

**The Cost to Pennsylvania's Economy
Resulting From School Starting
Before Labor Day**

September 2006



Legislative Budget and Finance Committee

A JOINT COMMITTEE OF THE PENNSYLVANIA GENERAL ASSEMBLY

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September 2006

To the Members of the General Assembly:

In November 2005, the Legislative Budget and Finance Committee adopted as a study topic an examination of the economic impact to Pennsylvania of school districts starting classes before Labor Day.

Due to the specialized nature of this study, the Committee issued a Request for Proposal for assistance, and subsequently contracted with TrippUmbach, an economic impact research firm based in Pittsburgh, to conduct the study.

TrippUmbach's report is contained herein. As with all LB&FC reports, the release of this report should not be construed as an indication that the Committee or its individual Committee members necessarily concur with its findings and recommendations.

Sincerely,

Philip R. Durgin
Executive Director

**THE ECONOMIC BENEFITS OF
REINSTITUTING THE TRADITIONAL
SUMMER VACATION:**

**THE COST TO PENNSYLVANIA'S ECONOMY
RESULTING FROM SCHOOL STARTING BEFORE
LABOR DAY**

PREPARED FOR:

**PENNSYLVANIA LEGISLATIVE BUDGET AND
FINANCE COMMITTEE**

SEPTEMBER 2006



Table of Contents

	Page
I. Project Overview	3
II. Key Findings	7
III. Summary of Findings	9
IV. Consultant Conclusions	20
Appendix A: Consultant Qualifications	21
Appendix B: Research Methods	22
Appendix C: Glossary of Terms	24
Appendix D: Michigan Article on Tourism Increase Due to New School Start Date	25

I. PROJECT OVERVIEW

The number of school days¹ has remained unchanged nationally for more than 50 years; however, the length of “summer vacation” has been shortened as school districts throughout the Commonwealth have added additional teacher in-service days, snow days, student vacation days, and grade card preparation days. Large numbers of school districts began school schedule changes in the late 1970’s following a spate of severe winters that disrupted the academic schedule. Currently, 88% of all Pennsylvania school districts begin before Labor Day. While adding days to the school year and starting school before Labor Day appears at the surface to be squarely an educational issue, it has dramatic negative impacts on economic development and employment – costing the Pennsylvania economy over \$378 million annually. Recognizing the economic realities of taking tens of thousands of tourists “out of the game” in late August, states such as Michigan, Virginia, and Wisconsin, now require that schools open for operation after Labor Day. However, these states do offer a waiver process for the school district in order to circumvent this law in the case of a construction project or some other relevant need. Another state, Texas, has introduced a bill that would require that all school districts begin on or after the fourth Monday in August.² This bill was signed into law on May 31, 2006. The benefits of having schools all begin on the same day is not only one that financially assists the state but it also evens the playing field for the students who participate in standardized testing at the same time. In addition, this assists the state with getting the Adequate Yearly Progress reports distributed prior to the start of the school year which keeps the school in good standing for USDE Title I appropriations and in line with PL 107-110, which is also known as The No Child Left Behind Act of 2001³.

¹ Pennsylvania law requires that school districts annually provide 180 days of instruction or 900 to 990 hours of instruction.

² House Bill 1 Section 9.01-9.04 School Start Date.

³ Taken from the public law print of PL 107-110, the No Child Left Behind Act of 2001. Sec. 1116. Academic Assessment and Local Educational Agency and School Improvement.

While there has been increasing dialogue in Pennsylvania related to mandating school opening dates, the issue of requiring school districts to begin after Labor Day has not been put to a vote in the Pennsylvania Legislature. This, however, may change, as there is growing awareness of the economic impact associated with late-summer tourism. A growing coalition of representatives from the state's tourism industry along with economic development agencies has formed to promote the economic benefits of preserving the traditional summer vacation. Certainly, late August travel is an important component in the state's \$34 billion tourism industry, especially since Pennsylvania families are more likely to make their in-state vacations in late summer. Organizations such as the Pennsylvania Tourism & Lodging Association, Pennsylvania Amusement Parks Association, Pennsylvania State Association of County Fairs, and the Pennsylvania Campground Owners Association are all in favor of the effort to restore the traditional summer vacation.

On September 14, 2005, the House Recreation and Tourism Committee held an informational meeting on the issue of school starting dates. On September 26th, Representative Robert W. Godshall introduced *House Bill 1968*, which would prohibit the school districts from beginning school before Labor Day, outside of special circumstances such as facility construction. In April 2006, The Legislative Budget and Finance Committee of the Commonwealth of Pennsylvania selected Pittsburgh-based firm Tripp Umbach⁴ to complete a comprehensive economic impact study to measure the cost to Pennsylvania's economy caused by starting the school year prior to Labor Day.

Pennsylvania is not unlike other states in researching the estimated cost of starting school prior to Labor Day. Texas, prior to the law being passed, had Carole Keeton Strayhorn, Comptroller of Public Accounts, complete research on the subject. She found that the cost of the school calendar being lengthened and beginning earlier than Labor Day costs \$790 million annually to the Texas economy. Each extra holiday that is added to the calendar for Texas schools costs an additional \$67.8 million per day, statewide.⁵ These direct impact numbers do not take into account all of the indirect spending as a result of the

⁴ Tripp Umbach is a national leader in performing economic impact research for leading units of government, school districts, community organizations, universities, hospitals, and large-scale events. Since 1990, Tripp Umbach has completed more than 100 economic impact studies throughout the United States.

