

Fourth District PTA Advocacy Communicator



FOURTH DISTRICT PTA ADVOCACY TEAM

DECEMBER 2018

Legislative Analyst predicts billions in new money for schools

California lawmakers will have an additional \$2.8 billion to spend on Prop. 98 programs in 2019-20, according to a report by the Legislative Analyst's Office (LAO), a non-partisan state office that provides fiscal and policy information to state legislators and voters.

Prop. 98 requires a minimum level of funding each year for K-12 schools and community colleges. The actual amount that schools receive is calculated through complex formulas.

The LAO report suggests that \$2.3 billion of the new money could be designated for a 3.1 percent cost-of-living adjustment for schools and community colleges. Additional amounts could be used for previous commitments, including \$27 million for 3,000 new preschool slots, \$2 million for the Southern California Regional Occupational Center, and \$28 million to assist fiscally distressed school districts.

This leaves about \$480 million. With the possibility of a future recession, the LAO recommends using this money for one-time purposes such as professional development, instructional materials or technology upgrades.

While the additional funding is good news, the LAO points out the challenges faced by many districts. Statewide school enrollment has been declining for the past four years and is likely to continue dropping, due to lower birth rates and decreased migration. This is especially true in Los Angeles and Orange counties, while enrollments are going up in the Central Valley and some inland areas. School districts with dropping enrollments will see decreases in per-pupil funding.

The number of students qualifying for special education services has risen by 10 percent in the past six years, largely due to the increase in autism, creating additional financial pressure for school districts, the LAO said.

The LAO also highlights the increasing contributions districts must pay into the state employee retirement system. Since a new funding process for the retirement system was put in place in 2014-15, district contributions have increased by \$1.1 billion statewide.

Although a proposition passed in 2014 created a state reserve fund for schools and community colleges, the state hasn't deposited any money into this account, leaving no fallback should an economic downturn result in lower state revenues.

In spite of these difficulties, most school districts in California are financially healthy, with 97 percent receiving positive ratings from their respective county offices of education, the LAO reports. However, many districts will continue to face financial pressures related to increasing costs and declining student enrollment.

"Maintaining positive fiscal health in this environment will require districts to balance local priorities carefully and expand programs cautiously," the LAO concludes.

Departing soon. Don't miss out!

Sacramento Safari February 25 and 26, 2019

★ Registration fees go up after December 16 ★

Get complete information and register today at:

www.fourthdistrictpta.org

Sacramento Safari Orientation Meeting
Friday, February 8 from 9:30 a.m. to 11 a.m.
Fountain Valley School District
10055 Slater Avenue, Fountain Valley

Save the date!

Fourth District PTA Advocacy Forum

Friday, January 25

9:30 a.m. to 11:30 a.m.

Fountain Valley School District
10055 Slater Ave., Fountain Valley

CAPTA Advocacy Conference Call

The next California State PTA advocacy conference call is scheduled for Monday, January 25, at 7 p.m.

Call-in Directions:

- Conference Dial-In Number: 1 (641) 715-3276
- Participant Access Code: 604265#
- To mute or unmute during the session, press *6.

Advocacy Forum speakers discuss fiscal problems our schools face

The three speakers at the November Advocacy Forum presented more information than can fit in this newsletter. Rick Simpson, Dean West and Kathy Moffat offered their insights on school funding issues at the state, county and school district levels.

All three agreed that school districts face several major fiscal challenges. One is the rising cost of employee pensions. To solve this, Simpson said, districts would have to increase their incomes or decrease pension benefits, neither of which is practical. "This has caused serious fiscal tension and there are no good options," he said.

Declining enrollment is another serious issue affecting all except two school districts in Orange County. In

the past five years, said West, county schools have lost 5.5 percent of their student population. Losing \$9,000 per student every year makes a big difference in a school district's budget, said Moffat.

In spite of recent increases, the state still is not funding schools at an adequate level, the three speakers said. School districts have returned to the level of funding they received in 2007, but costs have gone up, said Moffat. In her district the cost for salaries and pensions has doubled in five years and special education costs have gone up by a factor of 30.

According to the recently released *Getting Down to Facts II* study, the state needs an additional \$25 billion to provide an adequate education, said Simpson. West pointed out that the state of California has the highest gross domestic product (GDP) in the country, but spends a lower percentage of its GDP on education than other states.

It's unlikely that schools will get enough additional funding from the state or federal government, said Simpson. Prior to Prop. 13, a school district could pass a local tax by a 3-2 vote of the school board. Simpson believes Prop. 13 should be amended to allow school districts to raise local taxes. Various strategies could be used to assure that there is financial equity among districts, he said.

New legislative session begins

December 1 marks the beginning of a new two-year legislative session for California. The Senate and Assembly members spend the first few weeks organizing and electing officers before breaking for the holidays. The real legislative work begins in January.

In the first year of the session, lawmakers meet from the first Monday in January to mid-September and then recess until the following January. During the second year the legislature meets from the first week in January until November 30 of the next even-numbered year, when the session is adjourned.

When a bill is introduced in the Assembly or Senate, it must be approved by several committees in that house before a debate and vote by the entire house of origin. The bill then goes to the other house, where it again goes through a committee process before a debate and vote by that house.

If the second house amends the bill and members of the first house do not concur with those changes, a conference committee of three Senators and three Assembly Members meets to iron out the differences. The new version must be approved by both the Senate and Assembly before being sent to the Governor.

The Governor can sign the bill into law or do nothing, which also enacts the bill into law. If the Governor vetoes a bill, the legislature has 60 days to override that veto with a two-thirds vote of both the Senate and Assembly.

General Election results for state legislators from Orange County

The General Election in November resulted in a few changes in Orange County legislative districts.

State Senate

32nd District: Bob Archuleta replaced Rita Topalian.

34th District: Tom Umberg replaced Janet Nguyen.

Senator Patricia Bates (36th District) was re-elected.

Senators Ling Ling Chan (29th District) and John Moorlach (37th District) were not up for election this year.

State Assembly

72nd District: Tyler Diep replaced Travis Allen, who did not run for re-election

74th District: Cottie Petrie-Norris replaced Matthew Harper

Assembly members Phillip Chen (55th District), Ian Calderon (57th District), Sharon Quirk-Silva (65th District), Steven Choi (68th District), Tom Daly (69th District), and William Brough (73rd District) were re-elected.

Tony Thurmond was elected State Superintendent of Public Instruction, replacing Tom Torlakson, who was termed out.

**California State PTA
2019 Legislation Conference
January 14-15, 2019**

Embassy Suites in Sacramento
Information and registration at www.capta.org