

## **Christian Brunelli, Teacher, Wappingers Central School District**

I think every dollar spent on education is an incredible return on investment for society. I don't think that if you give another dollar or another dry erase marker to an educator, they will not find a way to use it in a positive way that will impact a child's life.

I think, when you look at things that cost money, the number of ENL students really drives it a lot more than a lot of other things that are in the formula. In Cornwall, where our numbers are smaller, but people might not realize that it's increased pretty dramatically over the last two years, but maybe not in the ways that people expect. The number of Chinese language as the primary language students is actually almost as large as the number of Spanish language as the primary language that we're dealing with in our district. And that is something that's new. It's not necessarily a capacity that a lot of districts have.

I would also say that the way we think about poverty is about the economic stress on students. But there's a lot of other ways to look at that that might better capture it, and since we're talking about a formula, one thing is income volatility. As Yale's Jacob Hacker and Elizabeth Warren, before she was Senator as an academic, talked about: What we see is the increase in income volatility, that poor people are not poor all the time. They go in and out, and that has a dramatic effect on the household and what the child's experience is. It's much more likely that people, when they lose jobs or have an employer close in an area with such dramatic effect, that person might not be poor the whole year, but they're poor for part of the year. That has a lot of impacts and events that occur in a child's life. That can mean a move, because parents have to find another job. It might mean that you might cut back on expenses that you would have spent otherwise. And if you could look at that, I think that would make the formula a better formula if it was reflective of certain things.

The second one, I think, is just the percentage of housing units that are renter-occupied. Because even though it's not "you rent versus you own your house, that makes you better or worse at school," but it tells you something about the community, and what's driving it. You might have a community where there's a lot more turnover — they don't go K through 12 in the same district. I have students who spend part of the year in North Carolina, because that's where their grandparents are, and then they spend part of their year in New York. And you can kind of tell that by looking at percentages of renter-occupied. It drives that. And when you're talking about a community, not just about individuals, that tells you something about what the school district is dealing with. And also about getting that student on the same track, dealing with their interruptions in education.

And one thing that doesn't get talked about with the younger generation is that these are the children that grew up in the wake of the 2008 housing crisis. That affects household formation. It means that you don't get the typical pattern, which is young people start their life maybe in urban areas, and then they move to the suburbs or something like that. And I'm not judging any of those places, but that changes where students are at different points of their life from what was happening in the past, and we need to take that into account as we go forward.

So these are some things that I think, if you were talking about how the formula is and getting the money to where it's needed, rather than just updating the data. Just on data, a little side story: Some people know me, I used to be a political scientist. And I had a friend who was doing a model at Harvard about how to predict a presidential election. So we try to get better economic data. And actually his results turned out to be worse. And it's because sometimes things don't change. The better data doesn't necessarily change how people are adjusting or what school districts have to plan for or spend on.

So my point is, I know people like to talk about how some data hasn't been updated, and I'm not criticizing that. If you have good data, use it. But the point is, we're talking about places, and we spend money on education according to geography. That means that there are some other things that it doesn't necessarily react as quickly, and therefore maybe the formula doesn't always capture some things.

A lot of districts, not the one that I live in, but they're saying declining enrollments. Declining enrollments are partly driven by household formation, because children are not necessarily showing up where we used to plan and expect them to be. And what that does is that when you have per-pupil aid, it might not come up, but you have to plan over a longer period of time. I think with the aid, if districts kind of built in — not annual, but maybe something that reacted a little bit slower. Because if I'm a teacher, if I have 30 students in my classroom, or if I have 25, I'm still getting paid the same as a teacher. So there might be five less people because there's something about a lower birth year, or maybe there was a Hurricane Sandy and there were fewer children. But the district's costs are kind of the same. If you could build in kind of a lag that allows them to plan better, it would be an improvement.

The last point I want to talk about is what I call the trilemma of local finance. There are three things that we all want, and we can only get two of them. We want to have good public services, which means good education. We want low taxes. And, in many cases, we want in some places lower development, which means more space; we don't want a PVC factory in our backyard, no matter how much money it brings in. But we can only get two, and what this sets up for most school districts is a conflict between taxpayers and students.

I think it's instructive that the word “taxpayer” first entered the American political lexicon in the post Reconstruction South, by Southern whites who wanted to disestablish the schools that newly freed people created, and they were some of the best schools. That's the first time people started using the word “taxpayer” in American history. And the point about that is, look how some districts use their money.

I'm going to talk about two school districts in this past year. Two school districts both cut several million dollars to their budget from their previous year. One of those school districts in this area, and it's no one here tonight, they decided to figure out what their budget was. They said, *This is what we think of good education is*. And then they got their Foundation Aid, and they adjusted their tax levy according to that. Then another school district basically waited, waited, and waited for the State budget. Then they found that number, their tax levy was zero, and they basically

adjusted their tax levy based upon what they got in Foundation Aid. The Foundation Aids is about the child or student's right to quality education, it should not be just a pass-through to taxpayers. If you look at how most districts budget, what they do is after Foundation Aid, they adjust the tax levy. They don't necessarily add something to their budget if they get a little bit more. And so I think you need to hold school districts accountable for how they do that. If the money is not getting into the classroom from a reasonable person's standard.

There are better ways, that if you tax one way and you give a tax break — with income tax, I know it's the only way the states raise money — but then you get a rebate of property taxes that has a distributed impact because the same taxes and they're not levied the same way. So if you want to lower property taxes for people, just lower taxes. Don't do it through the education funding system.

The book that's really been instructive to me is by Jeffrey Henig, *The End of Exceptionalism in American Education*. He talks about how America is the only country that has local financing of education, and why that is. It was actually a really great thing, because it allowed us to develop schools much quicker than anywhere else in the world. And probably was the biggest advantage of why the United States developed the way that it did. It basically meant we educated more of our students than any other country, including Western Europe at the time. But he also noted that this is changing. We're seeing a kind of fiscal federalism, we're seeing the state and the federal government come in. One of the negative aspects of that is that we might not fund education as much.

The special purpose local school district is one of the reasons why we make sure we fund education. And when you put it up into other levels, it starts to compete with other other priorities. And I think that when we're talking about Foundation Aid, that's the crux of it, because I don't think anyone here is pro- dumber children or less education. We're talking about the funding and how it should be funded, and how to make sure that funding is there and gets to the students. I think that might be a better approach.