



A Scalpel, Not a Sledge Hammer: Studies Show Statewide, Forced Consolidation Bad for Students, Budgets

by Scott Shepard | February 4, 2019

How can the state reduce education spending (save money on education) while continuing to support high – and improving – educational achievement? The answer likely includes some specific instances of gradual school consolidation and school-service centralization. A long train of experiences in other states, studied again and again by a variety of universities, has demonstrated that statewide, top-down consolidations are ill-considered policy that neither reliably save money nor improve performance. What will work? Thoughtful incentive structures that will reduce state support for small-district building projects where the state has shown more efficient and effective options; underwrite consolidation studies where districts show committed interest; and reduce oppressive state regulation to allow districts and towns to reap the benefits of properly studied, individualized centralization and consolidation efforts.

A number of bills proposed in the early weeks of the 2019 Connecticut legislative session have proposed state-wide, state-mandated consolidation of school districts. These bills are still largely in the concept stage, so they are somewhat sparse in detail. What is very clear already, though, is that there will be a serious push in this session to require massive, statewide, forced school-district consolidation, at least for smaller school districts, in the near future.

It is also clear that this kind of forced, high-speed consolidation mandate would be a serious mis-

take. A thick pile of scholarly studies have demonstrated that while *some* case-by-case, thoughtfully considered and carefully studied school-district consolidations can save states money while improving student performance, state-mandated shot-gun school-district marriages of the sort contemplated in these proposed bills end badly for everyone. They don't save money. They don't improve performance. They reduce local educational opportunities while increasing student travel time – to no good purpose.

We have included at the bottom of this piece a list of scholarly papers that have studied issues of school consolidation, along with brief summaries of their contents. These studies don't agree in every detail; far from it. But they do offer a few consistent, recurring, reliable themes.

- 1. Top-down, statewide forced-consolidation mandates fail. They do not lower costs or improve performance. While some consolidations can be advantageous, they have to be undertaken on a case-by-case basis, after careful study and consideration of the unique facts in play.**
- 2. Most of the benefits of consolidation came as much as a century ago, when small, rural one-teacher or one-room school-house districts were combined into somewhat**

larger districts. Those are gone – certainly in Connecticut. Where significant returns on consolidation remain, they primarily arise from the consolidation of rural, very small school districts that are nevertheless geographically accessible.

- 3. Consolidation entails significant “start-up” costs. If there’s no concrete, actuarially sound plans for how those costs are going to be made up down the road, consolidation is likely to end up increasing costs rather than decreasing them.**
- 4. Consolidation that involves significant student travel often result in decreased educational results for students in all demographic categories.**

These findings make sense. One size seldom fits all. Actions forced after little thought, study or attention to the real conditions on the ground result in bad outcomes. Government programs usually cost more than initially estimated, for a smaller net benefit.

This is particularly true in the context of state-forced school-district consolidations in the twenty-first century. Many educational expenses are mandated by the federal government and cannot be changed by anything a state may do. Many other expenses are mandated by state constitutional obligations and by minimum parental expectations, which, again, will not be easily relinquished. This is also both a very odd context in which to force consolidation, and a very odd time of history at which to demand it – and to demand that it be cost effective. The ethos of the country has moved toward localism in a wide array of ways over recent decades. To take just one example: more and more citizens are eager, when they shop, to buy locally – especially when buying food. We want to provide our families food that is fresh, that supports our neighbors, and that is grown in ways that we know about and approve of. And we want to provide our families these nourishing goods in a way that does not pollute the environ-

ment with unnecessary miles of transportation. Surely the values that we employ in feeding our children apply as well in educating them. We want our education suppliers, where reasonable, to be local, so that we can keep an eye on how things are being done. And far more than our broccoli, we don’t want to send our *kids* on endless miles of unnecessary travel every school year if they can get as good an education locally.

Now more than ever, the disadvantages of local education in smaller venues has been diminished. Information is ubiquitous and omnipresent. Just as telecommuting becomes more and more a genuine substitute for costly relocation and needless business travel, distance learning more and more completely replicates an in-class experience. And where it does not, a variety of alternatives that do not require long-distance student consolidations and costly and time-consuming bussing enterprises are ever more readily available.

None of this is to say that there can be no economic or learning benefits from well-studied, thoughtful, case-by-case school-district consolidation. State laws and policies that foolishly subsidize inefficient or poor-performing small school districts should be carefully revised to incentivize the most efficient use of resources to achieve the highest possible educational outcomes.

A program for achieving these goals is certainly possible. While crafting the details of such a plan would require careful consideration and study, a few potential provisions can be sketched right away.

