

EXPLORING MORE EQUITABLE SCHOOL MODERNIZATION FUNDING

Public Advocates

April 4, 2024



“Facilities have a deep psychological impact on the people in them. Our facilities send the message that the staff, students and families are not worth investing in, and their education is not important.”



— Terrin Musbach,
Del Norte USD Climate Coach

The problem: Inequitable and unconstitutional school facility funding in CA

How the Rich Get Richer:

How California treats two school districts that are the same size, but have different capacities for raising school facility modernizing income:

\$10,000,000 1,000 students x \$10,000 per student
+ \$15,000,000 state match

\$25,000,000 total



\$80,000,000 1,000 students x \$80,000 per student
+ \$120,000,000 state match

\$200,000,000 total



“Del Norte county is the most northern county in the state with a small population and tax base. The funding distribution of state money makes me feel as though our community is an afterthought.”



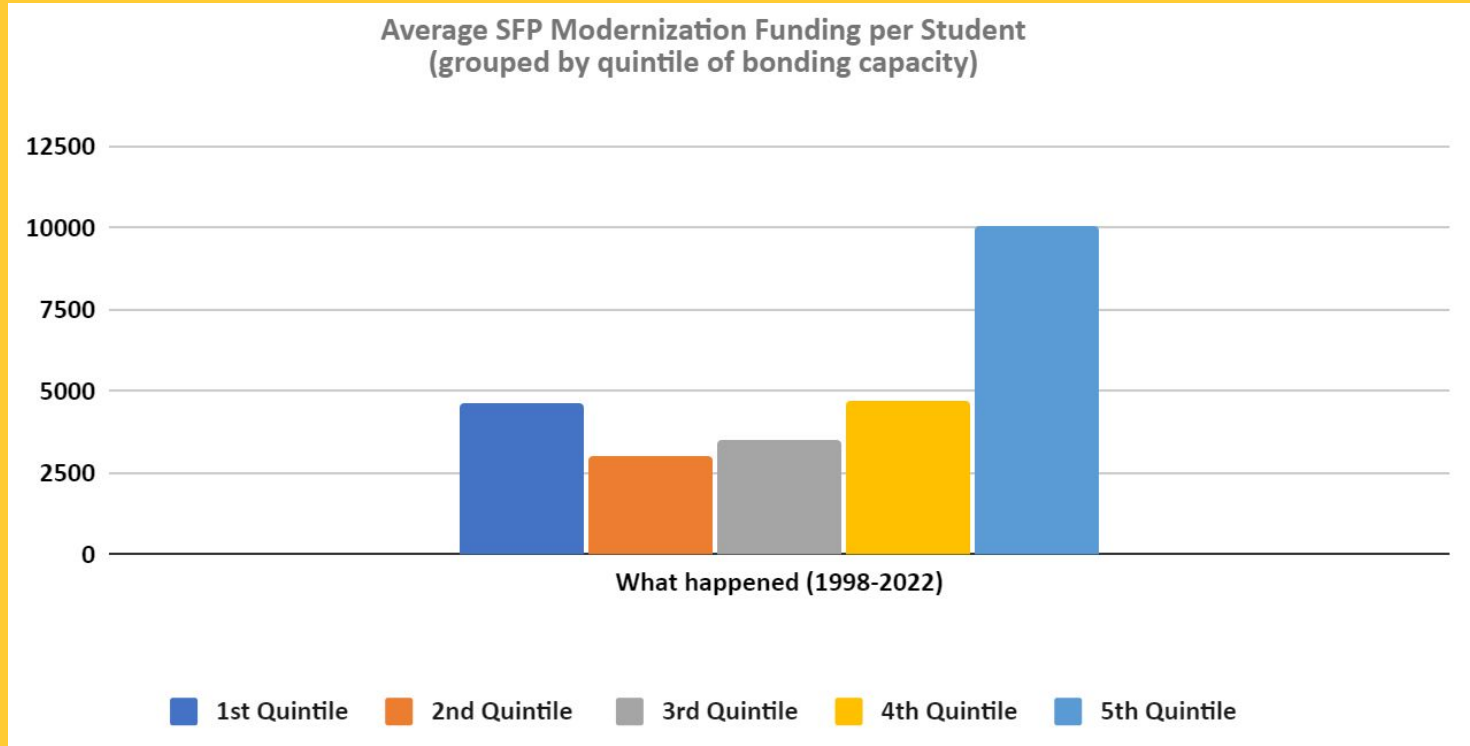
— Brie Fraley, Del Norte parent, Citizen of Tolowa Dee-ni’ Nation, True North Organizing Network parent leader

Quintiles of bonding capacity per student

1998-2022 (In 2023 dollars)

