

California's 2014-2015 budget attacks education

Theo Mclean
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California's recently enacted 2014-2015 budget codifies the continuation of the attacks on education by the ruling class. Teachers and students are among those relegated to foot the bill of the economic crisis they did not create.

Over the past three decades, there has been significant disinvestment in California's education. Funding for higher education has not ever recovered—despite the widely proclaimed economic “recovery” and recent state budgetary surplus—to 2007 levels, which had already represented the lowest level of funding in education for 30 years.

In California's largest university systems, the California State Universities (CSU) and the Universities of California (UC), state funding in real dollars has fallen by just under 50 percent since 1980. (By contrast, funding for the state Correctional System has risen by approximately 200 percent over the same period.)

In K-12 education, California is the state that consistently has the largest class sizes, while having one of the lowest levels of funding per student.

In the arena of higher education, for example, as funding has decreased, the burden of paying for education has increasingly shifted to students, many of whom come from working class and impoverished backgrounds. Tuition and student fees pay for about 45 percent of the cost of UC and CSU education today, and graduates find themselves with an average of \$18,000 of student loan debt. Many youths now consider college too expensive and forgo it altogether.

While tuition has increased sharply at nearly every university across the country, this increase is perhaps even more dramatic at the UC and CSU systems.

Between 1992 and 2012, inflation-adjusted tuition and fees have more than doubled at the CSU system

and nearly tripled at the University of California.

Highlighting the complete collapse of postwar liberal reform plans, students who attended a UC school in 1965 could expect to pay a maximum of \$200 per year on tuition and fees.

For K-12 education, as state funding has decreased, the burden has increasingly shifted to local governments and teachers, which are ill-equipped to support their own school systems—something historically handled by the state government. Instead, working class taxpayers are being made to foot the bill, most recently in the form of the Proposition 30 state sales tax increase.

Similarly, the state's solution to keeping pensions funded under the new budget is to put a massive burden on local governments by having them become the primary contributor to teacher pensions. This, in turn, will lead to municipalities making further cuts to already reduced public services including education.

Pensions for public workers in the budget are currently underfunded by about \$300 billion, and are projected to completely run out of money in about 30 years. Teacher pensions make up about \$80 billion of that total.

This year, with a rare surplus due to past aggressive austerity measures, California plans to restore \$5 billion to the state pension funds. Additionally, public workers including teachers are being forced to endure sharp increases to their pension contributions to make up for the massive shortfall.

According to the 2014-2015 state budget, “Total contributions [from local governments, to teacher pensions] today equal 19.3 percent of teacher payroll and will rise to 35.7 percent. This is projected to eliminate the unfunded liability by 2046.” In terms of the overall budgetary impact of the teacher pension

contributions, local governments contributed 8.25 percent of overall payroll last year. In one single year, this figure has jumped to 11 percent.

Such increases arrive during the first year in over a decade in which California has had a surplus in its General Fund budget. The surplus, however, is being used to pay off the so-called Wall of Debt, rather than to fund pensions or education. According to the fiscal year 2014-2015 budget, passed in June, “If state revenues rise higher than anticipated in the Budget, the first call on additional funds will be for further debt payments.”

The Democrats have lauded the new budget, as State Superintendent Tom Torlaksen put it, “the biggest infusion of funding into California’s public school system that we’ve seen in many years.” In reality, it is barely an improvement over the paltry sums which were given out to state educational institutions last year, and the past seven years have actually witnessed a net decrease in education funding to the tune of billions of dollars.

All public funding for education in the state with the exception of the UC and CSU systems falls under what is known as the Proposition 98 guarantee. It guarantees that a certain percentage of the general fund be devoted to K-12 and community college education. This year, however, the funding guarantee is being used to pay back debt incurred from past education budgets—i.e., the temporary disbandment of the Proposition 98 guarantee—instead of investing in new education. A significant portion of the current year’s ‘increase’ in public education spending comes from the repayment of the previous year Proposition 98 guarantees.

Perhaps most significant is the fact that the state is also transitioning into a new form of funding for schools called the Local Control Funding Formula. (LCFF) This new formula is less regulated than conventional state funding and will likely be used as a springboard toward further school privatization and charterization efforts.

According to the web site of the California Teachers Association (CTA), both Democratic governor Jerry Brown and the CTA have advocated for extremely loose controls related to the LCFF. Said Brown, “Even accountability can be abused.” For the CTA’s part, the union “expressed the hope that the Board would not restrict the districts’ ability to use the new funds

district-wide or place onerous reporting requirements on schools.”

These attacks on education have been spearheaded by the Democratic Party, which has a majority in both the assembly and the senate, and which controls the governorship. In this effort, they are abetted by the trade unions and the pseudo-lefts that both serve to mollify and diffuse working class anger back into the safe channels of the Democrats.

In 2010 alone, the unions spent more than half a million dollars in campaign contributions directly to Brown—not including contributions to the governor’s political action committee or to the California Democratic Party, which contributed \$7.4 and \$4 million to the campaign, respectively.

According to recent polling, the governor leads his 2014 reelection opponent, former Goldman Sachs executive Neel Kashkari, by a margin of 52 to 32 percent among likely voters. Despite this wide margin, Brown has already eclipsed his 2010 campaign battle chest receiving more than \$20 million in contributions, a large percentage of which also come from the state’s trade unions.



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