

## CUCPTSA Legislative Newsletter February 9, 2012

### CUSD LOCAL Update

By Lori Abbott

#### CUSD Budget:

The projected CUSD budget deficit for the 2012-2013 school year is approximately \$30 million. There could be an additional \$18 million of mid-year cuts if the Governor's tax initiative does not pass. The district has indicated that the cuts will come from a combination of the following negotiable items:

Furlough days (one furlough day is approx \$1 million)

Salary adjustments

Increase in class size (increase class size by 1 is approx \$3.5 million)

In addition, there may be layoffs of classified staff, and potentially an early retirement package for qualified teachers.

#### Adjusting Trustee Area Boundaries:

Beginning with the November 2012 election, only the voters living within the Trustee's area or district will elect a Trustee. In addition, the 2010 Census generated updated demographic data. Consequently, Trustee areas need to be evaluated and rebalanced. A Trustee area analysis is in progress and will be completed, revised, and established prior to March 1, 2012. Map J was chosen by the trustees at the January 25, 2012 Board meeting and is expected to be approved at the February 13 meeting.

### State Report

By Kathy Fischer

#### *2011-12 California Budget*

#### California's Cash Bind

State Controller John Chiang announced on January 31<sup>st</sup> that the State will run out of cash by early March unless swift action on the part of the legislature is taken to find \$3.3 billion through payment delays and borrowing. State tax revenues are \$2.6 billion less than projected and State spending is \$2.6 billion over budget. On February 3<sup>rd</sup>, Gov. Brown signed SB 95, which enables \$865 million of borrowing from existing state account. In addition, John Chiang, after consulting with Treasurer Bill Lockyer, is also seeking about \$2.4 billion in delayed payments to universities, counties and Medi-Cal, as well as additional borrowing from outside investors.

<http://blogs.sacbee.com/capitolalertlatest/2012/01/controller-state-to-run-out-of-cash-in-march-without-action.html#storylink=cpy> and  
<http://blogs.sacbee.com/capitolalertlatest/2012/02/jerry-brown-signs-cash-flow-bill.html#storylink=cpy>

#### California Lawmakers Keep School Buses Rolling

On 2/2/12, the Legislature restored \$248 million for home-to-school transportation that was particularly crucial for small and rural school districts that need to take students across long distances. For example, Death Valley Unified School District spends about \$3,400 per student on busing compared to \$26 or less for many suburban districts.

The bill, SB 81, will affect all districts — large or small — equally. To restore the \$248 million, legislators agreed to cut districts' per-pupil funding by \$42 per student. The bill passed both the state Senate and Assembly with votes from both parties and was sent to the governor's desk. Gov. Jerry Brown has indicated that he supports the move. CUSD's legislators all voted against the bill.

<http://www.latimes.com/news/local/la-me-school-busing-20120203,0,4896798.story>

### *2012-13 California Budget Proposal*

#### Modifications to Kindergarten and Transitional Kindergarten

In response to concerns expressed by school officials, the Brown administration has amended its 2012–13 budget proposal to allow districts to enroll thousands of children in kindergarten who will still be 4 years old in November if their districts grant them a special waiver. In other words, districts may continue use the current “cut-off date” of age 5 by December 2<sup>nd</sup>. This affects up to 40,000 children in California. Districts will still be allowed to run a separate “transitional kindergarten” for 4 year olds, but it will neither be mandated nor funded. This saves the State \$223 million. It is far from clear whether Brown's new proposal will clarify the confusion over the future of transitional kindergarten.

<http://www.edsource.org/extra/2012>

For additional information on the 2012-13 California State Budget Proposal by Gov. Brown, see the following sources:

February issue of the *Fourth District PTA Advocacy Communicator*.

[http://www.fourthdistrictpta.org/legislation/ac/advocacy\\_communicator\\_feb\\_2012.pdf](http://www.fourthdistrictpta.org/legislation/ac/advocacy_communicator_feb_2012.pdf)

*Governor's Budget Summary 2012-13* – <http://www.ebudget.ca.gov/>

### *Proposed Tax Initiatives for November, 2012 Ballot*

#### Schools and Local Public Safety Protection Act

Proposed by Jerry Brown and supported by the California Teachers Association. Sales taxes would increase by .5% for 4 years and personal income taxes would increase 1-2% depending on income level for 5 years. Brown anticipates raising \$6.9 billion annually over the next 5 years. The LAO believes the plan would bring in only \$4.8 billion in the 2012-13 budget year and about \$5.5 billion in following years.

