

State Capitals

Calif. Sweetens Pot To Ease Teacher Shortage

By Jessica L. Sandham

California teachers will be starting the coming school year in line for higher salaries, better retirement benefits, and more money off their state tax bills, thanks to a broad package of recruitment and retention initiatives Gov. Gray Davis signed into law last week.

Designed to address one of the most serious teacher shortages in the country, the programs and incentives are part of a \$38.6 billion state budget for K-12 education that the Democratic governor said answers a "call to arms on behalf of our schools."

"This package is more than just a financial statement; it is a value statement," the governor said during a July 5 signing ceremony for the school-related bills. "From this point forward, it will be known that California values its teachers."

Some observers said the most significant part of the overall state education budget is the \$1.84 billion in discretionary funding designed to compensate districts for money lost in the early 1990s when the legislature withheld routine cost-of-living increases to help balance the budget in tight economic times. The money will go to districts with no strings attached, although it is expected that most will use it to raise teacher salaries.

Officials in the nation's most populous state estimate that they will need to hire 300,000 new teachers over the next 10 years to keep pace with growing student enrollment.

The budget also provides \$1.1

billion to enable districts to provide an additional cost-of-living increase of approximately 3.14 percent this year, and \$55 million in grants to raise minimum salaries for starting teachers from \$32,000 to \$34,000.

All said, the influx of those funds and other money will increase per-pupil spending by 7 percent over last year, from \$6,321 in fiscal 2000 to \$6,763 in fiscal 2001, state officials said. The increase will also result in the biggest jump in California teacher salaries in 10 years, said Wayne Johnson, the president of the California Teachers Association, an affiliate of the National Education Association.

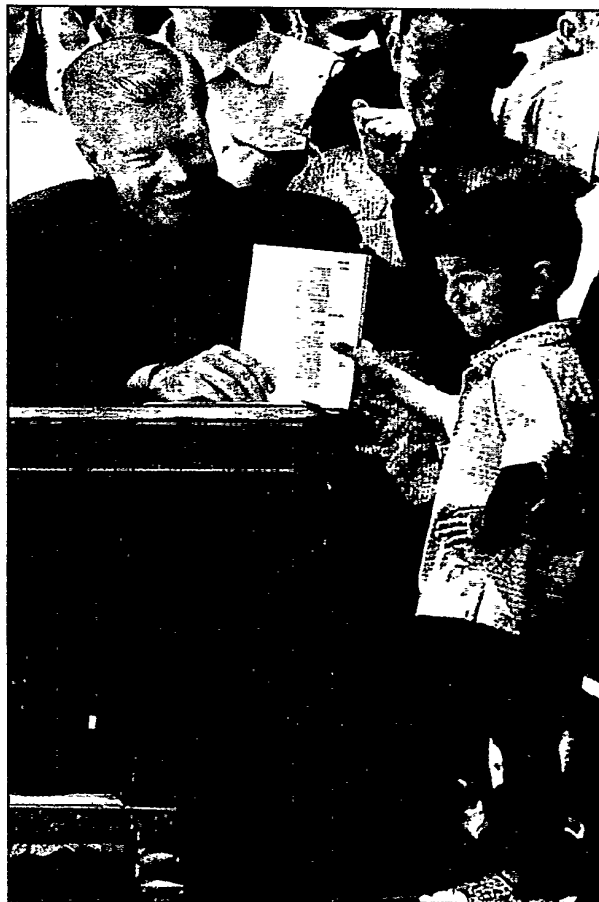
"The governor has taken a giant step in trying to solve this critical teacher shortage," Mr. Johnson said. "He is trying, he is moving on this, and it can only be good news for public schools."

Teachers Get Tax Break

In addition to paving the way for salary increases, Gov. Davis approved what is believed to be the first income-tax credit for teachers in the country. Starting this tax year, public and private school teachers with at least four years of service will be eligible to receive credits ranging from \$250 to \$1,500, depending on how long they have taught.

Mr. Davis initially grabbed national headlines in May when he proposed that all teachers be completely exempted from paying state income taxes—a plan that was widely criticized by both legislators and educators. (See

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California Gov. Gray Davis and 4-year-old Gabriel Torres hold a copy of the state budget the governor signed late last month.

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State officials estimate that the credits will cost the state about \$218 million in lost revenue from the personal-income tax this year—significantly less than the \$545 million price tag that accompanied the doomed tax-exemption plan.

But one of the main criticisms of the tax-exemption plan—that it singled out teachers over other public servants—still applies to the tax credit, said Assemblywoman Lynne C. Leach, a Republican who is the vice chairwoman of the lower chamber's education committee.

"I'm all for tax credits," Ms. Leach said. "But you set a bad precedent when you treat one group differently than another."

But while Mr. Johnson of the CTA was mildly critical of the governor's initial tax-exemption plan, he said the tax credit could be viewed as a way to help teachers recoup the money they rou-

tinely spend out of their own pockets on classroom materials.

"I don't know any teacher who doesn't do this," Mr. Johnson said. "They spend a lot of their own money on school supplies. That's why you have so many teacher stores around."

'Moment of Truth'

Mr. Davis also approved a host of other incentives designed to recruit and retain teachers, including a \$20 million fellowship program for teachers who agree to serve in low-performing schools for four years; a \$43.6 million initiative to expand the number of student-teachers with mentors; and a \$15 million program to provide bonuses to teachers who are certified by the National Board for Professional Teaching Standards.

In addition, the state retirement program for teachers was expanded to provide teachers an annuity or lump-sum payment of 2 percent of their total earnings

that will be available to them upon retirement.

The net effect of those allocations and others, said Assemblyman George Runner, a Republican who is a vice chairman of the Assembly's budget committee, is that California educators will lose their ability to point to low pay as a reason for poor student performance.

"This is going to be a real moment of truth for California public education," Mr. Runner said.

Advanced Classes Backed

Other education initiatives the governor signed into law include:

- A total of \$425 million in block grants districts can use to pay for school safety efforts, staff development, facilities improvements, tutoring or student-enrichment programs, improved educational technology, and enhanced instructional materials.
- A program that aims to make Advanced Placement classes universally available statewide, by

providing \$16.5 million in grants to high schools to institute the classes and \$5 million to help train teachers serving low-income students to teach the courses. Last July, the American Civil Liberties Union of Southern California sued the state on grounds that California had failed to give minority students adequate opportunity to enroll in the advanced classes.

• An instructional-technology initiative that provides a total of \$231.5 million to buy computers for schools with limited or no Advanced Placement courses, expand schools' access to the Internet, and train teachers on how to best incorporate computers into instruction.

• A \$102 million program designed to expand summer school and before- and after-school instruction.

• A package of \$677 million in incentives to reward schools and school employees for high or improved student performance on state tests.