Two-Year Cost Estimates for the Draft Proposal of the Basic Education Finance Joint Task Force

Each cell contains two numbers:
first, the estimated two-year change in state K-12 allocations in billions of dollars, and
second, the percentage increase over current allocations.

For the purpose of estimating total additional allocations, the calculations in the second two rows assume that
the state pays the full difference between current base salaries and labor market comparable wages.

For example: The draft base case (Case A), using comparable wages based on a 10-month work year, and all of the draft assumptions about class sizes, etc., represents a $7.8 billion two-year increase in state K-12 allocations; this is a 72% increase over current funding levels.	**Draft Base Case:** the model adopted by the Task Force to date	**Sensitivity Analysis of Base Case Using Variations in Class Size (holding all other draft proposal components constant)**	
		Changes to class size allocations from base case	
		No class size reductions in middle and high school, everything else the same as Case A	No class size reductions (that is, class sizes kept at current levels)
Three Teacher Pay Alternatives	**Case A**	**Case B**	**Case C**
Current base teacher salary allocations (from State)	+$7.0 (66%)	+$6.2 (58%)	+$4.2 (39%)
Teacher salaries allocated at comparable private sector wages, based on a 10-month work year*	+$7.8 (72%)	+$6.9 (64%)	+$4.7 (44%)
Teacher salaries allocated at comparable private sector wages, based on a 12-month work year*	+$9.7 (91%)	+$8.7 (81%)	+$6.2 (57%)

*These comparable wage estimates are based on the Lori Taylor comparable wage information produced for the Task Force, with the additional assumption discussed by Task Force members that no current teachers would get a pay decrease. The Task Force instructed staff to compute these estimates based on 10- and 12-month work years.

NOTE: These estimates do not include early learning allocations. To date, the Task Force has adopted the concept but not the specifics (language is in the process of being drafted).

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