

Education and the Tax Fairness Plan: Frequently Asked Questions

How would passage of this plan impact education funding?

- The tax fairness proposal will increase revenues dedicated to education by \$1.5 billion in Fiscal Year 2008 and by more than \$10 billion over four years.

How does this plan contribute to funding the foundation level and mandated categoricals?

- This plan increases the foundation level (general state aid) by \$724 to \$6,058 per student for Fiscal Year 2008.
- The plan fully funds each of what are often referred to as “mandated categoricals,” or the reimbursement school districts receive to support programs such as special education, transportation and school breakfast/lunch. This plan also (for the first time since 1985) increases the reimbursement rate (by 65 percent) for special education teachers and other personnel. This increase will provide an additional \$209 million to schools for their personnel costs.

How will the money for education be spent?

- \$10.5 billion would be invested in education, including higher education, with \$1.5 billion invested in the state’s early childhood through grade 12 capital needs.
- Based on their commitment to accountability, school districts would receive targeted resources to improve student success.
 - Districts will be able to access support for after-school tutoring, professional development, curriculum and materials, offer longer school days and adopt other programs that have an impact on results.
- Spending for the Preschool for All Program would increase by approximately \$70 million, allowing an estimated 12,000 children to access early childhood programs and the state to continue its support for early childhood program providers.

Why support the Tax Fairness Plan instead of HB/SB 750?

- Gov. Blagojevich and Senate President Emil Jones support the Tax Fairness Plan, making it the only school funding proposal meeting IEA principles with significant support of political leaders.
- The governor has promised to veto any proposed increase in the sales or individual state income tax, while President Jones has declared the Senate will not vote on an income tax increase this session.
- The high level opposition to 750 makes it clear that the Tax Fairness Plan is the only school funding legislation capable of winning enough support to become law.