

**RESOLUTION
IN SUPPORT OF THE EQUITABLE DISTRIBUTION OF LOCAL SCHOOL PROPERTY TAX REVENUES**

**SANTA CLARA COUNTY BOARD OF EDUCATION
RESOLUTION No. 2431-1**

WHEREAS, EdWeek's Quality Counts 2021 shows California earning a C+ grade for school spending - a regional-cost adjusted \$11,269 per student that is 18-percent lower than the national average of \$13,679; and

WHEREAS, the California Constitution states that, "From all state revenues there shall first be set apart the moneys to be applied by the State for support of the public school system and public institutions of higher education." (Article XVI, Sec. VIII (a)); and

WHEREAS, in 1978, Proposition 13 passed. The proposition decreased property taxes by rolling back assessed values to their 1975 basis and restricting annual increases of assessed value of real property to an inflation factor not to exceed two-percent per year. Schools lost 49-percent of their funding overnight; both schools and local services were forced to make severe cuts; and

WHEREAS, in 1979, AB 8 was enacted to satisfy the revenue loss for cities and counties by taking 30-percent of what remained in schools' local property tax funding and transferring it to local governments. Schools' share of property tax fell from 54-percent to under 40-percent overnight; and

WHEREAS, in 1992 and 1993, those funds were returned in that same proportion, as Educational Revenue Augmentation Funding (ERAF; Revenue & Taxation Code Sec. 97), with the proviso that they could only be distributed to state-financed districts where local property taxes fail to meet the state's funding targets; and

WHEREAS, in 2004, the Legislature proposed Proposition 1A to voters, which they approved, which protected all property tax allocations except those for public K-14 schools dependent upon state funding; and

WHEREAS, in 2013, the Legislature revised the Education Code to divert County Office of Education property tax in excess of its Local Control Funding Formula (LCFF) Target to fund the state's own trial court costs, rather than increasing the proportion of said property tax allocated to that county's Special Education SELPAs (Education Code Sec. 2574); and

THEREFORE, BE IT RESOLVED THAT the Santa Clara County Board of Education and County Superintendent of Schools urges the California Legislature to commit to protecting the property taxes currently raised for public schools, to forgo any efforts to further erode such local property tax allocation to schools, to add a regional cost supplement to the Local Control Funding Formula (LCFF) in those high-cost counties with "excess" educational revenue augmentation, to increase the allocation of

property tax to Special Education, reverse historical diversions and increase transparency of local property taxes allocated to education for County Offices of Education.

PASSED AND ADOPTED by the Santa Clara County Board of Education at a meeting held on January 10, 2024, by the following vote:

AYES: President Berta, Vice President Rocha, and Trustees Chon, Di Salvo, Lari, Mah, and Sreekrishnan

NOES: none

ABSTAIN: none

ABSENT: none



Maimona Afzal Berta, President
Santa Clara County Board of Education



Mary Ann Dewan, Ph.D.
County Superintendent of Schools