A Green New Deal for Schools: Inequality, Funding, and Finance in Pennsylvania

David I. Backer

Follow this and additional works at: https://digitalcommons.wcupa.edu/srca_sp

Part of the Education Economics Commons, and the Sustainability Commons
A Green New Deal for Schools
Inequality, Funding, and Finance in Pennsylvania
More asbestos found; parents say they won’t send their kids back to North Philly school

by Kristen A. Graham and Wendy Ruderman, Updated: November 4, 2019
Teachers’ union investigating a possible cancer link to Philly schools, warns of hazards

by Kristen A. Graham, Wendy Ruderman and Barbara Laker, Updated: September 11, 2019
JOIN CASSIDY TEACHERS FOR A SAFE SCHOOL

#ONLYWHENITSSAFE

CAR CARAVAN

RALLY AT CASSIDY & CARAVAN TO 440

AUGUST 7TH 11AM
$4.5 billion
school infrastructure deficiencies
(2017 report on SDP)
To remediate asbestos and update ventilations systems $750 million
Buildings and their construction together account for 36 percent of global energy use and 39 percent of energy-related carbon dioxide emissions annually, according to the United Nations Environment Program.
Research suggests that improving school building energy performance alone could reduce up to 30 million tons of CO2 emissions, which is equivalent to removing 6 million cars from the road for an entire year.
The Advanced Energy Design Guide—Achieving Zero Energy series provides a cost effective approach to achieve advanced levels of energy savings. The four-color Guides offer contractors and designers the tools, including recommendations for practical products and off-the-shelf technology, needed for achieving a zero energy building which is defined as a building that, on an annual basis, draws from outside resources equal or less energy than it provides using on-site renewable energy.
• Chilled-/hot-water system with single-zone air-handling units (AHUs)

• Air-source variable-refrigerant-flow (VRF) multisplit heat pump system.

• Ground-source heat pump (GSHP) system.
WHERE IS THE MONEY
LEBOWSKI?
Local Tax Burden (Collins 2016)
For every dollar Philly spends on a student, the main line spends 50 dollars.
9% of SDP budget goes to debt service
(Remember that schools fund their budgets using property taxes)
Percent nonwhite
Stock market crash 2020

The pandemic shutdowns
COVID-19 State Budget Shortfalls Could Be Largest on Record

Total state budget shortfall in each fiscal year, in billions of 2020 dollars

- **2001 Recession**
  - '02: $60
  - '03: -$105
  - '04: -$110
  - '05: -$60

- **Great Recession**
  - '09: -$130
  - '10: -$150
  - '11: -$120
  - '12: -$60
  - '13: -

- **COVID-19**
  - '20: -$110
  - '21: -$155
  - '22: -$290

* Estimated based on CBPP calculations
Source: Pre 2014: CBPP survey; 2020 and following: CBPP calculations
FAQs: Municipal Liquidity Facility

The following is intended to address questions about the Municipal Liquidity Facility (MLF or Facility). The Federal Reserve may periodically update these FAQs and, therefore, please check this website for new FAQs or revisions to a previously issued FAQ.
Municipal Lending Facility Strategy (MLF)

- **Proposition**: School districts should get liquidity support for infrastructure from the MLF to finance a Green New Deal for Schools.
  - The Fed is a different kind of entity than the bond market
  - The MLF represents how governments can create value for provisioning, against the deficit myth
  - Extraordinary moment, extraordinary offer, extraordinary requests

- **Strategy**: A national coalition of applicants from urban and rural districts work together to share information and resources. We apply to the MLF together.
  - Decrease barriers to entry for applicants
  - Facilitate coalition meetings
Details: How do you apply to the MLF?

- **Eligibility requirements**
  - Cities, states, counties, or ‘designated RBIs’
  - School districts can’t unless designated

- **Calculating the amount of the loan**
  - 20% gross revenues of applying entity

- **The interest rate**
  - Depends on credit rating
  - Baa3 = 3.3%
  - Added to whatever rate you’d get on the private market

- **The origination fee** = 10 bps of loan (.001)