⁵ Source: Texas Comptroller's website "Window on State Government" Retrieved March 22, 2006
<http://window.state.tx.us/specialrpt/schoolstart2004/>

additional money in the Texas economy as well as the induced impacts that would be involved.

Additionally, Michigan had analysis completed by Donald F. Holecek, Editor-in-Chief of *Michigan Tourism Business*. Donald Holecek is also a professor at Michigan State University as well as the director of the Travel, Tourism, and Recreation Resource Center at MSU. He was asked to show how much tax revenue would be generated by the adoption of legislation that requires K-12 public schools to open after Labor Day. His analysis showed that the benefit to Michigan was abundant. This would come in the form of tax revenue increases estimated at \$4 million conservatively. This \$4 million was a direct result of the \$70 million estimated to be the additional direct travel spending that would result from the additional travel time allowed by a delayed school start date. This direct spending would cause a total impact of over \$100 million on the state's economy when indirect impacts are taken into consideration as well⁶. (Appendix D)

Holecek also noted that the economic impact was not the only benefit. The additional gain is the long-term benefits for businesses in Michigan therefore assisting the Michigan economy. He stated that the additional profits that Michigan businesses would see as a result of the legislation will cause them to enhance and expand the products that they are offering. This would therefore improve the tourism products in Michigan causing more attractions and increasing the tourism in Michigan on a year-round basis. This in turn will result in an increase in the amount of state tax revenue collected. "In effect, passage of this legislation can be expected to serve as a catalyst for sustainable long-term new investment in Michigan's tourism industry."⁷

Tripp Umbach's secondary research incorporates a study of Pennsylvania voters conducted by telephone in February 2006 by Mansfield University.⁸ The Mansfield study found that of those expressing an opinion 64% favored starting school after Labor Day⁹. This data is in line with data gathered from other states

⁶ MSU analysis on the cost of school starting prior to Labor Day. "Weather Matters to Tourism Industry Profitability & Policy Formulation: The Case for Changing Michigan's K-12 School Calendar" retrieved on September 8, 2006 from http://www.imakenews.com/tourism/e_article000293715.cfm

⁷ Direct quote from Donald Holecek taken from "Weather Matters to Tourism Industry Profitability & Policy Formulation: The Case for Changing Michigan's K-12 School Calendar" retrieved on September 8, 2006 from http://www.imakenews.com/tourism/e_article000293715.cfm

⁸ Mansfield University State Survey was fielded from February 13, 2006- March 7, 2006. This was a telephone survey with 1,102 interviews completed with adults in Pennsylvania. The results of this survey have a margin of error of +/- 3.0%.

⁹ 27 percent responded "don't know" or "doesn't matter".

on this same topic. In Alabama, nearly 55% of those who have an opinion would like school to start either the last week of August or September¹⁰. In a poll conducted in South Carolina, 80% of those asked prefer a start date after August 20th and the largest percentage of respondents, 45.3%, selected a school start date after Labor Day¹¹. Finally, in Texas, nearly two-thirds of the poll's respondents said they supported moving the school start date to after Labor Day¹². Tripp Umbach's economic impact analysis, presented herein, is based on statistically valid surveys of households containing school-aged children (see Appendix B), a survey of the state's school districts as well as other Tripp Umbach-owned proprietary data sources, and additional secondary data sources found while researching this topic.

¹⁰ Data from the study titled "Citizens' Opinions about School Opening Dates in Alabama" conducted for Save Alabama Summers by Southern Opinion Research in August of 2005.

¹¹ Data taken from the Study of South Carolina Parents' Opinion on Public School Start Dates by Region by Jerome Christia published in The Coastal Business Journal.

¹² Data from the Texas Poll conducted by Scripps Howard, which was conducted with 1,000 residents conducted by telephone in late August and early September of 2005.

II. KEY FINDINGS

- ✓ \$378 million annually will be added to the State's economy if schools were required to begin school after Labor Day. Tripp Umbach bases this estimate on the \$164 million in direct dollars that would be spent by families traveling during the additional week prior to Labor Day, spending on average \$295 per party per travel day¹³ as well as the "re-spending" of the direct dollars throughout the state's economy. Since bus service is provided by public schools to many of the state's private and parochial schools, and these schools would likely move their starting dates to the day after Labor Day, this impact would be even greater.
- ✓ This year, the state's economy will lose \$75.6 million for every weekday that school starts before Labor Day. Based on Tripp Umbach's school district survey, there are a small amount of school districts who reported they are considering starting school an average of seven days earlier by 2010. This would result in millions more in potential losses to the state's economy if schools continue to push ahead their starting dates.
- ✓ School beginning before Labor Day already directly and indirectly costs the state more than 2,348 equivalent jobs annually¹⁴. Tripp Umbach's analysis indicates that forfeiting \$378 million in net revenue from the state's economy serves to impact more than the equivalent of 2,348 full-time positions. Stated another way, legislation enacted to prohibit schools from starting prior to Labor Day would serve to create the equivalent of more than 2,300 new jobs.
- ✓ \$17.7 million in state tax revenue is lost to the Commonwealth annually as a result of school starting before Labor Day. This number is based only on travel and tourism losses resulting from deferred family vacations. In addition to travel related losses to the Commonwealth, local communities are missing millions in uncollected hotel room taxes. Further, student workers and working teachers would be generating \$3.7 million in additional state taxes for the Commonwealth if they continued working

