

# An Introduction to the Special Issue on Education Policy

**JOSEPH P. McLAUGHLIN, JR.**

**MICHELLE J. ATHERTON**

Special Issue Editors

**P**ublic education is arguably a state government's most important function. In Pennsylvania, slightly more than one-third of general fund expenditures (35.17%) were dedicated to Pre-K–12 education in FY 2014–2015. In 2014, following deep cuts in state aid to public schools, an incumbent governor, Tom Corbett, was defeated in a bid for re-election, the first time this has happened since the 1968 PA Constitution allowed governors to seek a second term. Governor Tom Wolf won, pundits and polls affirmed, on the issue of education funding: the electorate wanted more dollars from the state.

According to the Franklin and Marshall College Poll, voters identified education as the most important problem facing Pennsylvania from May 2013 through June 2015, only to be supplanted by government and politicians at the end of 2015 and early 2016. After having campaigned on the promise of more education funding from the state, Governor Wolf engaged in a protracted budget battle with the Republican legislature in Harrisburg. The disagreement is perhaps not about the exact level of education funding, but how to pay for it. So the promise of more dollars from state coffers for education has led to the longest budget impasse since 1971.

This special issue of *COMMONWEALTH* tackles the important policy topic of education on a number of fronts. As is common across the country, Pennsylvania's largest local source of education funding comes in the form of

property taxes. David G. Argall (a Pennsylvania state senator) and Jon Hopcraft (director of the Senate Policy Committee) contend it is the “worst tax to fund schools.” While it might have made sense in the 1830s when it was first enacted, they argue, it is no longer a fair or equitable way to fund schools. Senator Argall’s effort to abolish the property tax for schools narrowly failed Senate passage in November 2015. Economist William A. Fischel takes an opposing view, making the case for an efficient link between property values and the quality of schools in a particular district: his so-called “homevoter hypothesis.” Those voters without children in the schools, he argues, have a direct financial incentive to raise their own taxes in order to increase or maintain the value of their homes.

Another common theme in the education debate in Pennsylvania is the absence of a predictable and reliable funding formula. It is one of just three states without a formula based on actual student needs and accurate student counts. Recognizing this deficiency and public discontent with education funding, the General Assembly in 2014 established a bipartisan commission made of key legislators and executive branch officials to recommend a new funding formula. It is not yet clear whether or to what degree the commission’s formula will guide future funding, but its work has generally been well received by education stakeholders, and it was endorsed by the legislature at one stage in budget deliberations in 2015.

Marguerite Roza and Amanda Warco assess the commission’s work against the standard of a student-based allocation method for Pennsylvania districts. In short, Roza and Warco’s method would require that all funding follow the student, and schools would receive the funds dedicated to that student only after an accurate assessment of need.

In another article dealing with a critical education policy issue in Pennsylvania and across the country, Adam McGlynn looks at the implementation of the Keystone Exams as a graduation requirement for high school and finds that race, socioeconomic status, and a school’s English Language Learner and special education populations drive performance. The imposition of a two-year moratorium on the requirement will provide time for state officials and the legislature to reassess its testing policies. One policy prescription to which McGlynn refers is a predictable funding system according to need.

William T. Hartman continues the exploration of the role of special education funding through what he calls “a policy of neglect.” His investigation includes enrollment trends in public and charter schools, expenditures, funding from all levels of government, the fiscal impacts on school districts, and the explicit and implicit public policies in Pennsylvania surrounding special education funding.

For those looking for further reading on this important topic, Meghan E. Rubado's annotated bibliography provides an index to timely and relevant research on the subject of public education, some of which has clearly influenced the course of the policy debate in the Commonwealth. This resource includes the themes of public finance, fairness, governance, economic development, testing, and lessons from other nations.