



## Addressing Educational Inequities in Pennsylvania

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In November 2014, six school districts, two state organizations, and a collection of parents in Pennsylvania filed a lawsuit claiming the state does not meet its constitutional obligations for funding public education. Over eight years later, a ruling by Commonwealth Court Judge Renee Cohn Jubelirer found the plaintiffs' assertions to be true. **Pennsylvania violates students' constitutional rights** by failing to (1) provide a thorough and efficient public education system and (2) adhere to equal protection provisions leading to resource disparities amongst students living in districts with low property values and incomes. This issue is historic for the state of Pennsylvania and has implications for public education across the country.

While Judge Jubelirer's 786-page ruling validates funding and achievement gaps in Pennsylvania public schools, she does not include a solution for these issues. She instead calls upon the plaintiffs in the case, experts in education, and various state policymakers to create a plan to address these gaps.

### Pennsylvania's School Funding Formula

Pennsylvania's school funding formula, most recently updated in 2016, follows a "student-based" structure, meaning that the state sets a dollar amount per pupil for each district. The base amount per pupil increases **based on specific demographic categories of students** (English language learners, low-income, low-population districts, special education, and students in Career and Technical Education programs). If this formula was followed by all districts across the state, there might be a positive impact on education; however, **in the fiscal year 2022, less than 13% of districts in the state followed the state's school formula.**

As a consequence, students from higher-poverty districts are valued less and have fewer educational resources compared to their counterparts in lower-poverty districts. In Pennsylvania's highest poverty districts, public school students receive \$2,867 or 16.7% less in revenue per pupil than what is deemed necessary for adequate funding. Meanwhile, **the state's lowest poverty districts receive \$10,045 or 151.5% more per pupil.** This discrepancy, known as the opportunity gap, is one of the largest in the country and signifies that a student's residence affects the number of educational resources they receive. This means that students in high-poverty districts receive fewer resources than those in low-poverty districts.

### How Does This Happen?

One major reason for the opportunity gap described above is the lack of revenue in districts where it's needed most. While the state sets the amount per pupil required for funding, the responsibility for contributing revenue primarily falls on districts. This approach puts pressure on local tax revenue to fund schools and contributes to gaps between low and high-poverty districts since higher-poverty areas have less wealth to tax. According to the plaintiffs in the case, even if higher-poverty districts were taxed at higher rates, they would still receive less money than lower-poverty districts.

Another issue is the state's "hold harmless" policy instated in 2016. This policy states that schools cannot receive less funding than they did the previous year. This means that most districts in Pennsylvania are using historical funding allocation amounts instead of the student-based formula. Schools with declining enrollment benefit the most from hold-harmless policies because although they have fewer students, they still receive the same amount of funding year to year.

### Possible Policy Solutions for Constitutional Compliance

As the plaintiffs in the case, experts in education, and various state policymakers work to create a plan to address these gaps. Potential solutions to consider include:

- **Increase State Funding for Public Education:** While addressing the issues of the school funding formula mentioned above is important, considering public school funding as a part of larger state funding is equally pressing. A **recent study** finds that Pennsylvania schools are underfunded by \$4.6 billion, and without an increase in public school funding, opportunity gaps will continue to grow.
- **A Fair Funding Formula:** A new fair funding formula weighted toward the highest poverty districts and applied to all districts could help narrow the opportunity gap. The removal of the hold harmless policy established in 2016 would help align base per-pupil funding across the state.
- **Oversight for New Allocations:** As the state implements new school funding policies, appropriately distributing funding to student needs must remain a priority. **In other states**, school funding reforms have involved overly complicated processes for districts to receive new funding, spending restrictions, and allocations that are needed to meet student needs better. Pennsylvania students in districts that receive inequitable funding deserve this wrong to be corrected as quickly and effectively as possible. When reforms are made, the state should invest in research that evaluates their impact on student needs and achievement.

Many states have similar language in their constitutions and inequities between their highest and lowest-poverty school districts. How and when Pennsylvania state policymakers decide to move forward with plans to achieve constitutional compliance in funding public education will have a deep impact on school children in the state and across the country.