#### Millionaires Tax of 2012 to Restore Funding for Education and Essential Services

Sponsored by the California Federation of Teachers COPE PROP/Ballot Committee and “California Calls” Action Fund. This initiative would increase tax rates on personal incomes over \$1 million per year and raise an estimated \$6-9.5 billion annually to be used for funding schools, seniors, child and disabled services, public safety, roads and bridges. K-12 schools would receive 36% of funds raised and CCC, CSU, and UC equally splitting 24%. All funds bypass Sacramento and flow directly to local school districts and county government.

#### Our Children, Our Future Act

Sponsored by the Advancement Project and supported by California State PTA. This measure will raise approximately \$10 billion a year in new revenue through a sliding scale income tax increase. The funds would be placed in a separate trust fund and distributed directly to schools.

Article below is reprinted from the January 2012 Fourth District Advocacy Communicator

[http://www.fourthdistrictpta.org/legislation/ac/advocacy\\_communicator\\_jan\\_2012.pdf](http://www.fourthdistrictpta.org/legislation/ac/advocacy_communicator_jan_2012.pdf)

### **CAPTA Backs Initiative to Increase School Funding**

“Californians see something really scary happening: An entire generation of children is being denied the public education program they need to succeed in the workforce and in life,” said California State PTA President Carol Kocivar. “We cannot let this happen.”

This is why CAPTA has decided to back the *Our Children, Our Future Act*, an education funding initiative. PTA is playing a part in crafting the ballot measure language and will be a major participant in the signature gathering effort to qualify the measure for the November 2012 ballot.

Molly Munger, a civil rights attorney and longtime education activist who is also providing financial backing for the project, developed the proposal.

What would the initiative do?

The initiative would raise about \$10 billion a year in new revenues. All of this revenue would be placed in a separate trust fund, with 85 percent of the funding allocated on a per-pupil basis to all public schools, including charter schools. The remaining 15 percent would be used to raise standards and expand access to public preschool and early childhood programs. The governor and legislature would be prohibited from using the trust fund or directing how it is spent and the revenue could not be used to replace Prop. 98 or any other current funding. Any revenues that exceed the rate of growth of California per capita personal income will be used to help service and pay down existing state education bond debt, ensuring California’s ability to issue new bonds, as needed, to build and modernize school and early education facilities.

Munger has proposed an alternate version of the initiative that would implement the program in two phases. During the first four years, 30 percent of new revenues would be used to reduce the state debt, freeing up general fund money for other state services. Sixty percent of the funding would go to K-12 schools and 10 percent to early education. Beginning in 2017-18, all of the funding would go to education. Munger has indicated that she will back the version of the initiative that gets the most support.

How would the new funding be used?

Schools would be required to use the funding to provide a well-rounded education that supports college and career readiness for every student, including a high-quality curriculum that includes the arts; music; physical education; science, technology, engineering and math (STEM); and vocational and technical education courses. The money also could be used for smaller class sizes, school libraries, librarians, school nurses and counselors. Schools could use no more than one percent of the trust funding on administrative costs and would not be allowed to use the funds to increase salaries or benefits.

What would be the source of the funding?

The initiative would raise the new revenue through a sliding scale income tax increase that varies with taxpayers’ ability to pay, with the highest income earners contributing the most. The scale ranges from 0.4 percent for couples with income under \$35,000 after all deductions, up to 2.2 percent for couples with incomes over \$5 million after all deductions. For example, a family filing a joint return with \$75,000 in income after all deductions would pay an additional \$428 each year, while a family with \$750,000 in income after all deductions would pay \$12,516 more. Families filing with incomes under \$14,632 (after all deductions) would be exempt.

The tax will end after 12 years, unless voters decide to extend it.

