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## THE BUDGET BATTLE: DON'T BREAK THE EDUCATION CHAIN FOR OUR CHILDREN

The Governor and Legislature are in another new budget fight. This time it centers on \$4 billion in unanticipated money. The Governor wants to use most of it to reduce or eliminate the DMV license renewal fee. Some legislative leaders want to use the money to eliminate state higher education tuition. Both are wrong.

The Governor's idea is predictable. Ever since 1991 he has been on a personal crusade to show the conservative wing of his party that his tolerance for a small tax increase was an anomaly, that he is not one of those "tax and spend" guys. Accordingly, he has repeatedly advocated tax cuts. The last seven years of tax shenanigans have transferred so much from the poor to the wealthy that the bottom 20% (with an average family income of \$12,600) now pay 11.2% of their income in state and local taxes, while the highest earning 20% pay 7.8% of their income. He has also shrunk state government so California now has the fewest state employees per population in the nation. He has hit impoverished children the hardest, taking them from 89% of the poverty line in total safety net support, to 72% today, and proposes 67.8% for next year.

Certainly he has shed his "tax and spend" moniker; the accurate label should be "cut and run, lookin' out for number one." The same percentage of personal income spent on children we committed as recently as 1989 would produce \$6 billion more dollars than he would invest in them.

The Legislature, which has lacked its own affirmative vision for children, has moderated some of the more gratuitous cruelties of the Governor (e.g., a Mom is 30 days late with a Healthy Families premium - cut the children off mandatorily from medical coverage for at least one year). But the Legislature has mostly nibbled at the edges of Gubernatorial January budget proposals.

Together, they have successfully distracted the public from California's last eight years of disinvestment in children by starting creative boutique programs with clever acronyms - most of which are symbolically funded or disappear. The Governor now has conjured up "Healthy Families," New Beginnings," "Healthy Start", and "Healthy Beginnings"; fortunately he still has left "New Start" and "New Families" before he has to begin recycling.

The popular legislative proposal to cut tuition to zero has its own illogic. Those attending UC law, engineering, and medical schools are now being subsidized by taxpayers to the tune of \$20,000 per year each. They will enter the work force at well above state median wage. So we should add to their subsidy?

The California Children's Budget 1998-99 proposes an alternative vision: an \$8.8 billion Child Protection and Advancement Fund. Tax and spend? Yes, but call it what it is, our "investment in our children." It is interesting that "tax and spend" chants did not stop rural electrification, water projects virtually creating southern California, or a Marshal plan to rebuild our former enemies. It did not stop our highway system, or Social Security and Medicare for the elderly, or the creation of military bases in many corners of the earth. But increase K-12 investment to the national average and you're a "tax and spender." Apparently, "tax and spend" mania has not impeded us from growing a prison system from 19,000 inmates in 1977 to 160,000 today - an 8 fold increase in a generation - costing us about \$40,000/prisoner per year, including capital costs.

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We need to invest in poor children especially, so instead of a crime ridden group of outcasts, we have youngsters who dream our dreams with us. We need to do what Americans have always done - after initial hesitation: embrace them, include them, invest in them. Instead, we are creating a permanent, unemployable underclass, and that spells danger with a capital D. For the first time, we are in danger of handing our children less opportunity than we had. The American chain has always been - the children come first. Our reality has been: first the politically powerful corporations and campaign contributing PACS, second the elderly (with 1/3 the poverty rate of children and expensive medical coverage), third, we middle aged folk with our new tax credits; fourth, the poor; last, their "rug rats."

We are surely breaking the chain. Privately, we are doing it with unwed births and paternal abandonment. And our public officials are following suit, by elevating their fear of "tax and spend" sloganeering above our obligation to children.

Some of the Children's Budget's \$8 billion in proposed new investment is directed at safety net restoration - children have to eat. Some of it is directed at implementing the Governor's "prevention agenda" ideas - including those pushing the conservative bromides about waiting to have children. He's right about that, so let's put our money where his mouth is.

But the most important part of the American chain through the generations is education. How many of our great grandparents worked a lifetime so their children could finish high school, and then the next generation picked up the baton so their children could go to college. When those Western settlements went up in the early 19th century - the school house went up early. And the selection of the teacher was more important than choosing a spouse. They gave a lot of what little they had for the schooling of their kids.

And so we would give education the biggest share of it; first to reduce class sizes in all grade levels, and assure computer literacy for every graduate. And second, to begin the critical transformation of higher education. Our work force has to shift in the international economy - away from manual labor. Our goal should be: over 90% of our youth get a higher education.

Our children know what the future is about, and they are showing us some moxie. About 55% are taking the SAT, as opposed to 31% nationally. Advanced placement courses are being taken by an extraordinary 40% to 50%. And although those taking the SAT have a profile which should project to low scores: high minority, high language deficiency, high undereducated parent %, the scores are surprisingly close to national averages. A lot of California's children are walking the walk, quietly, steadily studying. So what have we done? We have not increased the percentage able to go on to higher education, but cut it. Adjusted for youth population, enrollment in all higher education (UC, state college, community college) has gone from 1.52 million in 1990 to 1.39 million today. The other major account important to our equal opportunity ethos, financial aid grants, has gone from \$766 million in 1992 to \$700 million currently. Only 8.9% are able to afford and enroll in private colleges. The rest largely depend on enrollment slots available to them at a state college or university. The variation of tuition by several thousand dollars up or down is not as important as a space so they can have a chance, and not as important as available overall financial aid. The affirmative action argument may not be as important as this one. The issue of who gets in the door is less important as more are allowed through. And this is not a question of allocating privileges, getting in this higher education door is a necessity - future jobs are behind it.

The Governor is not the only tax break sponsor; the lobbies are out in force with over 100 bills now circulating at the capitol to confer tax credits and deductions. Each one locks in tax spending virtually forever - you see, ending them is a "tax increase" technically - and that takes a 2/3 vote of the legislature. The 1200 full time lobbyists in Sacramento know that, and love to hand their clients a present so epoxied in place.

Now is the time to "just say no" to all of them, and to legislators wanting to ignore the kids who need help the most. Now is the time, past the time, to begin the needed investment in our children and our future.

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