	1st Quintile	2nd Quintile	3rd Quintile	4th Quintile	5th Quintile
Average SFP Modernization Funding per Student, 1998-2022 (2023\$)	\$ 4,662	\$ 3,020	\$ 3,478	\$ 4,703	\$ 10,071
Percent of Total SFP Modernization Funding, 1998-2022 (\$2023)	9.36%	15.31%	22.01%	36.15%	17.18%
Number of Districts	142	156	156	156	156
Total Enrollment	680,065	1,069,246	1,160,695	1,397,881	634,289
Percentage of Statewide Enrollment	13.76%	21.64%	23.49%	28.28%	12.83%
Average District Bonding Capacity per Student	\$ 8,398	\$ 16,225	\$ 25,930	\$ 42,341	\$ 134,519

Low-wealth districts get less funding from the state for school facilities -- *even though they have less ability to raise local funds and greater needs*



“Lynwood is a vibrant and culturally rich community, but [the area] was strategically underinvested and under-resourced. It was also subject to... the bifurcating Black and Brown communities with highways, subjecting us to lower assessed property values and environmental challenges.”



— Gary Hardie, Jr., Lynwood resident, school district alumnus, parent, and current school board member

Solutions and principles for more equitable school modernization funding:

1. Drop the match and adopt a **sliding scale model** (or +/-more).
2. Maintain and expand supplemental (hardship) program to address unmet needs.
3. Replace first-come first-served model with equitable prioritization and regular monitoring.
4. Establish a system for assessing facility age and needs statewide on an ongoing basis.
5. Expand use beyond classrooms to address community school infrastructure needs.
6. Robust technical assistance for districts that have low capacity.

Proposed sliding scale models:

1. Linear sliding scale model
2. Sliding scale + equitable rebalancing

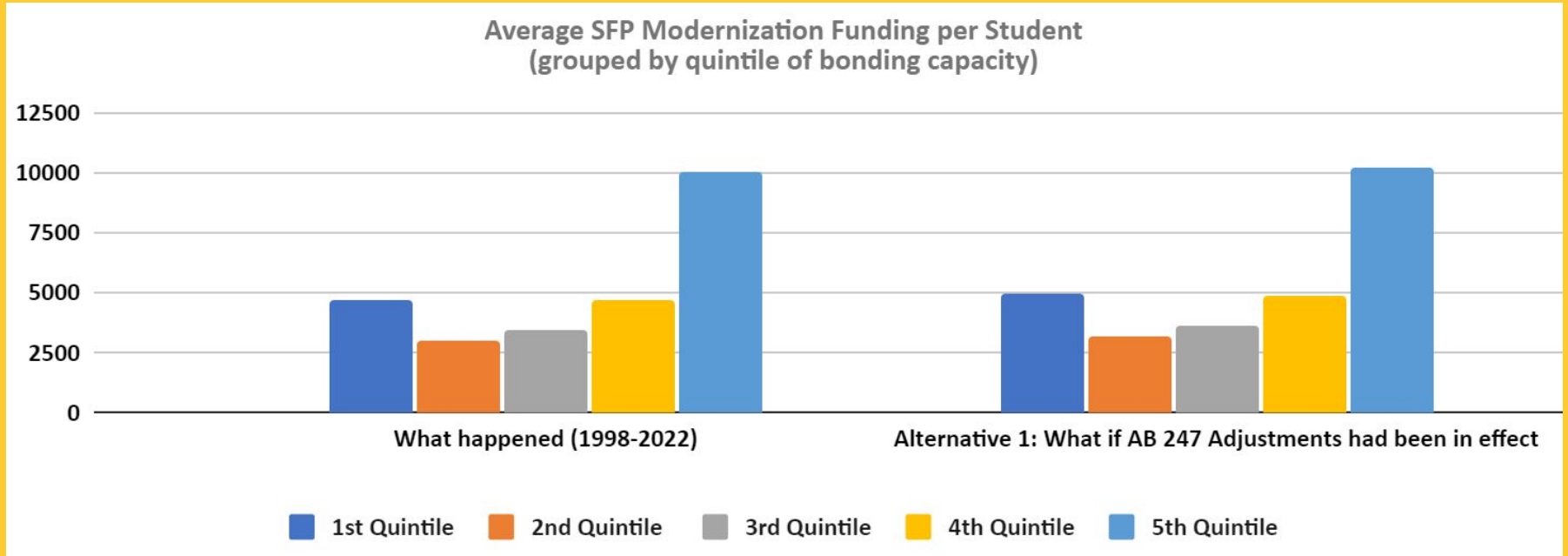
Current model:

- 60/40 state match program (same match % regardless of need).
- Financial hardship program is available for districts that cannot meet 40% local share.
- CA is in the minority of states that does not have a state policy that conditions state funding for facilities on local wealth (28 states do).

