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OAKLAND UNIFIED SCHOOL DISTRICT

Community Schools, Thriving Students

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To: Board of Education

From: Aimee Eng

Date: September 14, 2016

Re: Support - Proposition 55 - Tax Extension to Fund Education and Healthcare Initiative Constitutional Amendment, aka The California Children's Education and Health Care Protection Act of 2016

ACTION REQUESTED:

Approval by the Board of Education of Resolution No. 1617-0049 - Support - Proposition 55 - Tax Extension to Fund Education and Healthcare. Initiative Constitutional Amendment, aka The California Children's Education and Health Care Protection Act of 2016.

BACKGROUND:

Proposition 30, a temporary state-wide Sales and Income Tax Increase Initiative, was approved by voters in November, 2012, as an initiated constitutional amendment. It "Increase[d]s taxes on earnings over \$250,000 for seven years and sales taxes by ¼ cent for four years, to fund schools. Proposition 30 revenues are spent on classroom expenses and not used for administrative costs. The revenue cannot be suspended or withheld, regardless of changes to the state budget. Since January 1, 2012, Proposition 30 has reportedly generated more than \$31.2 billion for schools.

Proposition 55, essentially, is an extension of Proposition 30, continuing the personal income tax increase on incomes over \$250,000, approved in 2012, for 12 years in order to fund education and healthcare. If approved, it is expected to generate between \$8-\$11 billion annually for K-12 and community college education. [Up to \$2 additional billion for healthcare.]

California schools, although having received additional state revenue since 2016 through the Local Control Funding Formula (LCFF), are still significantly underfunded. Schools need more revenue to provide students with a first class, competitive education for college and career. Schools cannot afford a cut in the current underfunded level of state school funding that will result if Proposition 55 is not adopted.

I encourage you, my colleagues, to signal support of Proposition 55.

To: Board of Education
From: Aimee Eng
Re: Support Proposition 55 - Tax Extension to Fund Education and Healthcare Initiative
Constitutional Amendment, aka The California Children's Education and Health Care Protection
Act of 2016
Page 2 of 2

RECOMMENDATION:

Approval by the Board of Education of Resolution No. 1617-0049 - Support - Proposition 55 - Tax Extension to Fund Education and Healthcare. Initiative Constitutional Amendment, aka The California Children's Education and Health Care Protection Act of 2016.

AE:ER:er

Cc: Antwan Wilson, Superintendent Marion McWilliams, General Counsel

Attachment – Resolution No. 1617-0049 - Approval by the Board of Education of Resolution No. 1617- 0049 - Support - Proposition 55 - Tax Extension to Fund Education and Healthcare. Initiative Constitutional Amendment, aka The California Children's Education and Health Care Protection Act of 2016.

BOARD OF EDUCATION OF THE OAKLAND UNIFIED SCHOOL DISTRICT

Resolution No. 1617-0049

Support – Proposition 55 – Tax Extension To Fund Education and Healthcare, Initiative Constitutional Amendment, aka The California Children's Education and Health Care Protection Act of 2016

Whereas, Prop. 30, passed in 2012, helped public education recover some of the funds it lost during the recession by allowing districts to hire more teachers, faculty and education support professionals; brought additional books and supplies directly to the classroom; re-opened school libraries; and improved student access to community college courses, while at the same time helped to stabilize California's budget; and,

Whereas, California continues to lag far behind the rest of the country in education funding, ranking 46th in per-student spending. Governor Brown's 2016-17 budget forecasts show that unless we extend the tax on the wealthiest Californians, our schools and colleges will come up nearly \$4 billion short in the first year; and,

Whereas, our students cannot afford another round of drastic cuts that could potentially mean \$4 billion less for lowering class sizes, providing a well-rounded education, supporting professional development, keeping school libraries open, and ensuring students have access to higher education; and,

Whereas, Proposition 55 is not a new tax, but **temporarily extends** the income tax rates already in place on the wealthiest Californians and only affects the top 2% of earners in the state. The tax increases will automatically expire after 12 years; and,

Whereas, Proposition 55 is expected to raise \$8-11 billion a year that will go directly into a special fund that supports K-12 education and community colleges. By helping the state maintain and fund critical resources for public education, the measure also provided funding for other essential services like health care for low-income children and seniors. Up to \$2 billion a year will go to health care for low-income children; and,

Whereas, like Prop. 30, Prop. 55 also includes strict accountability provisions and will not permit any of the funds to go towards bureaucracy or administrative costs. The funds will be used to help students by reducing class sizes, updating textbooks, hiring new teachers and keeping tuition costs from skyrocketing. The money is also subject to audits by the State Controller,

NOW, THEREFORE, BE IT RESOLVED, the Board of Education of the Oakland Unified School District supports Prop 55, also known as the Children's Education and Health Care Protection Act of 2016, as a balanced and responsible solution that continues the much needed investment in public education and other vital services our community wants and deserves.

PASSED AND ADOPTED by the Board of Education of the Oakland Unified School District this 14th day of September, 2016; by the following vote, to wit:

- AYES: Jody London, Jumoke Hinton Hodge, Roseann Torres, Shanthi Gonzales, Vice President Nina Senn and President James Harris
- NOES: None
- ABSTAINED: None
- ABSENT: Aimee Eng

CERTIFICATION

I, Antwan Wilson, Superintendent and Secretary of the Board of Education of the Oakland Unified School District, Alameda County, State of California, do hereby certify that the foregoing Resolution was duly approved and adopted by the Board of Education of said district at a meeting thereof held on the 14th day of September, 2016, with a copy of such Resolution being on file in the Office of the Board of Education of said district.

Antwan Wilson

File ID Number: 16-1964 Introduction Date: 9-14-16 Enactment Number: 16-1513 Enactment Date: 9-14-1 By: