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## Oklahoma Policy Institute

### SQ 744: The Wrong Solution

#### SPECIAL POINTS OF INTEREST

- If passed, SQ 744 would require school spending to rise to the per pupil average of the six surrounding states.
- We project that spending on Common Education would have to increase by nearly \$1.7 billion over the three-year phase-in period.
- Given that the state must also replace over \$1 billion in non-recurring revenue in its base budget, passage of SQ 744 would require deep spending cuts to the rest of state government, substantial tax increases, or both.
- The measure also suffers from unclear language, lacks mechanisms to ensure improved educational quality, and would hand authority for Oklahoma's budget over to legislators and courts in other states.
- SQ 744 should lead us to reconsider what we must do to ensure an adequate investment in education and our other state priorities.

State Question 744 is a proposed constitutional amendment that will be on the November ballot in Oklahoma. If approved, it would peg the annual education budget in Oklahoma to the regional average per pupil expenditure in Oklahoma's six bordering states. Supporters point to low levels of spending on common education in Oklahoma and argue that SQ 744 is needed to ensure that Oklahoma's children are not shortchanged.

There are four major arguments for why SQ 744 is the wrong way to proceed:

1. *SQ 744 would ensure the severe underfunding of all other areas of government.* We project that spending on Common Education would have to increase by almost \$1.7 billion over a three-year phase-in period. Given that the state remains in the midst of a deep and prolonged budget crisis, passage of SQ 744 would ensure a severe funding shortage for all other func-

2. *Budget policy should not be decided by constitutional formula.* SQ 744 would take decisions about Oklahoma's budget out of the hands of Oklahomans and into the hands of legislators, courts and voters outside our borders.
3. *The language in SQ 744 is unclear and does not reflect how we fund education.* Ambiguous language could put local funding of education into doubt and lead to litigation and unintended consequences.
4. *SQ 744 is not the best means to ensure improved educational outcomes.* The measure lacks standards and goals tying increased funding to strategies for improving our schools.

Overall, SQ 744 ignores the reality that the funding challenges faced by common education are shared across the full spectrum of state government. By mandating huge spending increases for common education without ensuring an overall expansion of state revenues, we create the strong likelihood of setting the state further behind in all the other areas of public investment that Oklahomans, including our schoolchildren and teachers, rely on. Even if SQ 744 fails, we must reconsider how to support an adequate investment in a quality education for our children and our other state priorities in a fiscally responsible manner.

*For a full-length issue brief and related materials, go to: <http://okpolicy.org/sq-744>*

