

# **Politicians Mull School Funding Changes**

## **-- What Could Possibly Go Wrong?**

**By Roy Minet** (Rev. 09/03/18)

Have you heard about HB 2501? This bill, now referred to the Pennsylvania House Education Committee, would distribute all the state's direct funding for school districts in accordance with a fairly complex formula. For example, the formula attempts to take into account such things as the number of students not proficient in English and those from homes below the poverty income level.

The proposed change would create "winners" and "losers." Some districts would see dramatic increases while others would sustain painful cuts. One completely predictable result is more polarization and strife added to our already historically contentious society.

Those in loser districts will be unhappy and will beat up on their politicians to restore the money. Since politicians apparently aren't capable of cutting anything, there would be increased pressure for additional education funding. Property taxes, which already rise with reckless rapidity, could increase to replace lost funding.

The average cost per student per year in Pennsylvania is an astounding \$17,774 ([openpagov.org](http://openpagov.org)), well above the national average. How much *should* it cost? No one knows.

The formula does not consider school "performance." Of course, to do so would be fraught with difficulty and controversy. We know full well that there are good schools and some failing schools. Should failing schools get more money so they can do a better job? Should failing schools be cut because they're not hacking it? Or should the money just be handed out without considering performance?

Standardized testing can provide one important performance yardstick, but there is more to it than that. Even if we did come up with the perfect way to measure school performance, exactly what would be done about fixing bad schools?

Even though they've always done it, one might well ask whether politicians are the ones who should be doling out the money. Regardless of what they may think and say, what do they really know? Operating a school district and effectively educating students is a highly complex process with many, many variables. No cut-and-dried formula will be able to adequately comprehend them. Things change and unforeseen issues frequently arise.

Clearly, the existing system does not work well. A major change certainly is needed and the above difficult questions beg answers.

Those who are in the best position to intelligently allocate funding to schools are parents. Substantially every parent is vitally interested in obtaining the best possible education for their children that is affordable. Parents are intimately involved with schools both directly and through their

children. They are best able to evaluate how well schools are meeting students' needs. Let's try having parents distribute all school funding.

First, completely eliminate unpopular school property taxes which are causing too many to lose their homes. Increase the sales tax to bring the same amount of money into general state revenues. Give parents (initially) a \$17,774 subsidy for each school-age child. Allow parents full freedom to choose any accredited school (or home schooling) for their children. Schools will obtain their funding by (gasp) charging tuition.

Millions of carefully considered "tuition endorsements" from parents will determine schools' funding. Schools will get their funding the old fashioned way: they'll *earn* it.

The same total taxes will be collected and the same total school funding will be spent the first year. We've just removed politicians from control and put parents into the driver's seat. The best possible spending decisions are made by individuals spending their own money for something they need or want and which directly affects them. The worst decisions are made by a bunch of politicians spending money they confiscated from other people for something which has little direct effect on them.

All schools would compete on an equal footing. Free and open competition is the *only* way to determine how much it should cost to educate a child, and also how well it can be done. Failing schools would simply be unable to continue in business, thus resolving that crucially important problem. On the other hand, schools which innovate with more effective and/or lower cost educational techniques would thrive and multiply.

In subsequent years, the subsidy would be adjusted regionally to equal the median amount that parents actually spent on tuition the prior year. Such huge subsidies inevitably will push prices up higher than they normally should be, but competition still should drive quality up and costs down below their current exorbitant levels.

Eliminating government force makes everything voluntary, except of course, the collection of taxes. This may be the closest to a free market education system that the current Pennsylvania Constitution will allow. It surely would result in more "thorough and efficient" education (what the Constitution mandates). For solid economic reasons, free markets are a far better overall solution than anything else ever conceived or tried.

Most of today's unprecedented polarization and strife arises from disputes over the wielding of government force (the antithesis of freedom). Getting government out of education and other areas where it doesn't belong would result in a more voluntary, harmonious and peaceful society. Freedom works. Freedom works best.