

4th District PTA Advocacy Roundtable Legislative Update – September 25, 2009

STATE

California State Budget:

- The final 2009-10 State Budget was signed by the Governor on July 28.
- Despite calls for suspension, Proposition 98 was funded at the minimum guarantee for both 2008-09 (49.1 billion) and 2009-10 (\$50.4 billion). This was significantly lower than the previously enacted budgets of September 2008 and February 2009 due to declining state revenues.
- This meant a \$6 billion cut to Prop 98 for the 2009-10 fiscal year.
- On a positive note, the July Budget Agreement provides a mechanism to restore \$11.2 billion of cuts to Prop 98 once the economy starts to rebound.
- However, the state's economy is continuing to decline and revenue has been dropping leading the administration to project a deficit for 2010-11 of \$7-8 billion.
- The governor will announce his proposed budget for 2010-11 in mid January.

Race To The Top federal funds and California's special legislative session

- As part of its stimulus package, the federal government has some competitive grant money available, which is known as Race To The Top funding. California is currently ineligible to apply for these funds as each state has to meet certain criteria in order to be eligible to apply. Nationwide, \$4.3 billion is available of which California's potential share would be \$1/2 - \$1 billion, if certain changes are made to our laws.
- Gov. Schwarzenegger has called a special legislative session (which is already convened) in order to consider legislation that would enable the state to apply for the federal "Race To The Top" money.
- A series of hearings are scheduled – starting on September 29th.
- The Governor is asking for several reforms, but the biggest issue is requiring school districts to consider student test data when evaluating or hiring teachers, something that is currently prohibited under California's state law.
- SBx5 1 is Senator Romero's bill that would allow the pupil data system (CALPADS) to be used in conjunction with the teacher data system (CALTIDES) for the purpose of making employment decisions related to teachers.
- Note: On the last day of the regular legislative session, Senator Simitian's bill, SB 19, which would remove this prohibition (but does not deal with any other changes requested by the Governor) had passed both houses of the legislature and is now headed to the Governor for his signature or veto (enrolled). CAPTA has a "Support" position on this bill.

Finance Reform:

- At Governor Schwarzenegger's direction, a 14 member, bipartisan "Commission on the 21st Century Economy" was formed to re-examine, modernize and stabilize California's out-of-date revenue laws that contribute to feast-or-famine state budget cycles.
- The Commission's Sept 20th deadline (deadline was already extended twice before) has just passed and while the final report is not yet ready, drafts are now circulating suggesting changes to state and local revenues
- Once the final report is submitted, the legislature will likely be called into another special session to consider the recommendations.

- California's school finance system is extremely complex, outdated, and an impediment to significant progress in K-12 education. AB 8, sponsored by Julia Brownley and strongly supported by State PTA, will convene a working group to create a simple, more transparent, accountable system, better aligned to the educational needs of students. The bill passed in both houses and has now been enrolled.

State Government Reform Movement:

- As you are already aware, California's state government is increasingly dysfunctional so as a result, there is a growing push to reconstruct the way state government is run.
- Two groups (outside of state government) in particular are leading the charge – *California Forward* and The Bay Area Council.
- *California Forward* has submitted its list of reform proposals to Governor Schwarzenegger and the four legislative leaders.
- The Bay Area Council, (today's guest speaker is from this organization), is a group of business organizations who are calling for a California Constitutional Convention. In this scenario, 400 California residents would look at the state's problems and draft a new blueprint for statewide government to go on a statewide ballot.
- The legislature has also announced its own Select Committee on Reform, which is tasked with "making government more efficient and accountable" and "diminishing the influence of special interests." This committee is scheduled to start meeting on October 1st.

Parcel taxes:

- In light of the economic conditions, many school districts are turning to parcel taxes to fill the funding gap of money no longer coming from the state.
- Twenty-three school districts have put education parcel taxes on the ballot in 2009 to date; of them, 15 have passed. An additional 21 districts put measures on the ballot last year, mostly in November, and 17 of those ballot measures passed. The new taxes range in amount from \$78 to \$795.
- The Senate Constitutional Amendment authored by Senator Joseph Simitian (SCA 6), which would allow for school districts to approve a local parcel tax with a 55 percent majority rather than the two-thirds majority, is currently pending in the legislature. State PTA has a support position on this bill.

FEDERAL

Federal Stimulus package (ARRA) funds:

- The U.S. Department of Education recently released an additional category of federal stimulus funds that will help pay for technology for schools.
- The U.S. Department of Education has announced that it is releasing the second installment of the ARRA funds for Title I, and IDEA (special education) earlier than expected. California has not yet announced the timeline for distribution of these funds to school districts, or the amounts that school districts can expect to receive.

No Child Left Behind--Reauthorization:

- Experts expect that NCLB/ESEA will be reauthorized and amended sometime during the next year. President Obama supports changes in assessments under NCLB, and is expected to focus on reform and incentives for school improvement.