



Nelson: Wyoming must reduce spending on education

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State revenues are declining dramatically and are expected to continue to decline. That means big ticket items, even crucial ones like K-12 education, must feel the pinch.

No one wants the quality of education in Wyoming to drop, but the spending on it must decrease. Why? The Consensus Revenue Estimating Group projected in January that total minerals distributions in the five-year period 2016-2020 would be 29 percent or some \$2.6 billion less than in the five years 2011-15. That will require real efficiencies, and they can be found only where real dollars are being spent.

Is it necessary now? Yes, it is, because the future of minerals revenue is bleak, cutting expenses takes time and waiting magnifies the problem. Vaguely hoping for revenue to turn around without taking action, such as releasing the economy from restrictive regulation, is not a solution; it is gambling with Wyoming's financial stability.

CREG reported at the June 21 meeting of the Joint Appropriation Committee that 2016 revenues were substantially overestimated. That's worrisome because if the near term can't be reliably estimated, what about the longer term? This is not to throw rocks at the CREG. Revenue estimation is very tricky at the best of times. However, it does urge extra caution. Caution is not apparent in the 2017-18 School Foundation Program biennium appropriations projection. The fiscal profile shows it at \$1.65 billion, up from \$1.49 billion in 2015-16.

Wyoming's spending on education has increased 62 percent per pupil in the last decade, according to the Picus Odden & Associates' November 2015 report. Picus Odden are education consultants that have helped guide Wyoming's Legislature and education establishment since 2005. The U.S. Census Bureau reports that Wyoming has ranked in the top 10 of U.S. states for amount spent per K-12 pupil per year (currently about \$17,000) for several years. Some people may have thought that was OK back when mineral revenues were ample, but take note: Even in the years 2008 through 2015, total minerals-related distributions actually decreased by 25 percent, according to the January CREG report.

Heavy spending apparently does not improve test scores. According to Cato Institute's "State Education Trends—Academic Performance and Spending Over 40 Years" (March 2014), the national average annual cost per child of K-12 education rose 180 percent after inflation with no

improvement in test scores. Picus Odden & Associates tell the same story specifically about Wyoming: big spending and dismal results over 10 years.

You may ask why we don't just downsize to fit the revenues we're likely to have. Wyoming Supreme Court decisions on many lawsuits now determine how the state must provide for education. That means change will be strongly resisted and complicated. Nevertheless, it must happen because the consequences of failure to act are drastic.

It's tempting to get emotional about K-12 education and spend blindly regardless of financial risk or educational outcomes. Instead, let's set the example for younger generations. Let's meet our responsibilities with clear-eyed determination and rational purpose so that their future has promise instead of gloom.