

# A Review of the Teacher Layoff Process in California

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LEGISLATIVE ANALYST'S OFFICE

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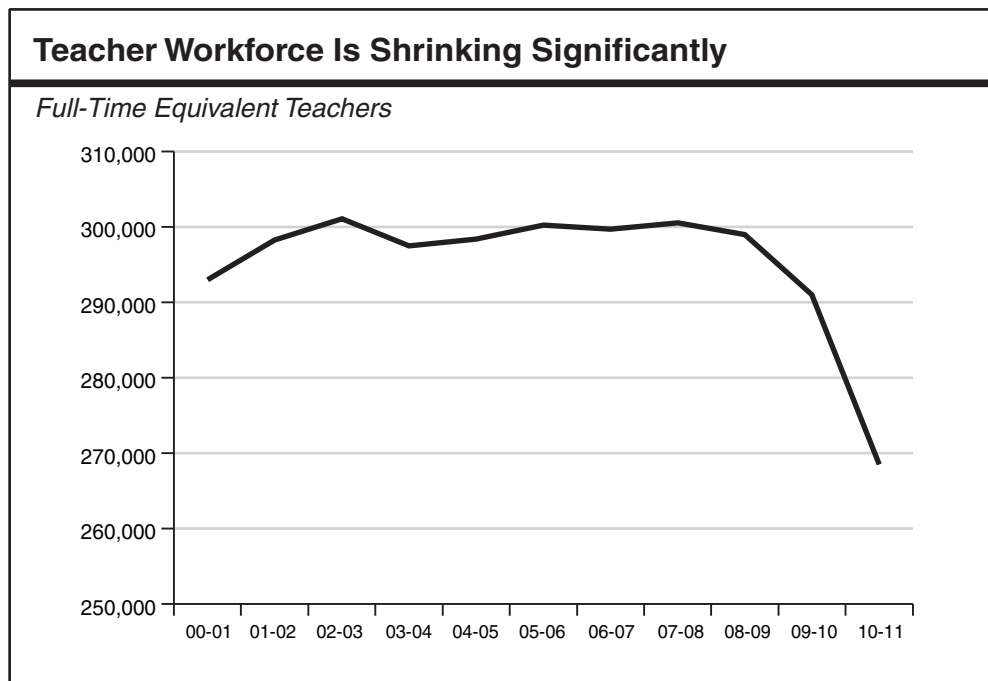
Hon. Carol Liu, Chair





## Recent Trends in Teacher Workforce

- ✓ **Statewide school funding reduced 8 percent over past five years.**
- ✓ **Reductions to school districts' budgets have resulted in a sharp decline in the teacher workforce.**
  - Since 2007-08, the number of full-time teachers has decreased by 32,000 (11 percent reduction).
  - From 2009-10 to 2010-11, the teacher workforce was reduced by 7.7 percent. Roughly the same number of job losses can be attributed to retirements and layoffs, with attrition accounting for a small number of losses.
- ✓ **Some regions are experiencing more significant declines, primarily because they are undergoing declining enrollment on top of budget reductions.**





## Time Line for Layoff Notifications

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- Current law establishes early time line for notifying teachers.**
  - March 15 deadline for initial notification.
  - May 15 deadline for final notification.
  - August 15 option if revenue limits do not increase at least 2 percent.
  
- Districts are issuing more layoff notices than necessary.**
  - Layoff deadlines precede key budget deadlines.
  - Districts routinely plan for more layoffs than necessary to protect against budget uncertainty.
  - August 15 “contingency window” is often not helpful.
  
- Recommend moving layoff deadlines to later in the year and instituting a rolling emergency layoff window.**
  - Move layoff deadlines to June 1 for initial notification and August 1 for final layoffs.
  - Replace current August layoff window with a new rolling, 45-day emergency layoff window. Allow emergency window to be used only following major state budget revisions.



## Hearing and Appeals Process

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### **Current law:**

- Requires administrative oversight of districts' implementation of state layoff policy.
- Provides noticed teachers the right to a hearing.



### **Administrative process adds some value, but is costly.**

- Administrative Law Judge (ALJ) provides administrative support and oversight that helps catch mistakes.
- ALJ and school districts tend to agree on layoff determinations.
- Districts spend roughly \$700 per-noticed teacher. Statewide, our survey information indicates districts spent about \$14 million in 2010-11.



### **Recommend replacing teachers' automatic right to a hearing with streamlined alternate process.** Alternate process would ensure:

- All relevant information is presented to the Office of Administrative Hearings.
- Both districts and bargaining units have opportunity to review and dispute information.



## State Values Seniority in Layoff Process

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### Current Law:

- Requires layoffs be made in inverse-seniority order. This results in a last-hired, first-fired policy.
- Allows districts some discretion to deviate from seniority order, particularly to: (1) break ties amongst employees with the same start date, (2) skip specialized junior teachers for which the district has a specific need, and (3) maintain or achieve compliance with equal protection of the law.



### Various Considerations/Trade-offs:

- Seniority is a standard, objective approach to making layoffs. Also, newer teachers tend to be less effective, on average, than more veteran teachers.
- However, using seniority instead of teacher effectiveness can lead to lower quality of overall teacher workforce, as some new teachers can be much more effective than other new teachers. Also, “bumping” of junior teachers can cause disruptions at many school sites.
- California is more prescriptive than most other states—the majority (33) of which allow school districts to determine their own layoff criteria.



### Recommend:

- Exploring alternatives to seniority-based layoffs. Could consider: student performance, teacher quality, contributions to school community, and teacher specializations.
- Encouraging the California Department of Education to disseminate district best practices on evaluating teacher performance.



## State Involvement and Locally Negotiated Options

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- State involved in virtually every aspect of districts' layoff practices.** Only 6 percent of districts negotiate local process for laying off probationary teachers or all teachers for lack of funds.
- Current law contains both state and local protections for teachers.**
- State faces difficult trade-offs in deciding role in layoff policy.**
  - Involvement helps provide uniform system.
  - State control might be unnecessarily restrictive.
- Recommend reassessing state role and expanding locally negotiated options.**
  - Carefully examine trade-offs between highly prescriptive state role and local flexibility.
  - Consider expanding locally negotiated options.