Further analysis of 2021–22 Budget Proposal and Safe Schools for All Plan reveals significant issues

Gov. Gavin Newsom's 2021–22 budget proposal reflects his desire to expedite the return to in-person instruction — that much is clear. What is less apparent is whether the budget will produce the desired result. The administration made a point of noting that the $85.8 billion for K-14 schools ($3 million more than the 2020–21 allocation) was the largest in California history. That $85 billion offers relief in several ways: restoration of two-thirds of the deferrals that schools were facing and a two-year, 3.84 percent cost-of-living adjustment. CSBA led the fight for a robust COLA that would help compensate for the 2.31 percent cost-of-living adjustment that was omitted from the 2020–21 budget, while adding a 1.5 percent COLA for 2021–22.

Scratch beneath the surface, however, and the view is less appealing. While the $85.8 billion Proposition 98 guarantee is record-breaking, that figure is partially the result of creative framing. The Governor proposes to pay down the deferrals by only two-thirds, or $9.2 billion. Not paying off all deferrals allows the administration to use unrealized cuts to the Prop 98 guarantee for other projects. The 2020–21 budget assumed a massive decline in the guarantee; a reduction that we now know never materialized. Deferrals were designed to allow the guarantee to fall but keep school district, county office of education and charter school funding at a higher level. No one should consider this an increase; otherwise, it is a bit like docking someone’s pay, restoring the wages you withheld and then calling it a raise. The payment on the deferrals is welcome, but the danger is that public will be fooled by the “record-breaking” headlines into thinking that schools have received a great windfall.

The reality is that, despite tax revenues that were $26 billion above expectations and great fanfare attached to the Safe Schools for All Plan, many students are unlikely to return to on-campus instruction this spring. The $2 billion program has a first-round grant application deadline of Feb. 1 and a requirement that recipients begin on-campus instruction by Feb. 15. Those requirements leave little time to gather community input, negotiate with bargaining units, acquire PPE, upgrade HVAC systems, recruit staff, organize logistics and prepare to perform critical public health functions.
Certainly, there are LEAs that will use the Safe Schools for All grants to expedite the return to in-person instruction and some that are already open that will likely apply. But the name is really a misnomer as only some schools are in position to take advantage — especially with the caveat that county case rate with a seven-day average of 25 or fewer cases per 100,000 residents — and a much more generous and comprehensive program is needed to facilitate on-campus instruction throughout California. And while some local educational agencies will look favorably at the more than $5 billion in grants for learning loss and professional development, that money is needed by every single LEA in the state to address those issues and $5 billion is simply not enough for a crisis of this magnitude, where the impact will be felt for a generation.

The Good

- 2/3 of deferrals ($9.2 billion) were restored
- 3.84 percent COLA
- Employer pension contribution rates temporarily reduced
  - CalSTRS from 18.1 percent to 15.9 percent
  - CalPERS from 24.9 percent to 23 percent
- $4.86 billion to address learning loss
- $315.3 million for teacher development
- $305.5 million in new special funding

The Bad

- 1/3 of deferrals remain
- The return of state-directed categorical programs
- No funding for broadband access

The following are some key message points your district can use to explain the budget to your community:

- Gov. Newsom’s 2021–22 budget proposal reflects his desire to expedite the return to in-person instruction statewide. The terms of the proposal, however, are inadequate to produce that result.
- Despite tax revenues that exceeded expectations and the unveiling of the Safe Schools for All Plan, many students are unlikely to return to on-campus instruction this spring.
- The timeline of the Safe School for All application process leaves little time to gather community input, negotiate with bargaining units, acquire PPE, upgrade HVAC systems, recruit staff, organize logistics and to perform public health functions.
- Not paying off all deferrals allows the administration to use unrealized cuts to the Prop 98 guarantee for other projects. No one should consider this an increase — it is a bit like docking someone’s pay, restoring the wages you withheld and then calling it a raise.
- Prop 98 funds should be protected for K-12 education. Yet, the budget proposal asks schools to perform critical public health functions — that are outside their scope of expertise — and pay for them with Prop 98 dollars. If schools are
performing public health functions, those operations should be paid for from the public health portion of the budget.

- The proposal does emphasize education by restoring two-thirds of the deferrals that schools were facing and, partly because of CSBA's aggressive advocacy, a 3.84 percent COLA.
- The $5 billion in grants for learning loss and professional development sounds like significant revenue until you consider that these funds are needed by every single LEA in the state and that the impact of the pandemic on student learning and social and emotional health will be with us for many years.
- The Safe Schools for All program is really a misnomer because not all schools are poised to take advantage. A much more comprehensive program is needed to facilitate on-campus instruction throughout California.
- The administration should provide the funding for districts of all types to return to on-campus instruction when it is safe to do and, in the meantime, offer additional resources to improve distance learning and mitigate learning loss. For this reason, it was disheartening to see that the budget proposal did not include money for broadband access or digital equity purposes.