Proposition 30 Has Increased California’s K-12 School Spending

Spending on K-12 schools is one of the most critical public investments we make. Voter approval of Proposition 30 in November 2012 has provided more dollars for the state to support schools.

- California’s spending per K-12 student has increased relative to the rest of the US since voters passed Proposition 30. California is spending an estimated $1,800 more per K-12 student in 2014-15 than in 2012-13, inflation-adjusted. Largely as a result, the gap in spending per student between California and the rest of the US narrowed from $2,675 in 2012-13 to $975 in 2014-15, the smallest gap since 2001-02 (chart).

- California ranked 29th among all states and the District of Columbia in spending per student in 2014-15. California’s ranking has improved significantly since 2012-13, when it stood at 42nd. However, California’s ranking likely would be lower if the state’s high cost of living were taken into account. This is because education dollars – which primarily pay for staff salaries – tend not to stretch as far in higher-cost states.

- Proposition 30 boosts state revenues and, in turn, provides additional school funding, but revenue from Proposition 30 is set to decline after 2015-16. Proposition 30 raised the state sales tax rate through 2016 and personal income tax rates on high-income taxpayers through 2018. Proposition 30 will raise a projected $7.9 billion in state fiscal year 2014-15 and $8.0 billion in 2015-16. However, Proposition 30 revenues will decline after 2015-16, the last year its provisions will be fully in effect.