

The Sacramento Bee and Legislative Analyst Understate True Size of K-12 Funding Cut

In a recent editorial, *The Sacramento Bee*, citing data from the Legislative Analyst, wrote that K-12 funding in 2009-10 will be only \$19 per student lower than it was in 2007-08 under current proposals. This is not true. In fact, the real cut in on-going funding is **100 times** that!

The Bee and Analyst err by (1) including one-time revenue while ignoring one-time cuts and (2) inflating 2009-10 school revenue by counting funds that were actually allocated to schools in 2008-09.

Here are the facts:

- The Analyst's numbers show that **on-going** K-12 funding in 2009-10 will be \$1,033 per student below 2007-08, a reduction of 12 percent.
- The Analyst offsets this cut by adding back **one-time** funding from the federal American Recovery and Reinvestment Act (ARRA) BUT
 - Nearly two-thirds of the ARRA funds were already allocated to schools in 2008-09 and used to partially restore cuts in that year. **They are not available also to offset cuts in 2009-10; AND,**
 - The federal expectation is that some of the 2009-10 allocation be carried **forward and spent in 2010-11, making even less available to backfill 2009-10** state cuts in state funding; AND,
 - Much of the ARRA funding is for restricted purposes and cannot be used to backfill cuts in general purpose funding.
- The Analyst does not include the loss of a cost-of-living adjustment for either 2008-09 or 2009-10. Including this loss of purchasing power adds \$881 per student to the cut, making the total cut to on-going funding \$1,914 per student.
- The Analyst recognizes \$2.9 billion of deferrals in 2008-09 and another \$1.7 billion in 2009-10 but does not classify them as cuts. In fact, these deferrals result in an additional one-time cut of \$777 per student. **This one-time cut is more than 4.5 times the one-time allocation of ARRA funds that will be available in 2009-10.**

The bottom line:

The Analyst's own numbers show a reduction between 2007-08 and 2009-10 of \$1,033 (12 percent) per student. One-time ARRA funds available in 2009-10 fall far short of compensating for the one-time cuts resulting from the deferrals and contribute **nothing** toward offsetting the on-going cuts. When the loss of purchasing power (COLA) is included, the total drop in on-going dollars is \$1,914 per student.

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