

**RESOLUTION
AGAINST LEGISLATIVE DIVERSIONS OF SCHOOL PROPERTY TAXES**

**SANTA CLARA COUNTY BOARD OF EDUCATION
RESOLUTION No. 2255-1**

WHEREAS, EdWeek's Quality Counts 2019 shows California earning an F grade for school spending - a regional-cost adjusted \$10,281 per student that is 20-percent lower than the national average of \$12,756; 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 chose to take away County Office of Education property tax in excess of its 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

WHEREAS, the Legislature has allowed the growing amount of education-allocated property tax (over half a billion dollars in 2017 and almost \$900 million currently) to be handed off to non-school entities as "excess" to educational requirements, rather than including regional costs and special education, as recommended to be part of LCFF, the "more rational, more equitable" school finance system outlined by Dr. Michael Kirst *et al.* in the 2008 blueprint for the Local Control Funding Formula; and

NOW, 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 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.

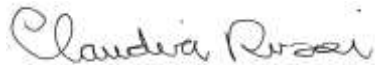
PASSED AND ADOPTED by the Santa Clara County Board of Education at a meeting held on January 15, 2020, by the following vote:

AYES: President Rossi, Vice President King, Trustees Di Salvo, Kamei, Mah, Ortiz and Song

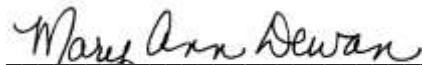
NOES: none

ABSTAIN: none

ABSENT: none



Claudia Rossi, President
Santa Clara County Board of Education



Dr. Mary Ann Dewan
County Superintendent of Schools