Op-Ed:

Schools a swamp of waste

By Carl Brodt, CMA, and Alan Bonsteel, MD Orange County Register, January 16, 2004

On March 2, Californians will vote on a \$15 billion bond measure put on the ballot in a deal cut between Gov. Schwarzenegger and the Legislature. Even if the bond measure passes, we'll still need to find billions and billions in spending cuts or new taxes to paper over California's massive deficit.

On Jan. 8, Schwarzenegger announced his proposal to close that multibillion gap. It included an emergency suspension of Proposition 98, the 1988 initiative guaranteeing a floor under public school spending. However, in a complicated deal, K-12 public school spending will still rise by \$216 per student anyway. To its credit, the Schwarzenegger administration is disseminating an accurate accounting of spending - a projected \$9,614 per K-12 student. All previous administrations used the highly misleading Prop. 98 figure, which underreported per-student spending by about \$2,000 by leaving off numerous big-ticket items such as teacher retirement and interest costs on school bonds.

Schwarzenegger's most famous campaign promise was to audit state spending and root out billions in waste and fraud. Given that K-12 schools constitute 40 percent California's budget, he has no choice but to consider cuts to public education. When he recently floated a trial balloon, however, of actual (rather than illusory) public school spending decreases, he was greeted with howls from the public school establishment complaining that there was "nothing left to cut."

In fact, the opposite is true. California's K-12 school spending is a swamp of waste, and that swamp is huge. Four layers of dysfunctional interlocking

bureaucracies at the federal, state, county and local levels soak up vast resources. The higher costs are inherent in any Soviet-style central planning like our public school system's, but include such things as the functionaries running these four layers of bureaucracy issuing conflicting orders to public schools and then suing one another over the conflicts, with the taxpayer ultimately paying the bills for both sides of the hissy fit.

The damage done by these layers of bureaucracy, however, does not stop at their upkeep, but also involves the added hidden costs of imposing on the rest of the public education system the Legislature's mandates. California's Education Code runs a staggering 11 volumes of rules and regulations.

And the Legislature in the last few years has merrily imposed more and more regulatory costs on the public schools. For example, SB 1419, passed this last year, limited the ability of school districts to save money by contracting out for services and imposed more than \$100 million in additional costs on the public school system.

If a mad political scientist had set out to design a public school system more wasteful and unresponsive, it is doubtful that anything worse than what we now have could have been devised.

So what can be done - now - to improve California public education without spending more tax money?

We can follow through on Gov. Schwarzenegger's Jan. 9 proposal to partly dismantle "categorical" state spending on education that handcuffs school boards and robs us of local control of our schools.

Decrease the regulatory burden on our public schools to free local boards of education to concentrate on helping our kids rather than the political interests of public employee unions. End the tenure system that makes public school teaching a government job guaranteed for life.

Consolidate the four interlocking layers of dysfunctional bureaucracies. The place to start is our county school bureaucracy, a black hole so obscure and unaccountable that most voters are unaware of its existence. The county educational functions should be consolidated either with the districts or the state.

Most importantly, pass school choice. Our charter and private schools are the shining lights showing the way by outperforming our public schools with far less funding.

Let's hope that we can yet find a way to balance the budget without reducing public school spending in ways that hurt the children. However, whatever the outcome this year, California's budget woes aren't going away any time soon. We have no choice but to spend smarter - because we can't spend more.