

COMMENTARY

# A Simpler, Fairer Way to Fund California's Schools

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Driving along Pacific Coast Highway, you can see the successive layers of earth and rock that have piled up over millions of years to create California's coastal landscape. You can see a similar, but less attractive phenomenon, if you look at the way California funds its public K–12 schools.

Over the last several decades, Sacramento has piled up layer upon layer of funding requirements in education, adding new regulations to the pile while leaving old ones in place.

These "categorical" programs send money to school districts to support specific activities and each comes with its own set of rules and obligations.

Categorical programs provide earmarked funding for reduced class sizes in selected grades, incentives to hire physical education teachers, oral health assessments for students in kindergarten, and more.

These are all worthy purposes, but the resulting jumble of policies is inefficient, inequitable, and hostile to local innovation and experimentation.

Governor Jerry Brown's budget proposal aims to transform the way California distributes money to schools by making two big changes under his Local Control Funding Formula.

First, the governor would do away with the many layers of categorical funding requirements that have piled up, which now govern more than \$7 billion in school revenue each year. The new system would consolidate the dollars now scattered across multiple programs into a single per-pupil grant. Local educators would be freed to decide how best to spend the money they get from the state to design programs that meet the specific needs of their communities.

The state would hold school districts accountable for success in meeting achievement goals for their students, rather than for compliance with categorical spending rules.

Second, the system would direct additional resources to the schools and students that need them most. Under the proposal, all school districts and charter schools would receive a base grant for each student they enroll. School districts and charters with students who face greater challenges—children in foster care, students living in poverty, and students still learning English—would receive additional funds to support these students.

Districts in which more than half of all students come from disadvantaged backgrounds would receive a further supplement to

help them overcome the obstacles to educational success caused by concentrated poverty.

The governor's proposal would not reduce funding for any school district, but revenue would grow faster in school districts that educate lots of disadvantaged students than it would in others.

Adopting the governor's proposed formula would make California's education finance system simpler and fairer. It would make education spending more efficient by reducing the administrative burden on local educators. It would make school funding more equitable by directing a larger share of resources to the neediest schools and students. And it would increase flexibility and encourage local innovation and experimentation by freeing local educators from the rules and mandates that go along with categorical funding.

Piling up layers of earth and rock has produced the magnificent panorama of California's coast. Piling up layers of categorical programs in California's education system has been far less inspiring.

The governor's proposed changes for California's education landscape are long overdue.

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