February 12, 2020

The Education Coalition

Working together to support and improve California's public schools

Association of California School Administrators (ACSA) representing more than 17,000 school administrators

California Association of School Business Officials (CASBO) representing more than 23,000 school business officials

California County Superintendents Educational Services Association (CCSESA) representing all 58 county superintendents throughout California

California Federation of Teachers (CFT-AFL-CIO) representing nearly 120,000 education employees

California School Boards Association (CSBA)

representing nearly 1,000 K-12 school districts and county offices of education throughout California

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California School Employees Association (CSEA)

representing more than 250,000 classified school employees

California State PTA representing 700,000 parents, teachers, and students in California

California Teachers Association (CTA)

representing over 325,000 educators

Service Employees International Union (SEIU) representing more than 50,000 school

Legislative Consultant: Dale Shimasaki 916.441.3909

employees in California

Memorandum

TO: Education Policymakers

- FM: The Education Coalition
- RE: K-12 Education Budget Position Paper

The Education Coalition is comprised of the nine statewide K-12 education associations to provide consensus positions protecting the integrity of Proposition 98 and funding in the budget for K-12 public education.

The nine statewide organizations include:

- Association of California School Administrators [ACSA]
- California Association of School Business Officials [CASBO]
- California County Superintendents Educational Services Association [CCSESA]
- California Federation of Teachers [CFT]
- California School Boards Association [CSBA]
- California School Employees Association [CSEA]
- California State Parent Teachers Association [PTA]
- California Teachers Association [CTA]
- Service Employees International Union [SEIU]

Each year, the Education Coalition issues budget position papers and meets with legislative members of the budget and policy committees to share our consensus position on the major budget proposals in education in the state budget.

Attached is the Education Coalition's first position paper commenting on the Governor's Budget Proposal. For further information contact Dale Shimasaki, the Consultant to the Education Coalition at 916-441-3909.

The Education Coalition supports the framework of the Governor's 2020-21 Budget proposal to provide \$83.2 billion in K-14 funding, including an additional \$3.9 billion above the 2019 Budget Act, as required by the Proposition 98 minimum guarantee. While this funding is greatly appreciated and a step in the right direction, this still does not solve the problem of our state's historically underfunded public education system and does not replace the billions of dollars lost during the Great Recession of 2008.

The 2019 Education Week's Quality Counts survey showed California ranked 39th in adjusted per-pupil expenditures for K-12 education. According to the survey, California's per-student spending of \$10,281 is \$2,475 below the national average of \$12,756. Further, California is \$7,153 [41%] below the average spending of the top ten states for K-12 education spending. Given that one of the goals of the constitutional initiative, Proposition 98, is to close the gap in per pupil expenditures to the average of the top ten states, California still has a long way to go in school finance.

Furthermore, one reason California is unable to make significant strides in funding is the lack of state revenues directed for educational purposes. It is important that both the Administration and Legislature enact measures to address the needs of our students and public education system.

Education Coalition Appreciates the Governor's Overarching Budget Priorities

The Governor's 2020-21 budget proposal continues to make public education a priority of his administration. The Education Coalition appreciates the Governor's overarching budget priorities, including:

- Further Investments in The Local Control Funding Formula (LCFF)
- Investing in Educator Recruitment and Retention
- Providing Professional Development for Certificated and Classified School Personnel
- Increasing Special Education Funding
- Ensuring Student Health and Wellness
- Assisting Low-Performing Schools
- Supporting Investments in School Facilities

Education Coalition's 2020-21 Budget Principles

The Education Coalition's guiding principles for this year's budget deliberations are as follows:

Ensure a Balanced Approach: The Education Coalition appreciates the Governor's commitment to the LCFF and his support for targeted investments. The Education Coalition believes that the Governor and Legislature should take a balanced approach with the 2020-21 budget between providing targeted dollars for specific one-time proposals and providing flexible dollars for local educational agencies (LEA) to use at their discretion to address long-standing needs. Previous budgets have provided local flexibility in determining how these dollars are best spent.

Additional Investment in the LCFF: The Education Coalition recommends providing additional unrestricted funds in the budget. The Education Coalition supports efforts to increase the LCFF targets to the national average and urges the Legislature and Governor to provide additional funding for the LCFF beyond the statutory COLA.

Increase Special Education Funding: The Education Coalition supports the Governor's proposal to provide additional ongoing resources for special education. This additional investment will help address the increasing costs to support special education students. We look forward to conversations on how special education funding is allocated within the program.

Provide Additional Funding to Address Rising CalSTRS/CalPERS Costs: Last year's infusion of one-time non-Proposition 98 funds to reduce pension costs at CalSTRS/CalPERS provided an important relief to school districts and employees. Since employer rates will continue to increase, we urge additional non-Proposition 98 funds be dedicated in the May Revision to further reduce school districts' short-term and long-term pension costs.

Adequately Fund New Legislative Mandates: A number of legislative bills were recently signed that required a higher level of service and put additional fiscal stress on school districts. Last year, the Department of Finance and legislative Appropriation Committees identified eleven measures signed into law with mandated estimated costs of \$119 million to over \$1.2 billion. The Education Coalition recommends that efforts be made to fund these new requirements in the May Revision.

Increase Funding for School Transportation: Current funding for school transportation is woefully inadequate. LEA transportation costs continue to increase, yet state funding has not kept pace. The Education Coalition recommends that the 2020-21 May Revision provide an additional \$22.5 million in ongoing Proposition 98 funds to equalize funding among school districts and to reflect a COLA for the Home-to-School Transportation program.

Consider the Impact of Competitive Grants: Many of the proposals for new programs distribute funds on a competitive grant basis. Many districts do not have the infrastructure nor capacity to access these funds and are often unable to secure a grant. Yet, they may have significant needs in specific areas. The Education Coalition recommends that the Governor and Legislature consider the impact this distribution model has on *all* LEAs for Proposition 98 funds that would otherwise be distributed based on average daily attendance.

Proposition 98 Concerns: The budget contains proposals which raise concerns on the use of Proposition 98 funds:

• <u>Ongoing Funds Used for One-Time Purposes.</u> The Budget proposes \$1.136 billion in ongoing Proposition 98 funds being used for one-time purposes. Ongoing funds should be dedicated to the ongoing needs for K-12 LEAs.

- <u>Inappropriately Using Proposition 98 resources to Support State Administrative</u> <u>Activities.</u> The budget proposes \$30 million for the California Collaborative for Educational Excellence (CCEE) to administer Opportunity Grants, and \$250,000 for CCEE to oversee a computer science resource lead.
- <u>Special Education Studies</u>. The budget proposes \$4 million in one-time Proposition 98 funds for dyslexia research, training and a statewide conference. None of the funds are allocated to local education agencies and should be funded from non-Proposition 98 resources.

While we recognize the benefits of many of these goals, we believe that ongoing Proposition 98 funds should be allocated for ongoing purposes and administrative activities should be funded with non-Proposition 98 General Fund.

Complex Policy Changes Proposed in the Budget: The budget proposes several major policy changes to how education programs operate. Within these topics, there are significant issues worthy of further discussion and deliberation. The Education Coalition urges the Legislature to hold policy committee hearings on these proposals to provide an opportunity for all interested parties to express their views and suggest changes where appropriate.

Conclusion

The Education Coalition would like to thank Governor Newsom for his continued investment in public education. We appreciate the Governor's overarching budget priorities and look forward to working with the Governor and the Legislature to craft a budget that utilizes these investments in the most effective way in order to provide our students with the high-quality education they deserve.

Sincerely,

The Education Caalitian



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Smart business. Smart schools.™

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