



# How the Education Sector Recovers from Covid Recession? Risks and Opportunities

- **What can be learned from the post-2009 era, recovering from financial crisis and recession?**
- **Sharpening state budget priorities for children and families.**
- **Why post-recession opportunities will be lost. Institutional stickiness and fragmented interests.**

# What can be learned from the post-2009 era?

- **K-12 spending declined by one-fifth in the wake of financial crash.**
- **In contrast, the 2020-21 budget holds constant program support (counting deferred payments). Revenue trends.**
- **Coming out of recession Gov. Brown restructured school finance... intending to address gaps in achievement with new dollars (\$23 billion yearly gain).**
- **Brown also “blew up” a few boxes: over 30 categorical aid programs, going farther than his predecessor.**
- **State coffers have benefited steadily from rising property tax revenues (filling a growing share of Prop 98 guarantee).**
- **Pension and health insurance plans eating away at district spending for the current instructional program.**





# In this evolving context, how to sharpen budget priorities for children and families?

- **Start with key tenets: address worsening inequities, simplify access to programs, incent innovation.**
- ***Attack disparities:* Finance reform has failed to budge wide racial disparities in student learning. Why?**
- ***Simplify access:* Panoply of confusing family leave and child-care programs for youngsters and families [and local providers].**
- ***Incent innovation:* What's being learned from online instruction that's motivating for kids and teachers?**

## Institutional stickiness and fragmented interests

- **How to backstop programs and local organizations under stress – and simplify or recast – is challenging. Special interests feel starved.**
- **Fiscal resources will remain tight: \$10 billion hole in deferrals to K-12. Slight additional help from Washington or Prop 15.**
- **Will Gov. Newsom be distracted from earlier priorities: low-income families and young children? The chance to simplify family access.**
- **Can the state remedy regressivity inside school districts? The failure of Local Control Funding in narrowing achievement gaps.**
- **Might the state evaluate what *did* work with online instruction, and incent replication to better motivate students and teachers?**