

**IL Funding Commission**  
**Full Commission meeting**  
**5/25/2023**  
**Public Comment**  
**Jennifer A. Delaney**

Thank you for the opportunity to offer public comment. I want to address an important conceptual problem with the model being proposed and to urge that this problem is resolved by the group.

The issue relates to the way the concept of adequacy is being applied to higher education. This is a fundamental building block of the formula, and unfortunately, currently is not conceptually sound.

It is a concern that I have noted consistently throughout this process, especially in the technical workgroup. To briefly layout the issue:

In a K-12 adequacy model, there are inequities across communities in local property tax levels. Local property taxes are public funds that are contributed to by all members of the community to support local schools. The underlying idea is that *all* members of a community benefit from providing education to kids and this supports the idea of education as a public good. The state role is therefore to fill in funding to make sure that all school districts are funded adequately.

However, this model does not easily translate in higher education.

Our public universities are not locally serving and instead have the entire state as their service area (“Illinois” is used in the name of most public 4-year institutions). Local revenues are non-existent for most 4-years in most years. All of the money is state money. There is no need to “fill in” since the state money is simply allocated across institutions. The state could simply allocate state resources using an equity-based distribution formula.

If the model continues to treat tuition the same as state funding and to conceptually equate student tuition with local property tax, then students are treated like trees where, as much revenue as possible should be harvested. This moves in a direction that is the opposite of affordability goals. The same concern holds for other “revenue” streams.

Tuition is not the same as state funding, especially from the point of view of students and families.

Tuition is a private burden, not a public one.

Moving to think about tuition as a “public benefit” holds great risks of creating a regressive system, which will work against both equity and affordability goals.

I encourage the commission to address the problems with the conceptual foundation being used before the details of how the formula should be adjusted and implemented are settled. If the

model will only enhance affordability if there are clear accountability mechanisms that will put a check on tuition growth, then clear and robust discussion is needed about these accountability mechanisms (tuition caps?) since those will be the real policy drivers for achieving affordability in this model.

I believe that a new definition of adequacy needs to be used. In addition, I will advocate for a much simpler model, since the current one is overly complex.

One solution (and there may be others) would be to use a considerably simplified model of adequacy. Perhaps using the EBF Tier 1 or Tier 2 measures already identified could be promoted to become the adequacy model. The basic idea would be to put forward a simple conceptual model – perhaps that the state should not spend less on a student in college than they did when the student was in the K-12 system. This would tie the adequacy concept directly to the definition of adequacy used in K-12. Other subsidies can then be set for different student populations (like out-of-state, graduate students, etc.), but this would preference those students from low-income high schools to set an adequacy floor for in-state undergraduates. A second step would be to set a standard for how affordable college should be for these students. Here again a simple principle could be applied - perhaps that low-income students, those who are eligible for MAP and/or Pell, should attend college for free.

Beyond this conceptual work, I encourage the commission to directly address the issue of stability in funding. This is one of the core principles laid out in the charge for this commission but does not yet appear in the proposed funding formula.

Especially with the expanded timeline for this work, it seems important to go back to fundamentals and to make sure that these are done right so that the conceptual foundation will support a conceptually sound formula.

Thank you.