AB 247/SB 28 model:

- Point schedule
 - Bonding capacity/ student
 - 2X UPP %
 - 1 point for < 200 enrollment
- State share will stay the same for lowest-need districts (60% state match) and increase to up to 65% for highest need districts with the most points.
- This model does nothing to reduce disparity in modernization funding, nor does it repair the harm of underfunding low-wealth districts for decades.

The current legislative proposals won't address the deep inequities...

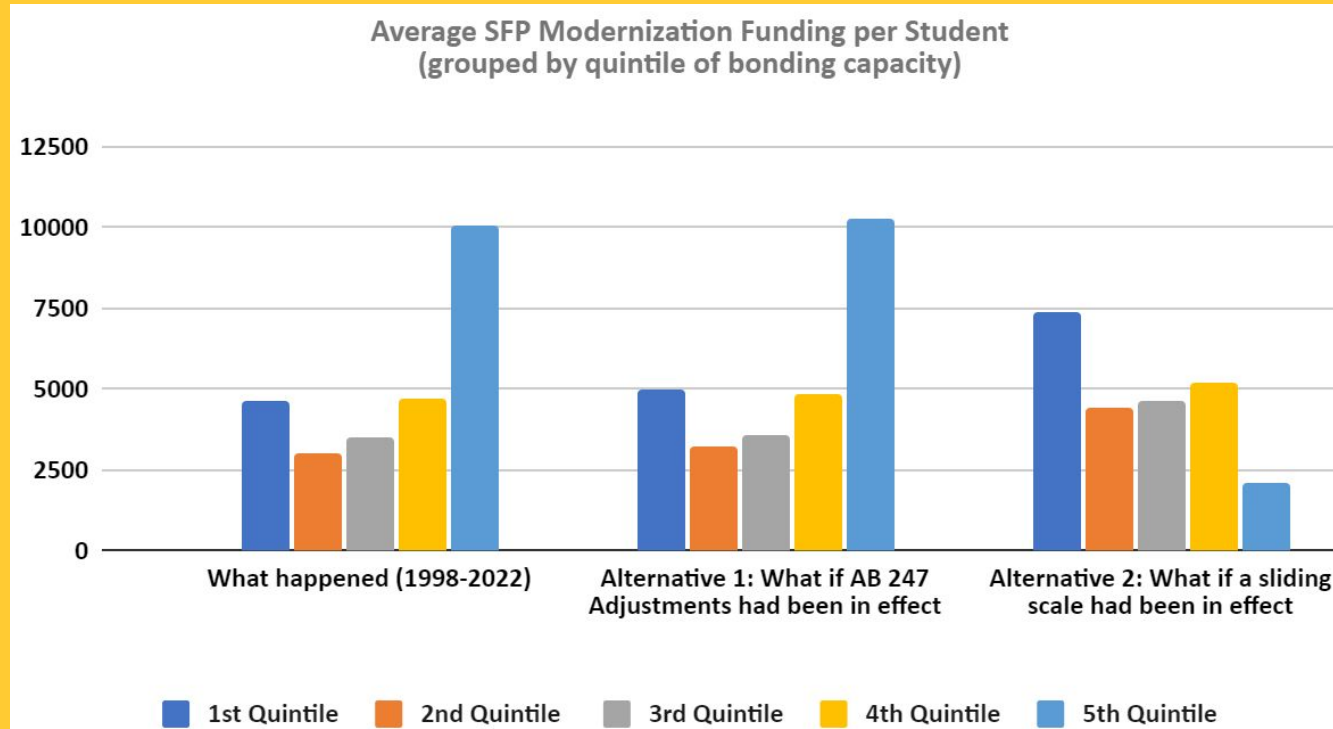


Proposed sliding scale model #1: Linear sliding scale

- Kansas model: Sliding scale based on bonding capacity/student
- The district with the lowest bonding capacity/student would get a 100% match.
 - The second lowest would receive 99%.
 - For every \$1,250 of increased bonding capacity, the state match would reduce match by 1%.
- The poorest 60-65 districts would receive 95% or greater match and the richest 50-55 districts would receive no match.

<u>Selected Schools*</u>	Bonding Quartile	Proposed State Match
Lynwood Unified	1	94%
San Bernardino	1	92%
Del Norte	2	89%
Salinas Union	2	89%
Sacramento	3	78%
Long Beach	3	77%
Oakland	4	57%
Los Angeles	4	57%
Pasadena	5	30%
Beverly Hills	5	0%

How would this model change the distribution of bond dollars?