- 1. When smaller or poorer-performing school districts propose costly capital building plans, the state should have the opportunity to study the cost-effectiveness of the proposal, and to offer similarly costed and feasibility-reviewed alternative plans where appropriate. Should the school district elect to proceed with its initial plan rather than with one demonstrated to be more cost-effective and more likely to achieve improved student results, the school district should**

bear a significantly increased share of the differential cost.

2. **School districts that demonstrate a serious interest in centralizing services or consolidating with one another should be granted state support in undertaking cost and feasibility studies. Where the studies confirm the propriety of the proposal, the districts should be incentivized with state assistance if they proceed but charged with the cost of the studies if they then back out.**
3. **School districts that actually centralize or consolidate should be excused from costly state spending and other mandates that have no effect on student learning or safety, including the minimum-budget formula, that currently makes it very difficult for school districts to reduce their costs, or to realize the benefits of centralization or consolidation.**

Yankee Institute will work in the coming weeks and months of craft proposals that advance opportunities for thoughtful, well-studied and constructive consolidation.

Annotated bibliography:

John R. Alberghini, VERMONT SCHOOL DISTRICT CONSOLIDATION CASE STUDY (Northeastern University doctoral thesis, Nov. 27, 2017), *available at* <https://repository.library.northeastern.edu/files/neu:cj82r3485/fulltext.pdf>. This study includes an extensive literature review, from which the author concludes, *inter alia*, that savings and benefits from consolidation primarily arise, if at all, from consolidation of very small, rural districts; and that consolidation plans should occur on a case-by-case basis after extensive study. The author conducts a case study of a 1990s school consolidation in Vermont. He finds it impossible to determine the effect of consolidation on student performance. His cost-savings findings are equivocal. To the extent that savings are found, they depend in large part on the need for immediate school building/renovation and the ability to escape existing labor agreements by consolidation.

Quentin Brummet, *Effect of School Closing on Student Achievement*, 119 J. PUBL. ECONOMICS 108 (2014), *available at* <https://www.sciencedirect.com/journal/journal-of-public-economics/vol/119/suppl/C>. This study concludes that “the closing of low-performing schools may generate some achievement gains for displaced students, but not without imposing spillover effects on a large number of students in receiving schools.”

Janet C. Fairman and Christine Donis-Keller, *School District Reorganization in Maine: Lessons Learned for Policy and Process*, 21.2 MAINE POLICY REVIEW 24 (June 2012), *available at* <http://digitalcommons.library.umaine.edu/mpr/vol21/iss2/6>. The authors studied an attempted statewide forced-consolidation effort in Maine beginning in 2007. They concluded, *inter alia*, that state efforts should be preceded by a careful and complete articulation of goals; careful, case-specific study; full communication with school districts and other stake holders; and a fully developed state framework to support consolidation before consolidation requirements or timetables are set. The authors advise against one-size-fits-all ap-

proaches. See also Christine Donis-Keller, Beth O'Hara-Miklavic and Janet C. Fairman, *Improving Educational Opportunity and Equity through School District Consolidation in Maine*, 22.2 Maine Policy Review 42 (2013), available at <https://digitalcommons.library.umaine.edu/mpr/vol22/iss2/7>. This paper considered the challenges and opportunities for increasing educational opportunity and equity in the first year after the creation of 24 consolidated school districts in Maine. While results varied significantly, generalizations included the conclusion that improvements were more likely to fall on smaller combining partners than larger, as were resentments at consolidation. The study noted that during its pendency schools in 10 of the 24 consolidated school districts had sought to withdraw from the consolidated school districts, and that some of the districts sought deconsolidation.

Craig Howley, Jerry Johnson, and Jennifer Petrie, CONSOLIDATION OF SCHOOLS AND DISTRICTS: WHAT THE RESEARCH SAYS AND WHAT IT MEANS (National Education Policy Center, February 2011), available at <https://nepc.colorado.edu/sites/>

<default/files/PB-Consol-Howley-Johnson-Petrie.pdf>. The study conducts a literature review to conclude that school and district consolidations often have negative educational effects on all students, particularly disadvantaged students, while not reducing costs except in the case of very small, rural districts. It advises proceeding with consolidations only on a case-by-case basis after extensive localized study, and analyzing centralization of school functions without school or district consolidation as a potentially preferable option.

Alexander J. Alvarez, Dimitri Loucagos and Sabbir Rashid, A COST-BENEFIT ANALYSIS OF SCHOOL REGIONALIZATION IN MASSACHUSETTS (Worcester Polytechnic Institute Interactive Qualifying Project, 15 Oct. 2010), available at https://web.wpi.edu/Pubs/E-project/Available/E-project-101310-193036/unrestricted/BOSR_iqpprojectfinal.pdf. This team made a case study of consolidation in Worcester, Massachusetts. It concluded that the case study did not demonstrate either cost or educational benefits or detriments as a result of consolidation.