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Superintendent Ybarra outlines concerns about proposed new funding formula

(BOISE) – Appearing this afternoon before a joint meeting of the Idaho House and Senate Education Committees, Superintendent of Public Instruction Sherri Ybarra outlined her concerns about a proposal to change how the state funds K-12 education.

Superintendent Ybarra noted that she and her staff have had little time to analyze the draft bill and its potential impact on school districts, but an initial review raised numerous concerns. Various education stakeholder groups and individuals also weighed in during today’s legislative “listening session.”

The draft legislation was made public on Jan. 31 and stems from a multi-year effort to replace Idaho’s 20-year-old school funding formula. Superintendent Ybarra served as a member of the 2018 Public Funding Formula Committee, whose recommendations guided the development of the proposed new formula. She was not invited to help draft the bill.

While the superintendent supported the broad recommendations of the committee last November, she said, “there’s a big difference between recommendations and the draft legislation.”

“It is my and my department’s responsibility to look at this legislation through the lens of how we would implement the new formula and understand exactly how it works and how it will impact districts and charter schools,” Superintendent Ybarra told lawmakers. “The list of concerns and questions I’m sharing is not meant to be complaints or ‘throwing stones,’ but a starting point for our work to collaborate and find solutions together.”

Of the issues Superintendent Ybarra highlighted in her testimony, perhaps the one weighing most heavily on the minds of teachers and school administrators is the need to maintain an even playing field for state funding of education.

“I am not supportive of a plan where school districts lose significant funding,” she said, noting that the proposed formula used incomplete current year enrollment data, which may return inaccurate funding projections. She also stressed that a new funding model should not be used as a rationale for cutting school funding if state revenues falter.
Teacher pay was another sticking point for Superintendent Ybarra, who has been an outspoken advocate for raising teacher pay and pointed out that the proposal “limits flexibility at the local level” when compared to the existing career ladder. She also cautioned lawmakers that the proposal doesn’t reward teachers for furthering their education, a critical compensation strategy for recruiting and retaining qualified teachers.

Other concerns raised by Superintendent Ybarra included:

- The payment schedule included in the legislation creates cash flow problems for the districts. Many districts would not be able to cover payroll, and districts could be forced to adjust, which may mean creating or increasing reserves, short-term borrowing, or making cuts.

- There is no floor for payments, and so districts will not know what they are getting until the end of the year. This will result in uncertainty and fiscal instability for our districts.

- The bill contains no off ramps in the event that future revenue does not support ongoing investment to fund the hold harmless provision. What happens after three years? Is there a fiscal cliff for any of the districts?

- The wealth adjustment is problematic. Distributing state dollars to compensate for a lack of local contribution is not a viable solution for communities that are not able to pass supplemental levies. It also creates an expectation that local districts will go to patrons to try to pass a supplemental levy and decreases funds available to all districts (in other words, it reduces the overall pot of funding available to all districts).

- Definitions for at risk, economically disadvantaged, and special education need to be aligned to current administrative rule and to federal ESSA definitions. One example would be that the special education definition is overly broad. This could lead to over-identification of students, and, once funded, you cannot decrease the amount.

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