¹³ This data is based on the research conducted of households in Pennsylvania by Tripp Umbach based on the in-state travels reported by the respondents of this survey.

¹⁴ These jobs are based on a FTE count and are full-time year round positions or the equivalent.

until Labor Day. Tripp Umbach estimates that local units of government miss out on more than \$8.6 million in local tax revenue, bringing the total tax losses to state and local units of government to more than \$30 million.

- ✓ The inability of students to work through the last week of the summer results in a direct impact of \$7.3 million per day and a daily total (direct and indirect) impact of \$16.8 million impact on the state's economy and over \$587,000 in state tax revenue for each day that is lost.
- ✓ Teachers not being able to hold summer employment through the last week of summer would have a direct impact of \$1.8 million per day and a daily total (direct as well as indirect) impact of \$4.2 million dollars on the Commonwealth of Pennsylvania.
- ✓ Starting school after Labor Day would not affect the instructional hours provided to students nor necessarily push back dates schools close. Reducing the number of half-day teacher in-service and parent/teacher conference days during the school year would free up additional instructional hours. We also note that expanding the school day by only 8 minutes will save school districts \$105.4 million annually in utilities, transportation, and food service expenses by shortening the school year by only 3 days. These extra days can be invested throughout the school year, allowing school to begin after Labor Day.
- ✓ Beginning the school year before Labor Day will have a substantial negative impact on individual family finances. In addition to the \$75.6 million loss of economic impact per day to the state's economy, each vacation day added to the school calendar costs parents an additional \$4.6 million in extra child care outside of moneys already spent on childcare and related expenses.

III. SUMMARY OF FINDINGS

Throughout the review of the cost to the Pennsylvania economy caused by starting the school year prior to Labor Day, Tripp Umbach found that there are many different aspects to explore. There are multiple and interrelated issues that come into play when rearranging the natural flow of the traditional summer vacation. Tripp Umbach's economic impact analysis focuses both on economic impacts related to the individual and on collective impacts.

School Calendar Changes Since the 1970s

The movement by public schools to earlier start dates is a relatively new development. Data received from Market Data Retrieval, a market research firm, shows that about half of American public schools prior to 1988 started school before September 1st. This number increased significantly by 2002 to 71%. For the majority of schools, this usually has to do with an increase in the number of preparation days after winter break for standardized testing that needs to be completed in the spring. Currently testing has become more of a priority in the school year than in the past. A school that does not perform well on required standardized testing risks a loss of funding thereby jeopardizing student academics. However, this practice and reasoning is contested by opposing groups, such as *Texans for a Traditional School Year*, whose research shows that a majority of the top performing states start their school year after September 1st or in very late in August.

We attempted to determine how school calendars have changed since the 1970s, when schools typically began classes after Labor Day, but could find no central source of data for this information. Contacting every school district and attempting to compare their current school calendar with a school calendar from the 1970s was cost prohibitive. We did, however, contact one school district that we believe to be representative to compare their 2006-07 school calendar to their 1974-75 and 1975-76 calendars.

In 2006-07, this district began classes on Wednesday, August 30, which allowed for three days of classes prior to the Labor Day weekend. Classes are scheduled to end on June 8, for a total of 183 instructional days. The 2006-07 calendar provides for 5 teacher in-service days (3 full days and four half days);

1.5 teacher/parent conference days; 4 snow make-up days; and 12.5 other holidays, for a total of 23 student vacation days during the year.

In 1975-76, classes began on Wednesday, September 3 and ended on June 9, for a total of 181 instructional days. The 1975-76 calendar provided for 4 teacher in-service days (two full days and four half days); no teacher/parent conference days; 4 snow make-up days (but unlike in 2006-07, three of the snow make-up days are at the end of school and would extend the calendar later into June); and 17 other holidays, for a total of 22 student vacation days during the regularly scheduled school year.

The 1974-75 school calendar for this district varied somewhat from 1975-76. Classes began on Wednesday, September 4 and ended on June 11, for a total of 181 instructional days. The 1974-75 calendar provided for 2 teacher in-service days (both full days), no teacher/parent conference days, 5 snow make-up days (three of which are at end of school), and 16 other holidays, for a total of 20 student vacation days during the regularly scheduled school year.

The comparison is shown in the table below.

School Calendar Comparisons for One Sample District			
	2006-07	1975-76	1974-75
Start of classes	Aug. 30	Sept. 3	Sept 4
End of classes	June 8	June 9	June 11
Number of instructional days ^a	183	181	181
Parent/Teacher Conferences	1.5 days	0 days	0 days
Teacher in-service days ^b	5 days ^c	4 days ^d	2 days ^e
Snow make-up days during scheduled school year	4 days	1 day ^f	2 days ^g
Other student holidays	12.5 days	17 days	16 days
Total student days off	23 days	22 days	20 days
^a Parent/teacher and teacher in-service days are counted as instructional days. ^b Does not include in-service days before the start of classes or after school closes. ^c 3 full days and 4 half days. ^d 2 full days and 4 half days ^e 2 full days. ^f They had 4 snow make-up days, but 3 are at the end of school (June 9, 10 and 11) ^g They had 5 snow make-up days, but 3 are at the end of school (June 11, 12 and 13)			

As the table shows, one difference between the 2006-07 school calendar and the calendars of the mid-1970s is the scheduling of snow make-up days. The 2006-07 calendar includes 4 snow make-up days during the scheduled school year whereas the 1974-75 and 1975-76 school calendars include only one or two make-up days during the scheduled school year, with additional make-up days, if needed, occurring at the end of the year.

Another factor, which affects the number of instructional days, is how many half-day in-service and teacher/parent conference days are scheduled. Such days can be counted as full instructional days, if the second half of the day is used for in-service or teacher/parent conferences. This district had five such half days in 2006-07, four in 1975-76, and none in 1974-75.

Cost of Lost Days for Summer Travel

A key driver of the debate on school start dates is that further movement of dates ahead from Labor Day will cause a decrease in summer travel within Pennsylvania. This may seem like a problem that only affects a relatively small group; however, in Pennsylvania where tourism is a \$34 billion industry, the implications of shortening that season by only a few days is something that would hurt tax payers throughout the Commonwealth. Pennsylvania's travel and tourism industry is not the only industry that would feel the impact. In Pennsylvania, summer is the primary business season for all theme parks, sports teams, and local attractions¹⁵.

With an average loss of approximately one week of summer vacation, the Commonwealth of Pennsylvania would be negatively impacted by over \$378 million annually. Stated another way, nearly \$400 million annually could be added to the state's economy if legislation were enacted to require school districts to begin school after Labor Day. The current situation is responsible for the subtraction of over 2,348 jobs both directly as well as indirectly from the state's workforce and, in turn, causes the state to lose over \$17.7 million in tax revenue. In 2005, the state's economy lost over \$75 million for every weekday that school started before Labor Day. Based on data from the Tripp Umbach School District survey, a very small number of the school districts are also considering starting school an average of one week earlier by 2010. While this

¹⁵ Tripp Umbach found through their survey research that only one-third of the travel that would take place would be travel within the state of Pennsylvania, this finding was incorporated into the models used to come up with the spending dollars.

number is not sizeable, this would result in millions more in potential losses to the state's economy if school districts continue to push their start dates ahead. Tripp Umbach bases this estimate on the \$164 million in direct dollars that would be spent by families that would travel during the week prior to Labor Day, spending on average \$295 per party per travel day, as well as the "re-spending" of the direct dollars throughout the state's economy¹⁶. Since this legislation would most likely influence many of the state's private and parochial schools to adopt the new traditional schedule as well, the total economic benefit to the state's economy is conservatively estimated at more than \$500 million.

While some may argue that the school calendars should not be set around the needs of the travel and tourism industry, this negative impact as it currently stands is placing a profound burden on those tax payers who are currently compensating for these losses in tax dollars. In addition to this point, the Commonwealth is continually looking for ways to fund additional programs to assist the education system. With the additional tax dollars generated by restructuring the calendar, Pennsylvania School Districts may be able to fund additional programs without going to the taxpayers to ask them to foot a larger bill. This would not be at the sacrifice of education for students as Tripp Umbach has not been able to find a study, which shows that starting school early, has any benefits for a student long term.

Aside from the economic impact, many of the attractions that families visit in Pennsylvania are educational experiences for children and their parents. Visits to places such as state parks, natural formations, museums, historical sites, zoos, and aquariums can be both a bonding experience for families and a learning experience for children involved. Trips such as these assist teacher's efforts in the classroom by helping to make learning adventurous and fun for the children.

In addition to families not being able to take part in late summer travel vacations, this early start date for school also impacts the owners and operators of the tourist attractions and hotels. Many attractions are finding it necessary to close down during the weekdays prior to Labor Day due to slower business as well as

¹⁶ The economic impact multiplier used to come up with the indirect impact of these tourism dollars is 2.3. This multiplier is an industry standard multiplier for the state impact in Pennsylvania.

the lack of available employees¹⁷. This shortage of employees is directly related to high school student workers going back to school.

Summer Employment

Seasonal employees run the risk of being denied summer employment if unable to commit to working up until the Labor Day holiday. Starting school prior to the Labor Day holiday takes young people and teachers, who would like to secure summer employment, out of the labor pool. For example, Kennywood Park in West Mifflin employs more than 1,600 people; most of them high school and college students. Kennywood does not open until after 5:00 p.m. the week prior to Labor Day due to staffing issues. Sandcastle Waterpark and Idlewild Park in Ligonier, which are sister parks of Kennywood, are closed for the entire week before Labor Day because of the same staffing issues. Consequently, some teachers and students must forgo such employment and others must stop working early. Wages for these summer positions can run the gamut. While some of the positions are higher paying, others simply pay minimum wage. In order to look deeper into this topic, Tripp Umbach developed economic impact models to analyze the cost to the state's economy of these jobs being lost, even if just for one week.