How did State PTA decide to back this initiative?

CAPTA conducted a statewide survey that indicated nine out of 10 state PTA members rated “adequate school funding” as extremely important – the highest response by far to any policy issue.

The survey also showed that PTA members believe more funding is needed to restore the arts, STEM (science, technology, engineering, and math) and physical education; as well as to reduce class sizes and add back counselors, school libraries, and librarians. After looking at several proposals, the CAPTA Board of Managers voted to support the *Our Children, Our Future Act* because it is “the boldest and most thoughtful proposal out there,” said Kocivar. It would generate substantial new revenues that can only be used to improve public schools. Local parents, educators and staff would decide how the money is spent at each school. Schools and districts would be required to report how the funding is spent and how this improves educational outcomes. The initiative would focus on closing the achievement gap by providing additional per-student funding for low-income children and English language learners, and by supporting early childhood education.

How many signatures must be collected?

The measure must collect 504,760 signatures by April 20 to qualify for the November ballot. To assure that there are enough valid signatures, the campaign plans to collect 800,000, beginning in February.

For more information, including the full text of the initiative, go to [www.OurChildrenOurFuture2012.com](http://www.OurChildrenOurFuture2012.com).

*Our Children, Our Future* Initiative Event Wednesday, February 15, 10:30 a.m. to 12:30 p.m. Clifton C. Miller Community Center 300 Centennial Way, Tustin 92780

All PTA members are urged to attend.

#### Weighted Student Funding Formula in 2012-13 Budget Proposal

Governor Brown has concluded that California’s current school finance system is “too complex, administratively costly and inequitable.” The 2012-13 Budget Proposal lays out his plan for change.

Currently, school districts receive funding through Revenue Limits (property taxes + state funds) for general fund purposes and Categorical Funding in 57 categories. Since 2009, spending of 40 categorical program funds has been “flexible”, meaning that districts are allowed to use the funds for general fund spending. The governor would suspend requirements and provide flexibility for 10 remaining categorical programs with only a few programs remaining as “categoricals” with restrictions in spending. These would include special education, school nutrition, and the Prop. 49 after school program. In addition, the governor proposes that all school districts and charter schools receive an equal base amount for each pupil plus an additional amount for all low-income and English language learner students. This new “weighted student formula” would be phased in over five years, beginning in 2012-13.

The governor’s budget proposal would also eliminate 31 of the 57 existing education mandates, including two of the costliest mandates – one relating to high school science graduation requirements and one relating to behavioral intervention plans for special education students. The remaining 26 mandates would be suspended, but school districts that complete all of the 26 mandates would be eligible for a “mandate block grant.”

[http://www.fourthdistrictpta.org/legislation/ac/advocacy\\_communicator\\_feb\\_2012.pdf](http://www.fourthdistrictpta.org/legislation/ac/advocacy_communicator_feb_2012.pdf)

For more information: “Governor’s Budget Summary 2012-13” -- <http://www.ebudget.ca.gov/>

Bill Affecting Charter School Petitions

On January 30<sup>th</sup>, the Assembly passed AB 1172, sponsored by Tony Mendoza (D), by a vote of 45-28 with all “aye” votes belonging to Democrats. The measure amends current law and allows school districts to deny charter school petitions if they negatively affect a school district's finances. Supporters, including the California Teachers Association, contend that the bill is needed to help schools avoid fiscal insolvency. Opponents argue that the bill is too broadly written and that most school districts could claim a negative financial impact under it. AB 1172 now goes to the Senate for consideration and vote.

<http://blogs.sacbee.com/capitolalertlatest/2012/01/assembly-passes-bill-creating-roadblock-to-new-charter-schools.html#storylink=cpy>

#### Supreme Court Rules on New State Senate Districts

The California Supreme Court decided unanimously on January 27<sup>th</sup> election districts drawn by the nonpartisan commission, established after a 2008 ballot initiative, were legal and better than alternatives proposed by Republican opponents. The new district maps for the state Senate, Assembly and California's congressional delegation were drawn last summer for the first time by a citizens commission created by the voters. The panel was made up of five Democrats, five Republicans and four people not affiliated with the two main parties. Sen. Mimi Walters (R-Laguna Niguel) called the court's decision "short-sighted and disrespectful of the over 700,000 Californians who signed referendum petitions." The referendum ballot measure is edging toward qualification, although a complete count is not expected until February 24<sup>th</sup>.

