California School Boards Association

NEWSRelease

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# Court asked to rule on 2004-05 school funding in Prop. 98 lawsuit against Schwarzenegger

(SACRAMENTO) – The California Teachers Association and state Superintendent of Public Instruction Jack O'Connell filed a motion last Friday in their Proposition 98 lawsuit against Governor Schwarzenegger to enforce the governor's agreement with schools for funding for 2004-05.

At this time, CTA and the SPI ask that the court order the governor to recalculate the school's guarantee of funding for 2004-05 and declare that the funding provided to schools to date fails to meet the governor's agreement with schools for 2004-05. The California School Boards Association, its Education Legal Alliance and the Association of California School Administrators, as intervenors in this lawsuit, support CTA and the SPI by joining in their motion.

"Once the Proposition 98 guarantee is properly recalculated it will be known how much additional funding schools are owed for 2004-05, currently estimated to be $1.8 billion," said Richard Hamilton, director of CSBA's Education Legal Alliance. "Assuming a court ruling favorable to CTA and the SPI on this motion pertaining to 2004-05 it is expected that a similar motion will be filed by CTA and the SPI as to 2005-06 unless an agreement with the governor is reached to resolve this case."

CTA and the SPI 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.

The suit arose from Schwarzenegger's failure to honor the terms of a December 2003 agreement 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 as Chapter 213 of the Statutes of 2004, spelling out the exact amount of funding to be subtracted from what schools would otherwise be entitled to in 2004-05.

As revenues surpassed expectations in 2004, schools became entitled to an estimated $1.8 billion beyond what was appropriated 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 estimated $1.3 billion, for a total of $3.1 billion.

For more information, please contact Marci McFadden at (916) 669-3285.

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