

## Report Highlights

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

Although the number of instructional days has remained unchanged, in the late 1970s large numbers of school districts began school start scheduling changes following a series of severe winters that disrupted the academic schedule. Additional teacher in-service days, student vacation days, and grade card preparation days have also led to the point where now 88 percent of Pennsylvania public school districts report starting school before Labor Day. The LB&FC contracted with TrippUmbach, a Pittsburgh-based economic impact research firm, to conduct this study.

#### *Findings:*

**\$378 million would be added to Pennsylvania's economy if all schools began after Labor Day.** This estimate is based on \$164 million in direct dollars that would be spent by families traveling during the week prior to Labor Day as well as the "re-spending" of these dollars throughout the state's economy. The estimate is based on a telephone survey of 503 households conducted in spring 2006 and in-state travel information provided by the state's Tourism Bureau.

**School beginning before Labor Day costs the state 2,348 jobs annually.** TrippUmbach's analysis indicates that adding \$378 million in net revenue to the state's economy would create the equivalent of more than 2,300 new jobs.

**The Commonwealth loses \$17.7 million in state tax revenue as a result of school starting before Labor Day.** This figure is based only on travel and tourism losses resulting from families not taking vacations during the last week of August; it does not include several million additional dollars in uncollected hotel room taxes.

**The inability to work summer jobs during the last week of August costs teachers and students about \$45.6 million.** Teachers not being able to hold summer employment through the last week of summer has an estimated direct impact of \$1.8 million per day, and a total impact (direct and indirect) of \$4.2 million per day. Similarly, students' inability to work during the last week of August has an estimated direct impact of \$7.3 million per day and a total impact of \$16.8 million per day. These earnings, in turn, would generate about \$3.7 million in additional state taxes and about \$8.6 million in local tax revenue.

**Expanding the school day by 8 minutes would save \$105.4 million annually.** If the school day was lengthened by 8 minutes, it would be the time equivalent of 3 instructional days. Adding "days" in this manner would save approximately \$105.4 million annually in utilities, transportation, and food service. These extra "days" could then be used to offset 3 of the instructional days lost due to school starting after Labor Day. (With the approval of the Secretary of Education, schools can use minimum hourly requirements, rather than the 180-day requirement.)

**Each vacation day added to the school calendar costs parents an additional \$4.6 million in child care expense.** Because child care tends to be more expensive during the school year than during the summer (\$25/day vs. \$15/day), parents that need child care would save about \$4.6 million if that care was provided during the last week of August rather than during the school year.

**Several states have recently begun requiring that schools start after Labor Day.** Michigan, Virginia, Wisconsin, and Texas (beginning in the 2007-08 school year) all now require, with some exceptions for unusual circumstances, that schools not start classes prior to Labor Day. A Michigan State University researcher estimated the later school start would generate over \$100 million in new tourism revenues, and press reports in Michigan attributed this year's surge in late-August travel to the new law that requires schools to start after Labor Day. A report done by the Texas Comptroller estimated that school starts before Labor Day cost \$790 million annually to the Texas economy.