

May 27, 2011

K-14 Mandates: Governor's May Revision Proposal

LEGISLATIVE ANALYST'S OFFICE

Presented to:

Senate Budget and Fiscal Review Subcommittee No. 1
On Education

Hon. Carol Liu, Chair





K-14 Mandate System Broken

- ☑ The *2010-11 Budget Act* required our office to convene a work group to consider the future of K-14 mandates.

- ☑ Group was nearly unanimous in recognition of several major problems with K-14 mandates system:
 - System not responsive to changing needs.
 - State costs can be higher than anticipated.
 - Regulations can create mandates, increasing costs without legislative input.
 - High percentage of audited claims disallowed.
 - Districts face uncertainty over timing/amount of reimbursement.
 - Reimbursement process ignores effectiveness.
 - Reimbursement process can reward inefficiency.
 - Reimbursement rates vary without justification.
 - Claiming process creates administrative burden for districts.



Overview of May Revision K-14 Mandate Package

Governor's May Revision Eliminates Over Half of K-14 Mandates	
Action	Mandates
Suspend With Intent to Eliminate	
K-12 education	16
Community colleges	6
Shared K-14 education	5
Subtotal	(27)
Preserve	
Reduce Cost	
K-12 education	9
Community colleges	2
Shared K-14 education	2
Subtotal	(13)
Fund	
K-12 education	10
Community colleges	2
Shared K-14 education	1
Subtotal	(13)
Total	53

- Governor's May proposal:
 - Eliminates half of all K-14 mandates.
 - Reduces costs of a quarter of all K-14 mandates.
 - Achieves \$96 million in Proposition 98 savings compared to actual K-14 claims.
 - Achieves \$41 million in Proposition 98 savings compared to the March budget level.
 - Costs \$49 million annually.

- Governor also recommends developing a K-14 mandates block grant going forward.



Recommend Adopting May Revision K-14 Mandate Package



May Revision package:

- Provides clear framework for identifying which types of activities are worth requiring of all districts.
- Prioritizes activities related to health, public safety, oversight, and accountability that serve a fundamental statewide interest.
- Funds ongoing mandates while reducing costs by more than 50 percent.
- Sets the groundwork for a system that is more transparent and equitable as well as less cumbersome for school districts.
- Does not prevent policy committees from being involved in determining fate of suspended mandates.