

Senate from outside Los Rios said to me, that the SLO “battle” is over, that we can expect our faculty to go through “stages of grief” as they are forced to begin reporting SLO’s. I would rather use a quote from my friend at FACCC, Jonathan Lightman, who said, reflecting on the entire advocacy process, “Politics is never over.”

SLO’s are not a pedagogical movement; they are a political movement, and the curtain never falls on the political stage. ■

## BUDGET WOES AND THE BATTLE OF THE INITIATIVES

By Dean Murakami

While the discussions about further section cuts have begun again in Los Rios, this is all in response to the serious budget difficulties we are facing. As noted in Chancellor Harris’s email, the community colleges are facing an additional \$149 million deficit for the current budget year of 2011-12. This is above the anticipated budget trigger \$30 million in cuts. While the State Chancellor’s office warned the legislature about a potential \$25 million student fee shortfall last year, that has now turned into a \$107 million shortfall. Add in a \$41 million property tax shortfall, plus additional shortages and you have this incredible midyear cut with less than four months left in the budget year! We are hoping that the legislature will help backfill at least a portion of the property tax and student fee shortfalls. We would not be in this mess if the community college system did not tie student fees directly to our funding which was vigorously fought by faculty groups. But, this is why we need your help in lobbying the legislature so that we can minimize the cuts we will have to make in classes. It has such a detrimental effect on our students and part-time faculty.

The Governor’s proposed budget in January for 2012-13 does not get much better. The Governor actually has proposed to increase community college funding by \$218 million, but that has been allocated to buy down the deferrals. While buying down \$218 million of the current \$961 million in deferrals is important, however, this means that none of the money can be used to prevent class sections cuts, save a part-timer’s job, provide additional counseling, offset our healthcare increases, or help in our categorical programs. He has also proposed to block grant all categorical programs and will reduce the number of Cal Grant recipients by 30%.

All of this was predicated on the passage of his original Tax Initiative. If the Governor’s Initiative fails then that will trigger a \$2.4 billion cut to Prop 98,

which translates into a \$264 million reduction to community colleges leading to a 5.56% workload reduction. This means a \$12.2 million cut to Los Rios and a \$6.2 million cut to the Faculty Bucket. The February estimate by the Legislative Analyst’s Office (LAO) of the triggered Prop 98 cut to community colleges has gone from \$264 million to \$292 million. The numbers keep getting worse. The LAO predicts a \$6.5 billion greater deficit than originally forecast in the Governor’s budget. This is more than what the Governor’s Tax Initiative is expected receive in revenues of \$4.8 billion. So, the Governor will have to make significant cuts to his original budget proposal.

There were three competing tax initiatives that are gathering signatures right now, the Governor’s, Molly Munger’s and the California Federation of Teachers (CFT) Millionaires Tax, all of which are trying to minimize the cuts to public education and

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services. I chaired the committee at the CFT that helped formulate the Millionaires Tax Initiative. We spent most of 2011 doing focus groups and polls of declined-to-state and moderate Republicans to determine if there was a tax proposal that could pass the voters. This is how the Millionaires Tax Initiative was formulated and this is why it has done well in the polls. Out of the five polls that have tested the three different tax initiatives among likely voters, the Millionaires Tax Initiative always comes out on top.

After we filed our initiative, all the news outlets focused on Governor Brown’s and Molly Munger’s initiatives, with CFT barely mentioned at all. However, all the polls show that Munger’s initiative has no chance of passing. CFT’s Millionaires Tax Initiative was still given little thought as we brought it to the California Democratic Convention in February. Our initiative caught a spark from the convention delegates, there was a lot of buzz about it, and people were lining up to sign our petitions. All of a sudden the Governor’s Tax Initiative moved to the back of the line. Just before Governor Brown was to give his keynote convention speech he asked our President Joshua Pechthalt what kind of deal can be made for us to drop the Millionaires Tax Initiative. When he gave his convention speech to rally the delegates to support his tax initiative, all he said was, “We’ve got to pass a tax measure...You’ll get your marching orders soon enough.” The support for the Millionaires Tax Initiative at the Labor Caucus and Progressive Caucus at the convention also indicated that there was a change in momentum.

Governor Brown and his Chief of Staff Nancy McCadden went directly to CFT President Pechthalt’s home not too long ago to see if CFT would drop the initiative. Pechthalt offered that if both sides would compromise then we could probably craft a new initiative that both could support. Governor Brown rejected the idea and CFT would not back down. Not much happened afterward until the polls showed that the Governor’s Initiative would not pass if the Millionaires Tax Initiative was on the November Ballot. In addition, CFT just added \$1 million into the signature gathering account which meant that it would definitely qualify. Over the March 10th/ 11th weekend, both Assembly Speaker John Perez and Senate Pro Tem Darrell Steinberg contacted Pechthalt about a compromise initiative. A general outline of a compromise was formed on Tuesday evening, March 13th and the CFT Executive Council approved the compromise the next afternoon. The CFT Executive Council discussion was contentious and the vote was by no means unanimous.

I am truly disappointed that we are not continuing with the Millionaires Tax Initiative. I and so many

others put everything we had into crafting the basic outline of the initiative, organizing for signature gathering to get it qualified, and were planning for the campaign in November. The Millionaires Tax captured the voices of hope from the grass roots organizations across the state, the disenfranchised, the Occupy movement, progressives, and so many others outside the traditional political power base in the state. CFT was building a coalition beyond political parties and labor unions, a true voice of the people of California. So now it is hard not to feel like you have suddenly lost a loved one.

The new reality is the vote has been done on the compromise and the Governor will get the signatures for it to qualify. Like any politician, he will have his back-up plan just in case something goes wrong. However, the new initiative feels like the child of a distant acquaintance and we no longer feel the urge to invest our time, emotion, and money to help it. In time I hope that can change and we can promote this new initiative because it will bring more money to community colleges and Los Rios, and if it doesn’t pass we will be looking at a minimum of 6% in salary reductions in the near future. Hopefully, that is enough to motivate us.

### What are the critical points about the Compromise Tax Initiative?

1. There will be a ¼ cent sales tax increase for four years.
2. It will increase personal income taxes for seven years. For each dollar above \$250,000 it asks an additional penny in taxes. For each dollar above \$300,000 it asks an additional two cents in taxes. For each dollar above \$500,000 it asks an additional three cents.
3. According to the Department of Finance, the compromise initiative will generate \$9 billion in additional revenues the first year and about \$5-6 billion in subsequent years. This is more than what the Governor’s Initiative of \$4.8 billion predicted by the LAO.
4. The revenue from the Compromise Tax Initiative goes into the state general fund.

We hope that you can be supportive of the Compromise Tax Initiative, because we need your help to get the signatures for it to qualify and then pass in November. This initiative will not stop the budget crisis in California, but it may help us to keep our heads above water until the economy recovers. The budget cuts the last three years have been devastating to our students, programs, and faculty. If we are going to reverse this trend we need to do it now before it is too late. ■