

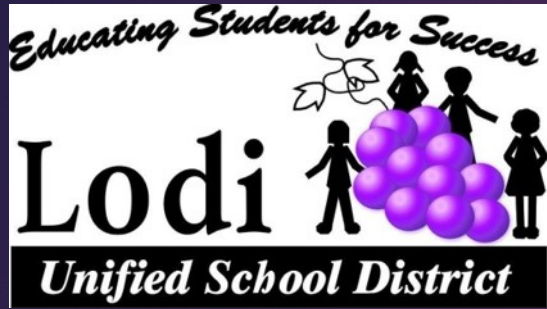


CBO Hacks

A Brief History of California School Finance

(...as in very brief!!)

The Urban Dictionary defines hack as "3. To jury-rig or improvise something inelegant but effective, usually as a temporary solution to a problem" (<https://www.urbandictionary.com/define.php?term=hack>, 1/29/2019)...so...in all my regaled inelegance...



Four (4) key things to remember about the history of California School Finance –

- Serrano v. Priest (1968)
- Prop 13 (1978)
- Prop 98 (1988)
- LCFF (2013)
- The End (...just kidding, not really that "brief", but still...I'll keep it short)



Serrano v. Priest

- “Students of Los Angeles County public schools and their families argued that the California school finance system, which relied heavily on local property tax, disadvantaged the students in districts with lower income.”
(<https://edeq.stanford.edu/sections/landmark-us-cases-related-equality-opportunity-education>, 1/29/2019)
- Established the “Revenue Limit”
(<https://www.cde.ca.gov/fg/fo/profile.asp?id=1296> , 2/21/2008)
system of apportionments (the money school districts get from the State) that set a base minimum revenue for each student in California.
- Recognized that the equal protection of students was not supported under the state’s system of school finance.



Prop 13

- Capped California general purpose property tax rates at 1%, and reduced property taxes ~60%
- Eliminated school districts' ability to set their own tax rate
- Meant that any increase to revenue limits (school funding) would have to be appropriated by the legislature.

(School Services of California (2018), *School Funding and Accountability in California*, 4)



Prop 98

- 1988 State Constitutional Amendment that sets a “minimum” funding level for schools (yeah, yeah, yeah...)
- Minimum funding level definition is in the eye of the beholder State General Fund Revenue (i.e. tax receipts)...
- Three tests –
 1. When tax receipts ↑, Test 1 – 40.9% of General Fund
 2. Test 2 - Same as previous year but plus extra money for any increase in student population and per capita personal income
 3. When tax receipts ↓, Test 3 - Same as last year but plus extra money for any increase in student population and per capita state taxes + ½%

(School Services of California (2018), *School Funding and Accountability in California*, 16)



Local Control Funding Formula ("LCFF")

- LCFF funds school districts' Local Control Accountability Plan ("LCAP") which requires school districts to focus and report on eight key areas
- Provides school districts with extra money for students with greater challenges
- Allows for more flexibility in spending compared to the Revenue Limit system

(PTA, <https://capta.org/focus-areas/lcfflcap/> ,1/29/2019))



...and that's all you need to know ~~about California~~
~~school finance~~ prior to really getting into the
weeds of California school finance.

Check CBO Hacks (<https://www.lodiusd.net/fs/admin/site/pages/4186>) often
for new reports and discussion.

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