Tripp Umbach found that if it is assumed that 33% of the teachers who are employed in the Pennsylvania school district work part-time seasonal jobs¹⁸ earning roughly \$8 an hour, the teachers as a group would lose over \$9 million on their summer break, if one week was lost. This loss is not only felt by teachers. The loss of the money that teachers would earn would also cause a negative impact on the state. This would create a loss of over \$727,000 on the state revenue generated over that one week period through both business and employment taxes. Similarly, assuming that 60% of the high school students, who are eligible to work, do so and are paid on average \$6 an hour, these students collectively would lose over \$7.3 million for each day that is cut from their seasonal employment. This would cost the state over \$2.9 million in taxes over that one week period. In addition, the state would experience a loss of 523 full-time equivalent jobs (both directly and indirectly).

¹⁷ This data was gathered from both a telephone interview with Sesame Place as well as data gathered from a prior study done by Tripp Umbach for Kennywood and their sister parks.

¹⁸ Tripp Umbach assumes that part-time seasonal employment is defined as working an estimated 30 hours per week or 6 hours a day.

A majority of the students who work through the summer do not work just for extra spending money. Many of these students work to help with household expenses or to save money for their own higher education costs. This is a life learning experience with long-term gains, as studies show that many of the students who work during high school have higher paying jobs upon graduation¹⁹. In addition to it being a benefit in their future employment gains, teachers report that students who work part-time tend to be more focused and tend to be more appreciative of their education than others.

Stated another way, the total impact, indirect in addition to direct, of the loss of employment during this week for students and teachers is \$105 million. This would also cause a negative impact on state revenue of \$3.7 million due to lost revenue that would have been generated by the \$105 million in taxes for the local and state economies.

Child Care Costs

Another factor influencing the reduction of the traditional summer vacation is the increasing number of school year holidays and in-service days. The trend forward pushing for an earlier start date is also accompanied by a trend to provide students with an increasing number of holidays and staff in-service days throughout the school calendar, which in turn shortens the number of summer vacation days.

Many feel that waiting until post-Labor Day to begin classes would cause school to run later into the summer thereby causing a conflict for travelers and tourists at that time of the year. This does not however, have to be the case. Schools could very easily get 180 days of instruction in from September without changing their normal end-of-school date, by cutting back the number of days students are given off throughout the school calendar year. Doing this would also assist working parents who must arrange to have someone care for their children.

Tripp Umbach believes it would be safe to assume that close to half of the 934,500 children who are enrolled in grades K-6th grade in public schools in Pennsylvania would need to have child care arrangements made on these days off. If this is true, it is assumed that half would need to be cared for by

¹⁹ Based on the findings of a studies conducted by The Employment Policies Institute.

someone other than their parents on a day when school is not in session. This assumption is made due to the US Census statistic that nearly 60% of all mothers with young children are employed outside the home. Some of those children would be cared for by a parent able to be off from work and others would be safe with the care of a neighbor or relative. This day off for the school-aged children would cost the average parent putting their child in a licensed facility about \$25 a day. This may not sound like a lot of money; however it equates to an impact of \$11.7 million per day when the children are not in school. Keep in mind that this number would be substantially higher when accounting for those children who are enrolled in parochial schools or cared for by a means other than a licensed facility; this does not include the home care and family care arrangements that could be made. This also assumes that the parents have already made arrangements for their children to be cared for in a facility prior to vacation days from school, it does not take into account the parents who then are required to take the day off of work because of a lack of child care options. Arranging for childcare tends to be an additional hurdle for working parents.

A logical counter argument to this case is that parents will need to arrange for care at one time or another. One might think that if the school year were condensed to preserve the traditional summer vacation, it would not help parents with child care issues. Wouldn't this just substitute days that parents are expected to arrange for childcare in the fall, spring or winter for additional ones in the summer? The answer here would be yes, however childcare in the summer is, on average, less difficult to arrange for parents than childcare during the school year. Childcare typically costs less in the summer as well. The typical cost for a full-day summer program for a school-aged child is often much less expensive. While childcare for those days would average \$25 a day, the average cost for a summer program is \$15 a day, which is a \$10 per day savings. Childcare centers are able to offer savings during the summer months due to the fact that they are able to increase staffing, food and other costs for a longer period of time. The school year increases are for a smaller number of children and only for a day or two.

Working under the above assumption, Tripp Umbach projects a cost savings for summer care over school year care of \$4.6 million per day. This number is a conservative estimate based on just half of the children in need of childcare in the age range of Kindergarten through 6th grade in Pennsylvania public schools.

