

HIGHLIGHTING STRATEGIES FOR STUDENT SUCCESS

Several options, big decisions loom for funding school construction

\$10 billion of budget surplus could target transitional kindergarten expansion

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If the Assembly's Democratic leaders have their way, next year's state budget will dedicate \$10 billion out of a projected \$30 billion surplus to repair and expand K-12 school districts' facilities. The money would put a big dent in building needs that have grown since voters defeated a \$15 billion bond for K-12 schools and colleges in March 2020. These include an immediate need to modernize school buildings to accommodate transitional kindergarten and community schools.

Phil Ting, D-San Francisco, who chairs the Assembly Budget Committee, highlighted the \$10 billion in the [Assembly budget blueprint](#) that he presented earlier this month. An unspecified additional amount would go to university and community college facilities, along with \$10 billion for transportation projects.

How the money for transitional kindergarten to 12th grade would be distributed — whether through grants or tied to matching local contributions, as under the current facilities program — would be negotiated in coming months with the Senate and Gov. Gavin Newsom, who will propose his version of the 2022-23 budget early next month. But Assembly leaders wanted to make their broad priorities known now, Ting said.

What's also unclear is whether the surplus funding would supplement or substitute for a proposed \$12 billion TK-12 and community college bond issue that the Assembly passed in June, with the intent of placing it before voters next year. Ting said his inclination is that the \$10 billion surplus appropriation could be “in lieu of” a school construction bond in 2022. It's partly a matter of timing — determining the odds of passage of a bond on a crowded state ballot amid economic uncertainty; there's been no decision on proceeding, Ting said.

[Assembly Bill 75](#), authored by Assemblyman Patrick O'Donnell, D-Long Beach, passed with a vote of 69-1, but it has yet to be heard in the Senate, which approved its own \$15 billion school bond proposal in June: [Senate Bill 22](#), authored by Sen. Steve Glazer, D-Orinda. It includes \$6 billion for higher education facilities.

Voters last approved a state education bond in 2016, and the state has depleted matching funding for local projects; \$3 billion of those are in line for their state money. The [defeat of the bond proposal — Proposition 13](#) — on March 3, 2020, with only 46% voting for it, was the first rejection of a state construction bond in a quarter-century. Analysts speculated that some voters confused it with another Proposition 13, the popular anti-tax constitutional amendment passed in 1978, and assumed the state bond would raise their property taxes. The vote was also in first days of the Covid pandemic, amid anxiety and uncertainty about what to expect.

There is another reason the Assembly wants to commit the bulk of a projected budget surplus to school facilities and transportation projects. Spending on infrastructure is one of the few uses allowed to avoid setting in motion the “Gann limit”, the restraint on state and local government spending, including school and community college districts, that voters passed in 1979.

Named after its primary advocate, Paul Gann, and amended in 1990, it’s intended to limit inflation-adjusted per-person government spending to 1978-79 levels. Once state tax revenue exceeds that level over a two-year period, the Legislature is required either to lower taxes or split the money between taxpayer rebates and additional funding for K-12 schools and community colleges.

State spending has rarely approached that ceiling, and, and when it has, governors and Legislatures have turned to escape hatches built into the law. In his budget revision last May, Newsom recognized the Gann obligation and proposed sending \$8 billion back to schools and community colleges and \$8 billion in economic stimulus payments of up to \$1,100 to nearly a quarter of California residents. But in the enacted budget, the Legislature characterized the stimulus payments as “emergency” pandemic spending, exempt from Gann limit calculations, and made accounting adjustments to avoid repayments to schools.

But with the Legislative Analyst’s Office projecting another year of record revenue, Assembly leaders are proposing more capital spending to again avert invoking the Gann limit and to help school districts’ immediate demand for facilities. Newsom and the Legislature may not have a solid estimate of how much revenue will fall under the Gann limit until after the budget revision in May.

The current state budget includes billions of dollars to phase in transitional kindergarten for 4-year-olds over the next three years and to fund new community schools, offering medical and mental health care, and community and family services. Meeting these construction needs, along with districts’ deferred maintenance, could be a priority for the \$10 billion the Assembly proposes, Ting said.

money for infrastructure projects and completing commitments made last year before adding new initiatives.” But he said that a school bond would also be popular, and he said he’s concerned the Assembly proposal might undermine support for it.

Troy Flint, chief information officer for the California School Boards Association, agreed. “We already have, through bonds, a process for financing school facilities that has traditionally been popular and effective.” And he said, “We would be hesitant to restrict money for facilities instead of letting districts use Gann funding however it makes the most sense in their communities.”

But Ting disputed that the priority should be giving districts more open-ended one-time dollars; they already have a record amount of state and federal funding, he said.

“Districts have plenty of money; many have not figured out how to spend it. But many schools don’t even offer kindergarten for lack of facilities,” he said.

Ted Lempert, president of the advocacy organization Children Now, agreed that funding for facilities, whether in a bond or through one-time state funding, should be designated for transitional kindergarten facilities and community schools. But, he said, “The mantra that education and kids have all the dollars they need now is simply not true.”

Child care, especially, hasn’t recovered from the pandemic, he said. It remains in a crisis, with a shortage of staff and providers, he said. He’d encourage the Legislature to view the Gann limit’s exceptions broadly and include child care as qualifying for emergency funding.

Bruce Fuller, a professor of education and public policy at UC Berkeley and an advocate of transitional kindergarten and early childhood education, urged legislators to steer money for TK facilities equitably to the districts with the biggest needs. The current school facilities program favors wealthier districts with higher property values.

“How facilities help narrow early learning disparities is a slippery question,” he said. “Affluent areas have part-time TK programs and can better afford their own facilities bonds.”

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Jay

2 hours ago



Class size must be reduced now to improve student learning and to support student physical and mental health. Students are crammed into classrooms adults would find uncomfortable. Require every class to have a set capacity similar to restaurants instead of the misused averages.