May Budget Revision webinar highlights CSBA advocacy for budget season

Gov. Gavin Newsom announced May 14 that California is projecting a budget surplus of $75.7 billion, and the revised Proposition 98 funding guarantee will be $93.7 billion, an increase of $7.9 billion from the $85.8 billion proposed in the Governor’s January Budget. Increased revenues will require a larger contribution to the Prop 98 reserve: $4.6 billion over two years, increased from $2.95 billion in the January budget. Included in this revised funding is an additional 1 percent bump to the compounded cost-of-living adjustment (COLA) for the Local Control Funding Formula for a total of 5.07 percent. Further breakdown of the Governor’s proposed spending »

The Governor’s proposal is generous and ambitious in terms of the new programs, which CSBA CEO and Executive Director Vernon M. Billy said are well-intentioned and in areas of great need. Though the proposal should be commended, it also raises several issues, he noted.

“This year’s May Revise contains more bright and shiny budget proposals than any in recent memory, and yet at the same time, many of our underlying, structural funding issues still remain,” Billy said during a May 14 webinar in which CSBA experts and state and local leaders analyzed the May Budget Revision and its implications for schools. “At the same time, we are concerned about the creation of new programs with one-time funding that should be used for things like paying off deferrals.”

While the level of Prop. 98 funding is appreciated, many proposed allocations are one-time money for categorical programs that would need ongoing funding. The May Revise also fails to repay the June apportionment deferral — in fact, increasing it from $2.3 billion to $2.6 billion — and uses that money to fund new programs, many of which only provide money to schools that receive Local Control Funding Formula concentration grants. Watch a recording of the webinar | Read more on the CSBA blog

COVID-19 update: CDC eases masking requirements
The Centers for Disease Control and Prevention announced May 13 it had eased mask-wearing guidance for those who are fully vaccinated, allowing them to stop wearing masks outdoors in crowds and in most indoor settings, “except where required by federal, state, local, tribal or territorial laws, rules and regulations, including local business and workplace guidance.” The guidance — which also removed calls for social distancing among those fully vaccinated — still calls for wearing masks in crowded indoor settings like buses, planes, hospitals, prisons and homeless shelters, but some believe it will help clear the way for reopening workplaces, schools and other venues. In a May 15 update, the CDC clarified that schools should maintain recommended COVID-19 “layered mitigation strategies,” including masks, through at least the remainder of the 2020–21 school year.

State Health and Human Services Secretary Dr. Mark Ghaly announced May 17 that mask mandates would lift June 15, but gave no indication of how the news applied to schools. CSBA is seeking additional information. California currently requires all K-12 students to wear face coverings at all times while at school, unless exempted.

In other COVID-19 developments:

- The U.S. Department of Education launched the Safer Schools and Campuses Best Practices Clearinghouse to highlight reopening efforts across the nation in K-12, early childhood centers and postsecondary institutions. The website was created to share innovative, evidence-based, and solution-oriented strategies that relate to safe and healthy school environments, student supports, and teacher and faculty well-being. To make a submission for consideration as part of the Clearinghouse website, email Bestpracticesclearinghouse@ed.gov. Learn more

- The Public Policy Institute of California on May 13 released an update on the state of the digital divide one year after the start of the pandemic. More students now have access to computer devices compared to a year ago, up from 67 percent last spring to 82 percent in fall 2020 and 80 percent in spring 2021. The improvement is most remarkable among Black, Latino and low-income students, researchers noted. While only 52 percent of low-income youth had reliable access to devices in spring 2020, 71 percent did in spring 2021 — a nearly 40 percent gain. Momentum appears to have slowed, however, as there has been no improvement in internet access in the past year. Learn more

Legislative update: Budget advocacy priorities

With the release of the Governor’s May Revision on May 14, budget season has begun in earnest. Legislative Committee hearings in the Senate and Assembly began this week and negotiations between the Governor, the Legislature and the public will continue until the constitutionally mandated June 15 budget adoption deadline.

As negotiations continue, CSBA is focusing its advocacy on key issues for California’s schools, including:

- **Deferrals:** The Governor’s proposed plan will still leave a $2.6 billion remaining deferral balance in the June apportionment. This is ongoing debt that will grow overtime if not repaid in the short-term. With billions in additional revenues available, CSBA is advocating the state to prioritize retiring all deferrals in the current year new programs.

