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Senate Bill 16 For PTA Leaders and Members

What is Senate Bill 16 (“SB16”)?

The intent of SB16 is to distribute funds with greater equity and fairness to school districts using a progressive funding model.

The progressive funding model distributes education funds based on the local ability to pay.

Illinois’ current provisions for the state’s share of the funding of education result in regressive funding of education. Furthermore, the State of Illinois is nearly at the bottom (43rd of 48 ranked states in the USA) for state support of education funding.

[SB16](#)’s current wording and [voting record](#) are available at ilga.gov.

What *doesn’t* SB16 do?

SB16 does *not* increase funding of education in Illinois: it reallocates existing funds from some areas to those areas which have less ability to pay.

How will it impact your school district financially should SB16 pass and be signed into law?

There will certainly be high poverty level school districts that will benefit from SB16. Other school districts stand to lose as much as \$1,000 per student depending on their area – some will lose millions of dollars in state aid.

Information is available on the estimated financial impact on each school district in Illinois from the Illinois State Board of Education at <http://www.isbe.net/EFAC/default.htm> - under the caption “Preliminary Analysis of Impact of SB 16, Amendment 3 & 5 (8/26/14) updated” – “Full Calculations SB 16 Ams 3 & 5 (6/11/14).” (*Direct links are not available, but the information may be downloaded.*)

An [updated Fact Sheet](#) has also been prepared by ISBE, as has a [more detailed overview of SB16](#).

What is the Illinois PTA position on SB16?

Currently the Illinois PTA’s position is for “information only”. We agree that the education funding system should be funded in a progressive manner. However, in its current form, SB16 will result in substantial cuts to many school districts that stand to lose funds – some in the millions - as it does not provide for an influx of funds. Because of this, we believe that each PTA should consider how its district will be affected and then weigh in on the impact of SB16.

The Illinois PTA is monitoring SB16 very closely: we will keep our members updated on changes and progress on the bill.

What is SB16’s current status?

SB16 passed the Senate in Spring 2014. After moving to the Illinois House, it has remained in the Rules Committee since 5/28/14. As of this writing, SB16 includes six amendments. We anticipate that because of concerns related to the loss of funds in numerous school districts that the bill may be further amended. Senator Manor is chief sponsor of SB16 in the Illinois Senate. In the Illinois House, Representative Chapa La Via is the chief cosponsor.

What is the process?

Currently, SB16 is under review of the Illinois House of Representatives. The next session date is November 16, 2014.

The bill is currently in their Rules Committee; if it stays in the Rules Committee no further action will be taken. It may come out of the Rules Committee and be voted upon in its current status. It may also be amended further before a vote is taken.

If SB16 passes the House in its present form, (it has already passed the Senate), it goes to the Governor for his consideration (signature, amendatory veto or veto).

If it passes in the House, and is signed into law, how will SB16 be implemented?

As it is currently written, SB16 would be effective immediately upon being signed into law. However, the funding change would be phased in as follows:

- Year 1 – A district will realize 25% of the Gain or Loss compared to the base year
- Year 2 – A district will realize 50% of the Gain or Loss compared to the base year
- Year 3 – A district will realize 75% of the Gain or Loss compared to the base year

What can our local units, districts and regions do?

- A forum to debate the issues would be ideal in this situation.
- Every PTA is encouraged to determine the status of SB16 on their school district.
- Contact local legislators to:
 - Determine their position on SB16;
 - Ask them to review the basis for their position so that you can have an understanding of how they view the bill.
 - Determine how they would recommend your school district handle the change in the balance of funds that they would receive.
 - Determine if there are funds from Tax Increment Financing (“TIF”) district that could be reallocated to eliminate or reduce the loss to their school district(s).
 - Determine if they will consider other revenue sources to alleviate any loss of funds to their school district.
- Local PTAs may take their own position on SB16. (However, they may not state or imply that their position is that of the Illinois PTA.) Consider taking a poll of your families, asking them to weigh in on the bill.
- Engender community support of efforts to locally recover any shortfalls to your school district should SB16 pass. It is to every property owner’s benefit to have a good school in their district, as generally this will maintain or raise property values.