

Will California's booming economy pay off in pupil spending?

By Lisa Leff, AP

Soaring tax revenues have carried per-pupil education spending in California beyond where it stood before the recession, but even the record sum proposed by Gov. Jerry Brown is unlikely to reverse the state's standing as a comparative miser when it comes to investing in public schools, advocates and education officials said.

Brown, a Democrat known for preaching fiscal restraint, released a budget plan last week that would boost state spending per student to \$10,591 in the next fiscal year, compared to \$8,564 per student in 2007 and \$7,008 during the worst of the recession. The rebound stems from a constitutional amendment that guarantees schools a minimum level of annual funding, an amount that grows considerably, as now, during good economic times.

While expressing gratitude, lawmakers and school officials noted that with California consistently ranking in the bottom 10 in state-by-state rankings of school expenditures, student-teacher ratios and other measures, the latest infusion may not be enough to get the state to the national average, never mind the top of the charts.

"We have to be aware of the fact that even though we have increased our funding in education, we're still number 40-something in the nation, so we're still far, far behind in terms of adequately funding our schools in comparison to other states," said Assemblywoman Shirley Weber, D-San Diego, who heads the Assembly budget committee.

Brown's proposal would increase the state's overall K-12 spending to \$51 billion, or \$1.4 billion more than the current year. The figure reflects both cuts attributed to projected enrollment declines and more than \$3.2 billion in new funds.

Most of the money – \$2.8 billion – would go toward accelerating one of Brown's signature initiatives: a new school funding formula that directs extra funds to schools with the most students learning to speak English, from low-income families or living in foster care.

Brown said the funding would bring the formula close to full implementation, a milestone the state originally did not expect to reach until 2020. The funding formula also encourages districts to set class sizes kindergarten through third grades at no more than 24.

Even if California ideally would be spending more on its schools, redistributing the money it does spend could narrow the achievement gap in a state where half the students are eligible for free school meals and 22 percent are learning to speak English, Education Trust-West Executive Director Ryan Smith said.

"The governor's kept his promise in creating a more equitable funding system. It's now up to policy makers, districts and schools to live up to their end of the bargain in getting results for students," Smith said.

Mike Walsh, a Butte County school board member who serves as vice president of the California School Boards Association, said school leaders are thankful for what would be a fourth consecutive year of budget growth following the same number of painful cuts.

At the same time, they are mindful that schools also are being tasked with carrying out instructional, staffing and testing reforms linked to the new funding formula and the Common Core standards – all of which cost money, Walsh said.

“It’s not like we are arguing to be #1 in spending. We are just suggesting that we are moving in the right direction but still have a lot to do to get back to average in spending, even if it was just to hire more teachers to do the work we have been asked to do.”

State-by-state comparisons of per-pupil funding are based on federal data that typically are a few years old. Education Week’s Quality Counts report, a respected ranking system that accounts for regional living costs and poverty rates, last week listed California at 46th among the states with per-student spending of \$8,213 in 2013, far below the national average of \$11,667.

Since then, schools have received sizable funding bumps thanks to revenue from income tax growth, observed Public Policy Institute of California Research Associate Paul Warren. Increases in 2014-15 and 2015-16 may already have gotten California to the national average, although it likely will be another two years before state-by-state standings can confirm that, Warren said.

And while Brown’s 2016-17 budget takes a more modest approach, “things are probably going to be rosier in June than they are now,” if negotiations with the Legislature and higher-than-anticipated tax revenues yield a bigger payoff for schools, he said.

The new proposal “is the standard Jerry Brown woe-is-me budget, which personally I think is the best approach for schools,” Warren said. “Let’s not get overly excited about how much money is out there, let’s put it out in a paced way so they can absorb it, and not get out ahead of yourself and have to cut because you overspent.”