additionally, request the federal government fund their required 40% of the cost of special education funding.

- Pension Reform

Issue: Reforms must be made to the unsustainable pension system in order for local systems to be able to endure these costs. Past government policy has created a system that imposes much of the cost burden on our local public education systems and will force schools to propose bigger tax hikes and program cuts to cover pension costs.

Approach: Pension reform, both for state government and public school employees, needs immediate attention and must go far beyond previous changes made. The legislature must look at options such as changing the hours to qualify for a full pension and requiring/shifting employees into defined-contribution plans. It is imperative that all options are looked at and that a solution is advanced.

- The Right to Furlough Staff for Economic Reasons

Issue: Current law forbids school districts to furlough professional employees for economic reasons – a law which denies the economic reality of today’s challenges. This outdated practice forces school districts to make cost-cutting decisions that may not be in the best interest of the public. This specific area is one where students are the most aware when it happens, but allowing schools the right to furlough without artificial constraints, such as seniority, would lessen the impact and the need to eliminate programs.

Approach: Give school districts greater autonomy in making budgeting and personnel decisions.

- Construction/Purchasing Reform

Issue: Public institutions are at a significant disadvantage compared to the private sector in regard to construction and purchasing due to prevailing wage, competitive bid level requirements and the execution of building contracts. Prevailing wage alone, mandated for projects over \$25,000, can add anywhere from 5 to 30 percent to a project cost, depending on the specifics of the project and its location. The laws make it particularly difficult for schools to maximize the same efficiencies as the private sector when labor, one of the key components of any construction job, is basically a fixed price by the government. This leads to little variation in bids and the inability to get the best deal for taxpayers.

Approach: Increase the amount in the contract needed to constitute “public work” or, for an even greater impact, remove public education from the Prevailing Wage Act with an opt-in only upon local referendum or governing body approval.

- Consistent, Predictable Funding

Issue: Due to unpredictability surrounding education funding in the budget cycle, local public education – both at the school district level and post-secondary education – is often left formulating a budget without clear direction on state funding. This diminishes the generation of new ideas and long-range planning, forcing schools to not use funding as strategically as possible.

Approach: Provide committed, minimum-level funding for a two-year cycle as a practical approach to provide consistency and predictability. In addition, require equal accountability for all educational institutions – from public to private to charter to higher education – to ensure that all students are well-educated.

The approaches above reflect a desire to see more flexibility and more confidence in local decision making. Doing so could go a long way in making our limited state and local funds work harder and more effectively to achieve everyone’s goal of providing a comprehensive education network.

Finally, these issues do not impact just educational institutions; it is imperative that business and community leaders understand the challenges faced by schools and the importance of working together to establish a well-educated and trained workforce. Advocating for changes in education policy is critical for the Commonwealth to remain competitive and better allow for the preparation of our future workforce.