

The State Budget Crisis

Why the \$42 billion shortfall WILL impact our members, students, schools and our communities.

Why a \$42 billion shortfall is a problem

Now, **without any additional revenues**, California public schools and community colleges are facing cuts of \$8 billion in this year. K-12 schools alone face a cut of \$7.2 billion.

Why a \$42 billion shortfall is a problem

- Cutting \$7.2 billion from K-12 schools is equivalent to:
 - Reducing per-student funding by almost \$1,200
 - Cutting more than \$31,500 per classroom
 - Increasing class sizes statewide by more than 50%
 - Laying off 160,000 classroom teachers
 - Shutting down every school across the state for 25 days
 - Laying off 180,000 bus drivers, janitors, classroom aids and other critical education support professionals

Those cuts are just for the current 2008-09 budget year.

The 2009-10 budget would cut AN ADDITIONAL \$4.9 billion to education.

There will be mid-year cuts to the current 2008-09 budget your district has already adopted.

AND there will be ADDITIONAL cuts to the 2009-10 budget.

We agree there is a problem.

Before we begin to debate every solution proposed, our members, allies, communities and the public need to understand the magnitude of the problem.

Understanding the Proposed Solutions

There are many solutions proposed by the governor, the legislature, CTA, coalition partners and others. Once we fully understand the impact of this budget crisis to our districts, our members can fully consider and debate these solutions.

So what are the proposed solutions?

- The governor's latest proposal, which covers 18 months, includes revenue increases, program cuts and more state borrowing.
- It cuts \$5.2 billion from K-14 schools, including a proposal to eliminate 5 school days.
- It also cuts the CSU and UC budgets by 10%, or about \$700 million. **And all this is with revenue increases.**

So what are the proposed solutions?

- Legislative Democrats proposed \$3 billion in economic stimulus and \$18 billion in spending cuts and revenue solutions.
- Proposed reductions in Proposition 98 spending are at the \$2.5 billion level that matches the governor's proposal. However, this package of reductions does not follow the Governor's proposal to cut school district revenue limits, and instead targets specific programs.
- ½ cent State Sales Tax Increase.

So what are the proposed solutions?

- Republican lawmakers have offered a budget plan raising \$6.5 billion of new revenue for the general fund and reducing spending by \$15.6 billion over the next 18 months.
- About two-thirds of the cuts would be from K-12 schools.
- This proposed cut in education is far deeper than what the Governor and legislative Democrats have called for in separate plans for reducing the deficit.

So what are the proposed solutions?

- The CTA Board of Directors voted unanimously to file an initiative to provide new, ongoing funding to public education. To meet the deadline to qualify an initiative for a possible November 2009 election, the initiative was filed on December 19. State Council recently approved the pursuit of this initiative.
- The Public School Investment and Accountability Act establishes a one-cent sales tax that is dedicated to improving student learning in schools and community colleges. With strict accountability provisions, the Act prohibits the governor and Legislature from supplanting, cutting, delaying, borrowing or diverting the education funds.

Other Proposed Solutions

- A ballot measure striking the 2/3 vote requirement for budget passage has been filed; replacing the vote requirement with 55%.
- Discussion of doing away with the Prop 13 corporate property loophole that shortchanges the state \$5 billion per year.

GGEA In Action

- GGEA will be working to mobilize our membership to protect public education in the next state budget. We should “DeFEND Public Schools, Not DeFUND Them!” California legislators need to do their job. For this end, we will:
 - Present a State Budget PowerPoint at Rep Council to educate Site Reps
 - Distribute a Budget Flier
 - Distribute “Call Your Representatives” flier and have members make the phone calls

GGEA In Action

- Pass Rep Council Resolution Letter
- Communicate with School Board members about the issues and advocate for a School Board Resolution Letter
- Work with local media outlets to educate the community
- Organize a March 13th activity that will be part a of a larger CTA state-wide activity
- Plan and organize other activities building up to the March 13th activity
