



NEWTON COUNTY SCHOOL SYSTEM

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Superintendent

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M E M O R A N D U M

TO: Members of the Board of Education
FROM: R. Steven Whatley
RE: 2009 Legislative Priorities
DATE: November 18, 2008

RECOMMENDATION:

The Superintendent recommends the approval of the 2009 Legislative priorities as presented.

BACKGROUND:

The Board members have attended the Georgia School Boards Association summer and fall meetings, and have reviewed issues that affect the policies, procedures and funding of public schools, as determined through legislative action. The attached position statements have been drafted as a means of communicating to our legislative delegation those issues of major importance for which the state, through the legislature, supports the achievement and success of public school students and the maintenance and operation of the school district.

Members of the legislative delegation will be invited to the December 9, 2008 combined Board meeting for the purpose of review of the Board's legislative priorities.

2009 Legislative Issues of the Newton County School System For Review and Adoption – November 18, 2008

1. Compliance with Maximum Class Size Requirements

During this economic downturn which adversely affects state and local funding, we support legislation that would increase the current maximum class sizes by three (3) students or return it to the FY '06 maximum class size requirement. This allows local school systems to plan allocations within the framework of the law and issue contracts for the opening of 2009-2010 school year. A waiver condition to be approved by the State Board of Education will continue to be needed after the 20th day of school.

2. Tax Reform

The Newton County Board of Education supports tax reform which is fair, equitable and adequate. We believe that a Commission on Comprehensive Tax Reform should be convened to conduct a complete and open study of the implications of tax reform. Recommendations from the Commission should then in turn be based upon sound data and research that supports reform that will bring about a tax system that yields adequate funding, is fair, is stable, and is transparent. Until such recommendations are forthcoming, and realizing that the maintenance of a sound tax structure is necessary to ensure adequate revenue generation to support and improve Georgia's schools, the property tax should continue as the fundamental element in financing education. However, for the QBE funding formula, which is based upon the relative "wealth" of the various school districts, the formula should not only consider average real estate property values, but also the average per capita income, percentage of students on free and reduced meals and the number of taxpayers who live near or below poverty income.

3. State Tax Policy

We support the General Assembly developing a state tax policy which addresses the continued erosion of the State Revenue Base through passage annually of tax exemptions from the sales and use of tax, income tax and other revenue producing state taxes. We support measures in the General Assembly to place a moratorium upon subsequent introduction and passage of tax legislation which reduces the state revenue base until a tax policy can be adopted which responsibly considers the state's revenue production potential and the state's ability to adequately meet its funding obligations to each department of government. In addition, we urge the General Assembly to publish annually a Tax Expenditure Report that lists all exemptions or credits currently authorized and their cost in potential revenues.

4. Impact of Tax Legislation

Recognizing the impact of proposed tax legislation on the state and local revenue base which may undermine state government services and public education, we do not support the following initiatives which will negatively impact local and state revenue:

- Any resolution to eliminate local ad valorem property taxes for education and replace them with a sales and use tax.
- Legislation such as the Taxpayer Bill of Rights (TABOR) which would severely limit the amount of tax revenue that state government could collect and spend.
- Ad valorem tax assessment limitations which would limit the rate of increase in the ad valorem tax mill rates and the property value to a certain percentage per year, or to limit it to the rate of economic inflation, or to freeze property values at the purchase price.

5. Authority Over Local Funds

We **do not support** any attempts to usurp the authority of local boards to determine how local funds are allocated. We do **support** the repeal of the Classrooms First for Georgia Act that requires 65 per cent of federal, state, and local funds to be spent on a **narrow** definition of classroom instruction. In particular, expenditures for local salary supplements should remain the sole prerogative of local boards of education. Additionally local boards must be able to accept grants and awards from foundations and other organizations that support public education and have the flexibility to expend these funds for the purposes they were awarded without being penalized.

6. Study Committee on Governance Issues

We **support** the authorization of a legislative study committee to examine governance issues in Georgia public education, particularly concerning the impact of recent legislative and administrative changes regarding the status of Georgia's constitutional requirement that "each school system shall be under the management and control of a board of education...."

7. Capital Outlay - Regular and Exceptional Growth Entitlements

We **support** continued funding at the \$200 million level for regular entitlement capital outlay projects and at the \$150 million level for projects developed to accommodate "exceptional growth" needs of Georgia school systems. In addition, we **oppose** legislation which would redefine statutory requirements for "capital outlay for educational purposes" to include expenditures for non-educationally related projects such as street, bridge, utility and similar improvements.

8. Vouchers

We **do not support** vouchers, tuition tax credits, or scholarships whose purpose is to allocate public funds to private schools or home study.

9. Appropriation of Funds For Educational Resources and Textbooks

We **support** funding of QBE formula allocations to cover actual costs for consumable materials and supplies, replacement of instructional equipment, textbooks, media materials and the actual cost of textbooks, including texts and instructional materials on-line and/or other electronic formats. As an example, for textbooks in grades 1-3, \$33.26 is allocated per weighted student FTE. Only \$3.11 is allocated for equipment-copiers, furniture, instructional equipment, technology including computers.

10. Maintenance and Operation Funding

We **support** the increase of funding for maintenance and operation as part of the total cost of education in order that environments conducive to learning may be provided. There now exists a drastic difference in the level of state funding for M&O and actual cost to local school systems; the state provides \$298 per student before the reduction for austerity cuts, and the average cost was over \$651 per student in FY 2007. This difference in funding level and actual costs causes increases in local property taxes, the only source of revenue most local boards have for this purpose.