RESOLUTION

EQUAL TAXING AUTHORITY FOR COUNTIES & EDUCATION FUNDING

SUMMARY:

To adequately and directly meet the needs of their residents, Virginia's counties should have the same taxing authorities as cities. County local governments have the same responsibility as city governments to fund their local share of K-12 education as prescribed in the Standards of Quality (SOQs) and to provide public safety, social services, and public health programs for residents. However, city local governments have the ability to offset real-estate tax income by collecting meals tax, cigarette tax, transient occupancy tax, and admissions tax without limitations or voter referendums. The limitations on counties' ability to raise revenues from diverse sources results in an overreliance on real property taxes. This is problematic in part because cuts made by the general assembly during the 2009 economic downturn instituted a 'cap' or formula on the amount of state funding provided for vital school support staff. This resulted in a decrease in state education funding and an over-reliance on local governments to fund K-12 education using local revenue sources. Virginia should return to the practice of funding schools based on actual prevailing practices and the SOQ recommendations made by the Board of Education and concurrently provide equal taxing authority to counties.

WHEREAS, under the Code of Virginia county governments are required to take a referendum vote or have limits on the taxes they may assess and are therefore more limited than cities and towns in their ability to raise revenues from meals, cigarette, transient occupancy, and admissions taxes; and

WHEREAS, limitations on counties' ability to raise revenues from diverse sources results in an over-reliance on real property taxes to fund basic services of local government; and

WHEREAS, providing counties equal taxing authority would provide local boards of supervisors the ability to levy the same taxes that may already be imposed by city councils; and

WHEREAS, Virginia's formula for supporting school divisions, called the Standards of Quality (SOQ), uses minimum staffing standards and other associated costs with projected student enrollment to estimate the total cost school divisions must spend to provide a high quality education; and

WHEREAS, county local governments have the same responsibility as city governments for funding their local share of K-12 education as prescribed in the Standards of Quality (SOQs); and

WHEREAS, during the 2009 economic downturn as a cost saving measure the General Assembly implemented a funding ratio methodology to determine funding for support positions that does not reflect the actual costs of running schools in Virginia; and

WHEREAS, state direct aid for education has dropped by eight percent per student since 2009, resulting in localities investing on average $4.2 billion above the required local effort for SOQ programs in 2017-2018; and

WHEREAS, Virginia's school funding formula doesn't include a weighting for the higher cost of students in poverty but rather relies on separate At-Risk Add-On funding to provide school divisions between 1 to 13 percent more for every low-income student in their schools, based on the concentration of poverty; and

WHEREAS Virginia disproportionately relies on local governments to fund public schools compared to other states, ranking 26th in the nation for per pupil funding when considering the local share of K-12 funding and falling to 42nd in the nation when looking at only the state contribution; and

WHEREAS, many localities lack a sufficient real property tax base to support and fund major K-12 operational and capital needs; and

WHEREAS, additional available revenues would allow counties options to invest additional funds in the operation of schools, including capital costs, more competitive teacher pay, and other pressing K-12 needs; and

WHEREAS, additional available revenues would allow counties the flexibility to invest in such needed areas as public safety, public health, refuse collection and disposal, and other services vital to a healthy community; and

WHEREAS, state enabling legislation is legally required for additional taxing authority for counties; and

WHEREAS each locality is best positioned to determine the support of its residents for additional revenue authority;

THEREFORE, BE IT

RESOLVED, that the Virginia PTA does hereby resolve and express its support and desire for the Virginia General Assembly to enact such legislation as is necessary to authorize Virginia counties to exercise additional taxing authority equal to that of cities and towns.

RESOLVED, that the Virginia PTA recognizes that instructional and support staff play vital roles in the safety and success of students and re-affirms it's longstanding and urgent call on the General Assembly to lift the 2009 cap on support staffing and remove the temporary flexibility language waiving certain staffing requirements and return to funding schools based on the SOQ formulas recommended by the Virginia Board of Education which reflect actual staffing practices for essential school staff including but not limited to full time principals, assistant principals for every 400 students, full time librarians, technology teachers, bookkeepers, custodians and other essential support staff.

RESOLVED, that the Virginia PTA supports At-Risk Add-On programs and other funding mechanisms that allocate additional funds to school divisions to be used for a variety of programs to benefit at-risk students and students needing academic remediation services based on free and reduced lunch participation.

January 25, 2020, Adopted by the Virginia PTA 2020 Annual Meeting Attendees