Teacher Training

Continuing education for teachers in the summer is an increasingly frequent practice. Common demands within schools on teachers are that they are available to work in the classroom for at least a day or so after the students are released for the summer, and they usually start back to work prior to the first day of class for the students. When the first day of class for the students falls in the second half of August instead of September, this would impact the teacher's ability to enroll in second summer sessions at many of the local colleges and universities where the course ends in mid- to late- August. This would hurt a teacher's ability to further their education at a more rapid pace.

Although some may argue that it is not the school districts duty to set a school calendar that is conducive to teachers attending summer sessions at local universities and colleges, research shows that students taught by teachers who hold national certification score better on standardized tests. This is the reasoning behind federal education laws, which state that all teachers will need to be certified in areas of teaching by 2012. It is difficult to construct higher learning opportunities for teachers when calendars vary by weeks. Additionally, with a sizeable amount of the focus on teachers being their abilities to properly teach students as well as keep up to date with current learning trends, this should be something that is taken seriously by the school districts.

Cost Savings to School Districts

One argument for shortening the school year is that a traditional schedule would provide cost savings for school districts. Tripp Umbach calculated the cost savings to school districts by utilizing data from the Tripp Umbach in-house survey data provided by school districts. Within the survey, the school districts provided estimates of their operating budgets for the years 2005-06 and projected budgets for 2006-07.²⁰ From this, Tripp Umbach was able to calculate an average cost of \$23.65 per student per day to operate the average school district.

If schools are open for an extra week due to having additional days off and holidays throughout the school year, the district is still paying much of the fixed

²⁰ The 361 school districts who responded to the survey are a statistically accurate representation of the entire base of school districts in the state.

operating costs during that period. Tripp Umbach assumes that school districts would still need to cover two-thirds of the average operating costs on an in-service day or a holiday. Tripp Umbach estimates that this one-week of additional cost to the school districts is valued at approximately \$175.7 million.

The savings that are seen by school districts which agree to delay the start date and conform to a uniform school calendar could be used to assist with student tutoring programs that would help students in the classroom with educational needs. The savings could be used to hire tutors to help bring children experiencing problems up to speed and then allow them to join back in with the rest of the class in real time. Getting to the problem immediately would assist the child and the teacher as well as the rest of the class.

Costs to Tourism Attractions

Interviews completed by Tripp Umbach with representatives from the Pittsburgh Pirates, Kennywood, the Little League World Series, and Sesame Place indicate that major tourist attractions experience a decrease in revenue of 25% to 40% when school is in session. The slow down in gate revenue at these and other attractions costs tax payers and local businesses both directly and indirectly. For example, since the statewide economic impact of Kennywood is \$136 million, the cost to the State's economy of having school start one week earlier is \$1.7 million for Kennywood alone. Furthermore, fewer visitors to Kennywood during late August results in a loss of \$175,000 in state tax revenue.

Cost Savings Attributable to Expanding the School Day

Another way that individual school districts would be able to save money is by lengthening the school day by only eight minutes. By the end of the school year this would shave three days off the school calendar. This would assist with allowing the month of August to be reserved for summer vacation. Additionally, this would save individual school districts the cost of busing children, providing food service, and utilities for those three additional days. Using data collected from the school district survey, Tripp Umbach calculated the cost savings. Using conservative assumptions, researchers estimated that by cutting three days from each school calendar year, Pennsylvania's public school districts would save \$105.4 million.

Under the current code, the regulation length for the school year is 180 days²¹. The same code also states that it can be 900 hours²² of educational time when approved by the Secretary of Education. This is similar to the Pennsylvania code which states the minimum requirements (see the table below).

Pennsylvania Code § 11.3. Minimum required hours	
Grade	Hours
K	2 hours, 30 minutes, each day of the school term
1-6	900 hours for the school term
7-12	990 hours for the school term

²¹ Section 1501 of the code states that students are required to be in school for 180 days.

²² Section 1504 of the same code states a minimum of 900 hours of education is also acceptable if the Secretary of Education approves the reasoning.

Summary of Direct Economic Impact Losses/ Savings of Early School Start Dates

Loss to Tourism Economy	Loss Per Day in Millions	Loss Per Week (5 days) in Millions
Tourism Losses	\$32.8	\$164
Tax Losses on the Tourism Industry	\$3.5	\$17.7
Lost Personal Income	Loss Per Day	Loss Per Week (5 days)
Students	\$7.3	\$36.5
Teachers	\$1.8	\$9.1
Child Care Costs Avoided	Savings Per Day	Savings Per Week (5 days)
Additional Child Care Costs Avoided	\$4.6	\$23.0
School Costs Avoided	Savings Per Day	Savings Per Week (5 days)
Estimate of School Operating Costs Avoided	\$35.1	\$175.7
Total Losses/Savings	\$85.1 M	\$426 M

