

MEMO

To: Pennsylvania State Senate
Pennsylvania House of Representatives

From: AFT- Pennsylvania
Allies for Children
Association of Pennsylvania State College and University Faculties
Education Voters of Pennsylvania
Pennsylvania Association for Rural and Small Schools
Pennsylvania Association of Career and Technical Administrators
Pennsylvania Association of Intermediate Units
Pennsylvania Association of School Business Officials
Pennsylvania Partnerships for Children
Pennsylvania Principals Association
Pennsylvania School Boards Association
Pennsylvania State Education Association
SEIU 32BJ

Date: April 17, 2020

Subject: Organizations Urge Lawmakers to Oppose School Property Tax Freeze

On behalf of the signed organizations and the members we represent, **we strongly ask you to oppose any legislation that freezes school property taxes and force cuts to vital programs for schools and students.**

The General Assembly's swift, bipartisan support of Act 13 of 2020 provided essential state-level guidance and continuity to Pennsylvania's entire education community during this time of statewide, emergency school closures. The unanimous votes of support for SB 751 demonstrated the General Assembly's commitment to protecting the health and safety of students, educators, and their families – while at the same time maintaining a steadfast commitment to the delivery of public education as a core function of government. **We thank you again for your work and urge you to remain steadfast in your support of public education as we move into the next weeks and months ahead. However, a vote to freeze property taxes—particularly before school districts have any concrete sense of the COVID-19 implications for 20-21 state education funding--will have devastating effects for our schools, including greater instability, uncertainty, and upheaval for the students and families we serve.**

The unprecedented situation presented by COVID-19 has highlighted just how critical our public schools are in supporting students and entire communities, especially during this period of statewide closures. This is not the time for impulsive decisions to be made that directly impact the capacity of PA's public schools to continue to deliver learning and supports for students during this pandemic.

School districts, just like the Commonwealth, are struggling with the challenges of building a budget in this new, unprecedented reality created by the COVID-19 outbreak. Due to the economic implications of this pandemic, school districts face declining local revenue collection. During the last recession, school districts experienced a 1.6% decrease in total local revenue, including property tax. Less than three

months out from the start of the 2020-21 fiscal year, all indications point to the reality that school districts will see greater reductions in local revenue collection this time around. **Districts could easily lose more than \$325 million in local revenue just in the remaining months of the current fiscal year and an estimated \$1 billion in local revenue for 20-21. Freezing property taxes will exacerbate this problem and cause devastating programing and personnel cuts.**

The state and local revenue and policy discussions cannot happen in siloes—they are inextricably linked and school districts need as much information during this challenging time to ensure that they can build budgets that recognize and address both the needs and challenges of their students and taxpayers.

We collectively recognize that schools will face major decisions during this health and financial crisis. However, forcing a one-size-fits-all approach that essentially limits ability for local communities to determine what is best for them – prior to anyone having the facts about the extent of the impact of the pandemic on local and state revenue for school districts, as well as the extent to which federal stimulus funds can begin to cover the holes – is not the right approach.

We stand ready to continue to work collaboratively with you on thoughtful, diligent evaluation of the current and future impacts of COVID-19 on local and state budgets, and the continued delivery of high-quality public education to Pennsylvania's students.

With that in mind, we have worked closely with legislators on proposals that could provide some degree of relief for property owners during this temporary crisis while not jeopardizing the functionality of Pennsylvania's schools. **We strongly ask you to oppose any proposal to freeze property taxes, and instead work in a collaborative manner for the benefit of students, schools and taxpayers.**

Thank you.