- **Unemployment insurance:** The revised budget includes no funds to address the looming increase in Unemployment Insurance (UI) rates; from .05 percent of payroll to 1.23 percent. This is nearly a 2,400 percent increase in a local educational agency’s UI rate. The state must provide funds to cover this nearly $600 million in increased one-time school costs.

- **Transitional kindergarten:** The proposed universal expansion of transitional kindergarten includes a welcome rebenching of the Proposition 98 to adjust for the addition of new students. However, as negotiations continue, CSBA will advocate for the Legislature to address the facilities impacts and necessary transportation funding required by an expansion of this size.

- **ERAF (Excess Educational Revenue Augmentation Fund):** Despite large gains in Prop 98 in one-time funds, approximately $350-500 million is being taken from all LEAs annually as a result of improper guidance from the State Controller’s Office. This guidance allows ERAF counties to exclude charter school ADA in its calculation of property tax revenues that belong to schools. CSBA will push for the budget to correct this mistake, which will have long-term impacts on Prop 98 and the stability of school budgets.
• Broadband: The revised budget includes $7 billion of new investments over the next three years in broadband access to close the digital divide, reflecting CSBA’s long-term advocacy to ensuring every student in California has the internet access they need to learn.

State Board of Education adopts growth model and distance learning guidance

The State Board of Education adopted a methodology that will add individual students’ progress on state standardized tests to the state’s school accountability system at its regular May 12–13 meeting. The “residual gain” model calculates differences between students’ predicted test scores and actual test scores, using previous English language arts and math scores, as well as the scores of all other students in the same grade. However, since the pandemic interrupted standardized testing both in 2020 and 2021, the first calculations using the new student growth model, incorporating three consecutive years of testing, won’t be released until December 2024. Details of the growth model can be found here.

The board also adopted the California Digital Learning Integration and Standards Guidance, a comprehensive document that includes guidance on implementing research-based virtual learning practices and assessments, as well as standards guidance for math, English language arts, literacy and English language development by grade level. Board President Linda Darling-Hammond said the guidance could be used even as classrooms reopen to “allow students to engage in research and inquiry with colleagues not only in their classroom but around the world; to participate in simulations of scientific phenomena; to use open education resources to develop products, tools and papers; to represent their ideas in multimedia forms; and to develop confidence in their skills.” Read more on the CSBA blog »

New CSBA briefs examine pandemic learning loss and addressing learning recovery

A new pair of CSBA research and policy briefs examining the pandemic’s effect on student learning are available now. The briefs explore barriers to remote learning and how to address them, and delve into research regarding learning loss and strategies to support students through learning disruptions. Each brief contains resources and questions for boards to consider as they evaluate successes and failures of distance learning and plan for learning recovery in the summer and fall.

- Read “Supporting California Students in a Time of Crisis”
- Read “Understanding and Addressing Disruptions to Learning During the COVID-19 Pandemic”

CSBA’s Cash Reserve Program can help your LEA manage state deferrals

The impact of the apportionment deferrals and the timing of expenditures versus state and federal stimulus payments could make it difficult to maintain positive cash flow during the 2021–22 school year. Now in partnership with CASBO, CSBA’s Cash Reserve Program has provided local educational agencies a reliable and cost-effective short-term cash flow funding option for over 30 years. Participants issue Tax and Revenue Anticipation Notes (TRANs) through a streamlined, pooled process. Learn more today about how the Cash Reserve Program can offer you low borrowing costs and flexible repayment terms, with easy and efficient administration. Contact us now to apply. The Cash Reserve Program will issue TRANs in July/August 2021 to cover cash flow needs for the upcoming fiscal year. Learn more »
COVID-19 resources

Stay up to date with the latest news and resources related to COVID-19 on CSBA's dedicated webpage and with articles frequently posted on the newly redesigned CSBA blog.

Virtual events

2021 CCSA Virtual Spring Workshop
May 21 | Register here

MIG Course 1: Foundations of Effective Governance/Setting Direction (Virtual)
June 25-26 | Register here

MIG Course 2: Student Learning & Achievement/Policy & Judicial Review (Virtual)
July 16-17 | Register here

MIG Course 1: Foundations of Effective Governance/Setting Direction (Virtual)
July 26 and 28 | Register here

MIG Course 3: School Finance (Virtual)
August 6-7 | Register here

MIG COE Course 1: Foundations of Effective Governance/Setting Direction (Virtual)
August 19 and 21 | Register here

MIG Course 4: Human Resources/Collective Bargaining (Virtual)
August 20-21 | Register here

View complete calendar