IV. CONSULTANT CONCLUSIONS

1. Protecting the ability of the state's school district to "exercise local control" is costing the state's economy approximately \$500 million annually.²³ Tripp Umbach believes that philosophical arguments related to local vs. state control put forth by the school boards and others do not justify forfeiting more than 2,348 jobs and more than \$17.7 million in state and local tax revenue. The benefits to the Commonwealth are too important to be lost in a battle over control.
2. The trend toward school districts starting even earlier comes at a cost of more than \$75.6 million per day to the state's economy. Legislation enacted today will serve to mitigate hundreds of millions in direct and indirect losses to the state's economy and thousands of jobs over the next 10 to 20 years. Left unchecked, a significant component of the state's \$34 billion travel and tourism industry would be lost.
3. Starting school prior to Labor Day takes continuing education opportunities away from teachers, many of whom are unable to complete two summer classes before returning to school in mid-August. While the Tripp Umbach research did not include analysis of wages lost to teachers and income taxes lost to the state related to teachers who delay earning their Masters Degrees, there is certainly an economic loss to individual teachers and to the state's economy as a whole for every year that teachers delay their post-graduate education.
4. Tripp Umbach believes that the best model from an economic development and employment perspective would be to begin school after Labor Day and expand the school day by 8 minutes per day to account for extra days off during the school year. This model provides both economic expansion in the Pennsylvania economy and cost savings to school districts, which lowers local tax burdens.

²³ This number includes both direct and indirect impacts on the state.

APPENDIX A: CONSULTANT QUALIFICATIONS

Tripp Umbach is a national leader in performing economic impact research for leading units of government, school districts, community organizations, universities, hospitals, and large-scale events. Since 1990, Tripp Umbach has completed more than 100 economic impact studies throughout the United States. Since 1990, Tripp Umbach has completed economic impact studies on regional tourism for the Greater Pittsburgh Convention & Visitors Bureau. Our Pennsylvania experience for major events includes: The Pittsburgh Regatta, The Thrift Drug Classic, The Three Rivers Trail System, The Pittsburgh Home and Garden Show, The Carnegie Science Center, Kennywood, The 84 Lumber Classic, The Pittsburgh Auto Show, and more than 25 national and regional conventions at the David L. Lawrence Convention Center, as well as the Bryce Jordan Center.

Tripp Umbach is the leading economic impact analysis firm in Pennsylvania having completed economic impact studies for Hershey Medical Center, The University of Pennsylvania, The University of Pittsburgh, UPMC, Penn State University, PHEAA, the Hospital Association of Pennsylvania, the State System for Higher Education, and multiple private colleges and community hospitals.

APPENDIX B: RESEARCH METHODS

Tripp Umbach developed economic impact models that will show the annual direct and indirect economic cost, employment losses, and government-tax revenue losses that are a direct result of school districts that are choosing to begin classes prior to Labor Day. Specifically, Tripp Umbach conducted a total of two primary research projects, namely a survey of all 500+ school districts to determine past (2005), current (2006) and future (planned for the future) school district starting dates and a comprehensive survey of heads of households with school aged children. Tripp Umbach also utilized existing tourism spending data from the state and private sources, including extensive data from Tripp Umbach's in-house tourism spending databases. The resulting economic impact analysis allow Tripp Umbach to present data at the following levels:

- 1) The economic, employment, and government revenue losses to the Commonwealth currently (2005) based on the number of days lost to early school starting dates.
- 2) The economic, employment, and government revenue projected losses to the Commonwealth for 2006 based on scheduled school starting dates.
- 3) The projected economic, employment, and government revenue losses to the Commonwealth in 2010 based on estimated school starting dates over the next five years.

Within this methodology Tripp Umbach used the survey data²⁴ to come up with many of the model calculations that were used throughout the report. For example the travel dollars were deduced by using the average number of additional vacation days that the household expected they would take during the week before Labor Day, if school began after Labor Day. We took this number and multiplied by the estimated number of Pennsylvania households with children between the ages of 6-17. We then used the survey data for the number of adults in the travel party as well as the average amount spent per trip. The data on in-state overnight and day trip travel was from the PA Tourism Bureau research department. All of this data was utilized to derive the impacts.

In addition to the proposed methodology, interviews were conducted with key persons identified throughout the reporting process to assist in strengthening the data and the analysis of that data. Many of those persons were influential people

²⁴ Survey was conducted by telephone with 503 heads of households randomly selected throughout Pennsylvania. The survey was conducted from April 25, 2006 through May 8, 2006. The survey results have a margin of error of +/- 3.5%.

within the travel and tourism professions to gain knowledge on the impact of school beginning prior to Labor Day.

Additionally, Tripp Umbach also used the findings of the Mansfield Study²⁵ as another source of information on the opinions of people residing in Pennsylvania. The surveys that Tripp Umbach conducted did not collect opinion data on the change of the start date of school in order to keep the data collection in our telephone survey from being swayed one way or another by a person's opinion.

School start day information was provided to Tripp Umbach by the PA Department of Education and is as reported by the school districts in the telephone survey conducted by Tripp Umbach. In reviewing this data, it was apparent that districts were not uniform in how they reported this data. It appeared as though some school districts may have counted weekend days when reporting the number of days beginning prior to Labor Day. For school districts that reported data that was clearly suspicious, for example start dates that were listed as being in July or anything over two weeks prior to Labor Day, we contacted the districts and corrected the dates. Other districts appeared to use as their start date the first day teachers, rather than students, were to report to school. Rather than attempting to contact all districts to verify student start dates, for purposes of this analysis we assumed that all schools that reported starting before Labor Day started classes a full week before Labor Day and that no schools required students to report to school more than one week before Labor Day.