“Monterey County’s economy is built by farmworkers and hospitality workers who make poverty wages and cannot afford the high price of housing in Monterey County.... Schools are the [place] our students go to feel safe and obtain the support and resources they need.”



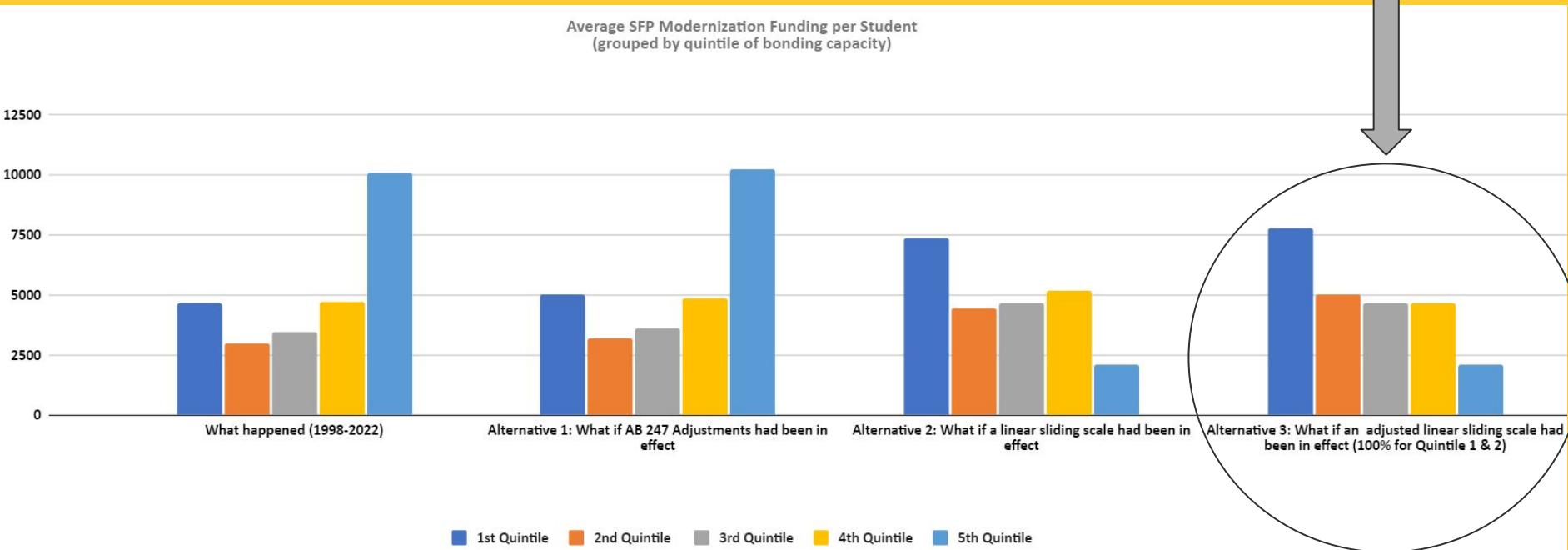
— Alma Cervantes, Director of Education Equity & Justice, Building Healthy Community of Monterey County (BHC)

Proposed sliding scale model #2: Sliding scale + equitable rebalancing

- Kansas model: Sliding scale based on bonding capacity/student w/ rebalancing conditions
 - Lowest wealth districts (quintiles 1 & 2) receive full state funding.
 - Wealthiest districts (quintiles 4 & 5) are capped at the current state match limit of 60%.
- CA has grossly underfunded school facilities for low-wealth communities of color for generations—even though they have greater needs and less ability to raise local funds. A rebalancing in favor of low-wealth districts evens the playing field and is fair and equitable.

<u>Selected Schools*</u>	Bonding Quartile	Current State Match	Proposed State Match - Model #1	Proposed State Match - Model #2 → OUR PROPOSAL
Lynwood	1	60%	94%	100%
San Bernardino	1	60%	92%	100%
Del Norte	2	60%	89%	100%
Salinas Union	2	60%	89%	100%
Sacramento	3	60%	78%	78%
Long Beach	3	60%	77%	77%
Glendale	4	60%	66%	60%
Oakland	4	60%	57%	57%
Los Angeles	4	60%	57%	57%
Pasadena	5	60%	30%	30%
Beverly Hills	5	60%	0%	0%

Our Solution: A Sliding Scale with Equitable Rebalancing



“During the summer in San Bernardino, temperatures can reach up to 115 degrees, but AC in our schools wouldn’t work. As a student, it’s almost impossible to focus in these conditions.”



— Angel Orozco, Inland Congregations United for Change (ICUC) youth leader and San Gorgonio High School Class of 2023