

Borrowing is the wrong approach to fixing our state's budget mess:

- The Education Coalition thoroughly rejects any proposal to solve the current budget impasse through borrowing alone, because it hurts our schools, students and threatens the future of California. Borrowing got us in this budget debacle and would only worsen our state's deficit and shortchange our students by billions of dollars now and in the future.
- It's time to pass a responsible budget that doesn't rely on gimmicks and faulty fixes that only make our state's budget problems worse. It's time for our state's leaders to stand up and truly invest in California's students.
- Poll numbers released from the Public Policy Institute of California (PPIC) (www.ppic.org) show that California voters agree that more borrowing is the wrong approach to fixing our state's budget crisis. While an anemic 8% of voters think it's okay for the state to borrow money and run a budget deficit, 41% would prefer to address our problems through a mix of spending cuts and tax increases.

The Education Coalition strongly opposes efforts to undermine Prop. 98, the state's minimum school funding guarantee.

- The Republican proposal in the Senate cuts more than \$5 billion from education and replaces ongoing money with one-time dollars that would only create a deeper budget hole next year. It relies on one-time temporary funding that doesn't address the long-term needs of our students.
- The Republican proposal would destroy the Prop. 98 minimum school funding guarantee and require a constitutional change to the law. In fact, this change would mean that \$3 billion in cuts would never be repaid to California's schools and students. California already ranks 46th in per pupil spending. This plan would lock us into that dismal spending level forever.
- Voters strongly reaffirmed their support for the minimum funding law in 2005, by rejecting a measure (Prop. 76) that included similar provisions to lock in terribly inadequate funding levels for our schools.
- The Republican plan to "securitize" the lottery irresponsibly takes a big gamble with our students future, cutting schools by \$2 billion and putting at risk more than \$1 billion in lottery funds that currently support our schools, with only a hope that this scheme to borrow against the lottery can make up the difference.
- The Education Coalition also rejects any proposals to give the governor the power to cut local school budgets in the middle of school year, making it extremely difficult for schools to plan or function, meet the needs of students or attract and retain quality teachers and school employees.

California needs a real budget solution that prevents deeper cuts to schools and students.

- The Education Coalition supports the original Conference Committee package that restores \$2.4 billion of the Governor's \$4.3 billion in proposed cuts to education. It also reinstates funding for important student programs such as Class Size Reduction and provides a partial cost-of-living-increase to help attract and retain quality teachers and offset rising gasoline and transportation costs. We oppose any additional cuts to our schools and students.



- Like California voters, the Education Coalition supports a budget solution that includes some spending cuts, closes tax loopholes and provides new and steady sources of revenue to help protect our public schools and community colleges from even deeper cuts.
- Our public schools have already experienced more than \$500 million in unexpected budget cuts this year—forcing many schools to lay off teachers and education support professionals as well eliminating art, music, and vocational education programs that help students learn and succeed. These cuts come at a time when California already ranks 46th in per-pupil spending, and dead last in the number of counselors, librarians and school nurses per student. The simple fact is California's schools need additional revenues to provide our students with the education they deserve.
- Critical school programs are not being funded. Due to the budget impasse, the state was unable to pay more than \$600 million to local school districts to support crucial programs like special education, adult education and summer school. If there is no budget soon, schools will not be paid for instructional materials, professional development, transportation, or programs to help low-income students and schools.
- The recent "Getting Down to Facts" studies from Stanford University show that California seriously underfunds its public schools and would need to spend 40 percent more to ensure that all students meet the state's rigorous academic standards. The studies also show that other states like New York spend 75 percent more on students than California.
- Our students and schools need *real* state budget solutions, not gridlock. Our students didn't create this budget crisis and their futures shouldn't be sacrificed to solve it. It's time to take a balanced approach in order to solve the state's budget crisis, and support the original Conference Committee Budget Package!