<http://articles.latimes.com/2012/jan/28/local/me-districts-map-20120128>

#### End of Redevelopment Agencies

**February 1:** Redevelopment agencies are officially dissolved. In January, local officials had to determine the successor agency – usually the city that created the redevelopment agency.

**March 1:** Each successor agency must finalize a schedule to pay off any existing debts and obligations. The county auditor-controller is in charge of setting aside a portion of the property taxes that previously went to redevelopment to pay off the redevelopment agencies' obligations.

**April 15:** Successor agencies must submit their payment schedules to the state Department of Finance and state controller for approval.

**May 1:** To supervise each redevelopment agency's closure, seven-member oversight boards are formed and will consist of two members appointed by the county board of supervisors, two members appointed by the mayor for the city that formed the redevelopment agency, one member appointed by the largest special district in the former redevelopment area, one member appointed by the county superintendent of education to represent local schools, and one member appointed by the community college chancellor.

<http://californiawatch.org/dailyreport/explainer-end-redevelopment-agencies-14624>

#### Federal Update

By Sue Hill

#### EDUCATION FUNDING: FISCAL YEAR 2013 PREVIEW

President Obama has announced that he will release his fiscal year 2013 budget proposal the week of February 13, one week later than expected. Budget negotiations this year will be particularly critical, as automatic cuts are scheduled to go into effect for many programs, including education, on January 1, 2013. These cuts, triggered by the failure of the “super committee” to reach a deficit reduction deal late last year, could slash billions from education and cost additional loss of jobs across America. The cuts to education programs would also result in a projected loss of more than 71,000 jobs in communities across America. Source: <http://www.nea.org/home/1019.htm>

#### New Nutrition Guidelines for School Lunches

The US Department of Agriculture (USDA) finalized new rules and guidelines for meals prepared by school districts for students. These guidelines take effect for the 2012/2013 school year. The new rules limit salt and fat and increase the servings and variety requirements of fruits and vegetables. "Among the key changes the new standards require: Students must be provided with double the amount of fruits and vegetables as in the past; all grain products served must be whole-grain rich; all milk offered must be low-fat or fat-free; there are limits on sodium; and meals will have calorie minimums and maximums."

For more information you can check the CUSD nutrition website at: [http://nutrition-capousd-ca.schoolloop.com/news/view?d=x&id=1323005965629&group\\_id=1273911129886&return\\_url=1328846807998](http://nutrition-capousd-ca.schoolloop.com/news/view?d=x&id=1323005965629&group_id=1273911129886&return_url=1328846807998)

For more information go to: <http://www.fns.usda.gov/cga/PressReleases/2012/0023.htm>

Quote credit: [http://blogs.edweek.org/edweek/campaign-k12/2012/01/from\\_guest\\_blogger\\_nirvi\\_shah\\_5.html](http://blogs.edweek.org/edweek/campaign-k12/2012/01/from_guest_blogger_nirvi_shah_5.html)

### State of the Union Address January 24, 2012

Obama highlighted the importance of education in order to secure our countries future as the centerpiece of the 2012 State of the Union address. He discussed raising standards, providing resources, and encouraging states to require students to either graduate or stay in school until they are 18 years old. He discussed the importance of good classroom teachers and providing resources to keep them while giving schools more flexibility. In addition, he discussed the need to keep college affordable.

To read his remarks relating to education go to: [http://www.washingtonpost.com/blogs/answer-sheet/post/obama-on-education-in-state-of-the-union-address/2012/01/24/gIQAVfAwOQ\\_blog.html](http://www.washingtonpost.com/blogs/answer-sheet/post/obama-on-education-in-state-of-the-union-address/2012/01/24/gIQAVfAwOQ_blog.html)

For a transcript of the entire address: <http://www.whitehouse.gov/the-press-office/2012/01/24/remarks-president-state-union-address>