

# Are We Investing In Our Students?

A State-of-the-State Report  
on Education in California



Emergency Campaign for America's Priorities  
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# Are We Investing in our Students?

A State of the State Report on Education in California  
*California Needs Adequate Funding in The 2007 Labor HHS Education  
Appropriations Bill*

## **Background**

The U.S. Departments of Health and Human Services, Education and Labor provide needed resources to ensure that Californians are provided with quality educational programs that prepare them to be competitive in the global environment of the 21<sup>st</sup> Century. These programs must be a priority for our elected officials who are making key funding decisions in Washington, D.C.

- The 2007 Labor-HHS-Education appropriations bill provides \$56.2 billion for education - more than \$400 million less than last year, and a billion dollars less than Fiscal Year 2005.<sup>1</sup>

## **Investing in California's Children Early**

### **Head Start**

Head Start is a proven program for preparing low-income children to succeed in school and narrowing the school readiness gap between low-income children and their more advantaged peers. According to the Society for Research in Child Development, Head Start reduced the pre-reading achievement gap between participants and the national average by almost half and positively affects pre-writing skills as well as overall health, hyperactivity and behavior.<sup>2</sup>

For every dollar spent on pre-kindergarten, there is an estimated return of \$7 in future savings due to higher earnings, less crime and less remedial education.<sup>3</sup> However, in 2005, only 11% of 3-year-olds and 25% of 4-year-olds in California participated in state-sponsored pre-kindergarten or the federal Head Start program.<sup>4</sup> And, instead of investing to increase those numbers, the Republican budget further limits the number of California children who will benefit from early education.

**The 2007 Labor-HHS-Education appropriations bill provides \$56.2 billion for education - a billion dollars less than what was provided for in Fiscal Year 2005.**

- The marginal increase in funding for Head Start and Early Head Start, approved by the House and Senate Appropriations Committee, is \$2.8 million for FY 2007. That would lead to closing the doors on enrollment to nearly 19,000 children nationwide.<sup>5</sup>
- In California alone, that would be the equivalent of closing Head Start enrollment to 2,039 kids from Head Start in fiscal year 2007.<sup>6</sup>

## **Providing a Quality K-12 Education for All California Children**

### **No Child Left Behind (NCLB)**

Despite promises to “leave no child behind,” the federal budgets proposed by President Bush and passed by the congressional majority have repeatedly underfunded the No Child Left Behind Act since it was enacted in 2001.

- The House Appropriations Bill cuts No Child Left Behind by nearly \$500 million compared to FY06 and \$1.5 billion compared to FY05. The bill falls \$16.4 billion short of the NCLB funding level promised for 2007, creating a cumulative funding shortfall of \$56.7 billion since the law was enacted in 2002.<sup>7</sup>
- Because of the cuts in No Child Left Behind funding, 5 million California students will receive fewer resources in 2007.<sup>8</sup>

### **Individuals with Disabilities Education Act (IDEA)**

IDEA was passed 30 years ago to ensure that children with special needs have the opportunity for a public education that would allow them to develop and take full advantage of their gifts. Congress promised to pay 40 percent of the costs of educating students with disabilities in this country.

- The House Appropriations bill cuts funding for IDEA. It funds only 17% in 2007, compared to 18.6 percent in 2005 and 17.8 percent in 2006.<sup>9</sup>
- Because of the failure to provide adequate funding for IDEA, 254,086 California children with disabilities will be deprived of needed services.<sup>10</sup>

**Because of the cuts in No Child Left Behind funding, 5 million California students will receive fewer resources in 2007.**

## Teacher Quality Grants

In 2005, 27% of California schools' middle- and high-school classes in core academic subjects were taught by instructors who lacked at least a college minor in their subject.<sup>11</sup>

- The House Appropriations bill cuts Teacher Quality State Grants – which are used to help schools recruit, hire and train qualified teachers and to reduce class sizes - by \$300 million. This means 73,500 fewer teachers will receive professional development.<sup>12</sup>

## Technology

It is critical that our students have the tools to compete and the technological skills to qualify them for jobs in the new global economy.

- Rather than work to close the digital divide, the House Appropriations bill eliminates Education Technology Grants.<sup>13</sup> This means 1,347,658 students in California will lose access to technology in their classrooms.<sup>14</sup>

**Because of the cuts in the Labor-HHS-Education bill, 1,347,658 students in California would lose the benefits from State Education Technology Grants.**

## Making College Affordable and Accessible

There is no more important goal for our nation's future than ensuring that more Americans are able to obtain a higher education. This is crucial for the economic future of each potential student as well as for the economic competitiveness of our nation. Compared to high school graduates, the average college-educated worker earns about 73 percent more over a working lifetime and faces a 40 percent lower risk of unemployment.<sup>15</sup>

Yet, when it comes to keeping college affordable -- particularly for the children of working families -- America is failing. Federal grants and loans have not kept pace with tuition growth.

