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**CSBA, ACSA approved as intervenors in Prop. 98 lawsuit
against Schwarzenegger**

(SACRAMENTO) – On Tuesday, the Sacramento Superior Court granted a motion for the California School Boards Association and its Education Legal Alliance, along with the Association of California School Administrators, to intervene in the legal battle to require Gov. Arnold Schwarzenegger to restore \$3.1 billion owed to California's public schools and community colleges under Proposition 98.

The California Teachers Association and state Superintendent of Public Instruction Jack O'Connell sued Schwarzenegger last August, charging the governor and other officials with failing to provide the minimum education funding guaranteed under Proposition 98, which voters added to the state constitution in 1988. As intervenors, CSBA and ACSA are now parties to the suit and will have a voice in any settlement negotiations.

"This lawsuit signifies that the education community will not stand for the governor's unconstitutional denial of funds," said CSBA Executive Director Scott P. Plotkin. "We are intervening to ensure that the interests of all school districts and county offices of education are protected."

The suit arose from Schwarzenegger's failure to honor the terms of a December 2003 agreement he made with the Education Coalition, composed of CSBA, ACSA, CTA and six other organizations representing parents and school employees, board members and administrators. The coalition agreed to suspend Proposition 98 in the 2004-05 budget year, temporarily reducing education funding by an agreed-upon \$2 billion.

The Legislature formalized the agreement in law as Chapter 213 of the Statutes of 2004, spelling out the exact amount of funding to be subtracted from schools from what they would otherwise be entitled to in 2004-05.

As revenues surpassed expectations in 2004, schools became entitled to an additional \$1.8 billion beyond that budgeted for 2004-05. But the governor withheld those funds, and he compounded the impact on schools this year by basing 2005-06 school funding on the lower amount budgeted for 2004-05. This denied schools an additional \$1.3 billion, for a total of \$3.1 billion.

"The lawsuit is necessary in order to ensure that the Proposition 98 guarantee is correctly calculated, thus guaranteeing that school districts and community colleges will receive the revenue to which they are entitled in 2004-05, 2005-06 and in future budget years," Plotkin said.

"We're working with the governor on the budget this year, but this suit shows that the education community is serious about receiving the much needed funds it is owed under law," said Bob Wells, executive director of the Association of California School Administrators.

It is anticipated that CTA and Supt. O'Connell will soon seek court resolution of the merits of the case and CSBA and ACSA will support that effort.

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