²⁵ Mansfield University State Survey was fielded from February 13, 2006- March 7, 2006. This was a telephone survey with 1,102 interviews completed with adults in Pennsylvania. The results of this survey have a margin of error of +/- 3.0%.

APPENDIX C: GLOSSARY OF TERMS

DIRECT EMPLOYMENT	Total Employees based on Full-Time Equivalents (FTEs).
INDIRECT EMPLOYMENT	Indirect employment is the additional jobs created as a result of the institution's economic impact. Local companies that provide goods and services to an institution increase their number of employees as purchasing increases, creating an employment multiplier.
INDIRECT TAX PAYMENTS	Government revenue that is collected by governmental units in addition to those paid direct by an institution, including taxes paid directly by employees of the institution, visitors to the institution, and vendors who sell products to the institution.
MULTIPLIER EFFECT	The multiplier effect is the additional economic impact created as a result of the institution's direct economic impact. Local companies that provide goods and services to an institution increase their purchasing, creating a multiplier.
TOTAL ECONOMIC IMPACT	The total economic impact of an institution includes both the direct economic impact and the indirect economic impact, generated in the economy as a result of the direct impact. Direct impact includes items such as institutional spending, employee spending, and spending by out-of-area visitors to the institution. Indirect economic impact, also known as the multiplier effect, includes the re-spending of dollars within the local economy.

APPENDIX D: MICHIGAN ARTICLE ON TOURISM INCREASE DUE TO NEW SCHOOL START DATE

Tourism season riding on post-Labor Day school start

Friday, September 01, 2006

By JUDY PUTNAM

Lansing Bureau

LANSING -- The post-Labor Day school start could salvage Michigan's struggling travel industry this year, said a Michigan State University tourism professor.

Don Holecek, director of the MSU Tourism Center, said the \$17.5 billion industry has been hurt by Michigan's ongoing economic woes and high gasoline prices. But, he said, a late-August boost will help.

His center had predicted a 4 percent to 5 percent increase over last year's tourism sales, but that hasn't happen. About two-thirds of travel business is generated by Michigan residents, he said.

"I'm thinking it's going to be a pretty rough year. If we break even across the board, we're going to be lucky," he said. "If we didn't have the post-Labor Day school start ... I would expect we would be looking at a negative year."

The industry is getting a needed lift, too, from a \$15 million state advertising campaign over this year and next, he said.

Most Michigan schools scheduled the start of school for Tuesday. A 2005 law, designed to help the travel industry, prohibited an earlier start, although some schools started in August because union contracts were already in place.

Tourist attractions catering to families with young children may have benefited the most from the longer summer, because older kids are back at school for band, cheerleading, football and other sports.

Al Zehnder, president and CEO of Zehnder's of Frankenmuth, said Thursday that his sales -- from lodging, restaurant, golf and retail -- were up about 12 percent for the last week of August compared with last year.

Besides the late school start, Zehnder said his business has benefited from the high price of gas since it's a shorter trip from southern Michigan to Frankenmuth than Up North.

"We're had a pretty good summer in general," he said "People are just staying closer to home, and that's helped us a little bit."

Michigan's Adventure, an amusement park north of Muskegon, stayed open the week before Labor Day for the first time in more than a decade, said Camille Jourden-Mark, vice president and general manager.

In the past, the park was forced to close Monday through Thursday before Labor Day because it lost many of its high school workers. On Monday, Jourden-Mark said the park had more than 4,000 visitors, despite rainy, gray weather.

The new law is helping Michigan keep a vacation mind-set, she said.

"I think once kids have gone back to school, people think summer's over," she said.

Rex O'Connor, director of sales and marketing for the Great Wolf Lodge in Traverse City, said late August has been busy at his 281-suite resort.

He said "hundreds" more rooms were booked the last 10 days of August compared with the same period last year, but he said he could not release specific numbers.

"We're having a great month because we attract the families who have children between the ages of 1 and 12," he said.

Not everyone saw a boost.

Georganne Hornacek, owner of the Gaylord KOA campground, said the Labor Day weekend is busy as usual, but she saw no difference during the week.

"Even though school started later, they're really all involved in sports. I don't think it made a difference," she said.

The state Waterloo Recreation Area near Chelsea had about 30 percent of 350 campsites occupied during the week, about the usual, said Gary Jones, park manager.

But he said rainy weather may have dampened enthusiasm.

Some in the industry say it will take a few years before the full impact of the late school start is felt.

"This is not like flipping on a switch," said Peter Fitzsimons, executive director of Petoskey-Harbor Springs-Boyer Country Convention and Visitors Bureau.

He said more tourists were in the Petoskey area this week, but it's yet unclear how much they are spending. It's logical that if families have to pay more for gas and they're worried about the economy, they may cut back once they reach their destination, such as choosing fast food over fine dining, Fitzsimons said.

MSU's Holecek said one benefit from a longer summer is that families may use up their vacation budgets close to home.

"If they spend now, they're not going to spend in January, which means Florida gets hit, not us," he said.

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