

# HOW DO WE FIX THE EDUCATION FUNDING SYSTEM?

## EVIDENCE BASED MODEL (EBM)

*The EBM provides predictability, transparency, equity and efficiency in education funding.*

The EBM establishes the cost of adequacy for each school district based on individual student needs and distributes **new state dollars** to school districts to help reach that target, while taking local ability to pay into consideration.

The Illinois School Funding Reform Commission, a bicameral, bipartisan group of legislators formed by Governor Rauner, released a report Feb. 1 outlining a framework for a more adequate and equitable funding system. The proposed EBM meets the criteria of the Commission's framework and aligns with the equity principles of Funding Illinois' Future. Illinois remains worst-in-the-nation in providing resources for low-income school districts, and action is needed to end chronic underfunding and provide every student the education they deserve to be ready for college and career.



### PREDICTABILITY

The EBM is a long-term solution and provides predictable funding for school districts. Districts will no longer wonder year to year what one-time solution the General Assembly will pass. While discussions are fluid, it is intended that **no district will lose state funding**. Every new dollar goes toward reaching adequate funding.



### TRANSPARENCY

Taxpayers receive clear information about how much a district needs, how much the district generates through property taxes, and how much the state should contribute.

The Commission recommended including this information on the Illinois School Report Card.

Taxpayers can use the School Report Card to compare district spending to district performance under the new accountability system (required under the federal *Every Student Succeeds Act*). This links district performance to resources.



### EQUITY

Equitable school funding helps all students reach a level playing field.

- Research shows that low-income students need more resources to support their learning than their wealthier peers.
- However, in Illinois, low-income students receive only 81 cents compared to every dollar received by their non-low-income peers.

The EBM works to increase equity in two ways:

- District Adequacy Targets reflect individual student needs and are higher for districts that serve more high-need students.
- The most underfunded districts receive the largest share of new dollars from the distribution model.



### EFFICIENCY

The distribution mechanism in the EBM is efficient because it ensures new dollars are driven first towards the least well-funded districts in the state, where need is greatest.