- Average tuition and fees rose \$2,427 - 90 percent - at public four-year institutions, \$766 - 58 percent - at public two-year institutions and \$8,363 - 71 percent - at private four-year institutions over the ten years ending in 2004-05.<sup>16</sup>
- The maximum Pell Grant represented 36 percent of the average charges at a four-year public university in 2004-05, down from 50 percent twenty years ago and from 42 percent in 2001-02, when President Bush took office.<sup>17</sup>

- In California, 32 percent of the average family income is required to pay for annual expenses at a 4-year public university, after accounting for financial aid.<sup>18</sup> Only 50 percent of California college freshmen will actually earn a bachelor's degree within 6 years.<sup>19</sup>

The result is a generation of students burdened with high debt.

- Sixty-five percent of students who graduated with bachelor's degrees in 2000 took out loans to pay for educational expenses, compared to 49 percent in 1993. In addition, students are borrowing larger amounts. The median amount borrowed by 2000 graduates was \$16,500, an inflation-adjusted increase of 73 percent (\$7,000) since 1993.<sup>20</sup>
- In a report by the National Center for Public Policy and Higher Education, California received a C- on keeping the cost of college affordable for students.<sup>21</sup>

### **Pell Grants**

Pell Grants help pay for tuition, books and equipment, and living expenses for more than 1.9 million community college students. Shortchanging this critical program will put the ability of millions of students in California and nationwide to go to college at risk.

- The proposed maximum award for Pell Grants in the House Appropriations bill is \$4,150 - \$800 less than the maximum Pell Grant 30 years ago, when adjusted for inflation.<sup>22</sup>
- In California, 183,242 student borrowers would be affected by the cuts in student loans in the proposed budget.<sup>23</sup>

**Because of the cuts in the Labor-HHS-Education bill, 183,242 students in California would lose access to Pell Grants.**

## Endnotes

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- <sup>1</sup> Committee on Education and the Workforce, Democratic Staff, 7/06
- <sup>2</sup> Center for American Progress, 5/06
- <sup>3</sup> National Institute for Early Education Research, 12/03
- <sup>4</sup> Rocha, Elena and Amanda Sharkey. "Education: The State We're In," Center for American Progress and Institute for America's Future, 8/05.
- <sup>5</sup> National Head Start Association
- <sup>6</sup> National Head Start Association
- <sup>7</sup> Committee on Education and the Workforce, Democratic Staff, 7/06
- <sup>8</sup> House Labor-HHS-Education Appropriations Funding Bill for Fiscal Year 2007, National Education Association State and Congressional District Data Fact Sheets.
- <sup>9</sup> Committee on Education and the Workforce, Democratic Staff, 7/06
- <sup>10</sup> House Labor-HHS-Education Appropriations Funding Bill for Fiscal Year 2007, National Education Association State and Congressional District Data Fact Sheets.
- <sup>11</sup> Rocha, Elena and Amanda Sharkey. "Education: The State We're In," Center for American Progress and Institute for America's Future, 8/05.
- <sup>12</sup> Committee on Education and the Workforce, Democratic Staff, 7/06
- <sup>13</sup> Committee on Education and the Workforce, Democratic Staff, 7/06
- <sup>14</sup> House Labor-HHS-Education Appropriations Funding Bill for Fiscal Year 2007, National Education Association State and Congressional District Data Fact Sheets.
- <sup>15</sup> Center for American Progress, 3/05
- <sup>16</sup> Center for American Progress, 3/05
- <sup>17</sup> Center for American Progress, 3/05
- <sup>18</sup> Rocha, Elena and Amanda Sharkey. "Education: The State We're In" August, 2005. Center for American Progress and Institute for America's Future. <http://www.americanprogress.org/site/pp.asp?c=biJRJ8OVF&b=995593>
- <sup>19</sup> Ibid.
- <sup>20</sup> Center for American Progress, 3/05
- <sup>21</sup> National Center for Public Policy and Higher Education, 2006
- <sup>22</sup> Committee on Education and the Workforce, Democratic Staff, 7/06
- <sup>23</sup> House Labor-HHS-Education Appropriations Funding Bill for Fiscal Year 2007, National Education Association State and Congressional District Data Fact Sheets.