Share of Education Spending Going to Pay Pension Costs

- 7.2% (2001)
- 14.4% (2018)
Growth in Teacher Pension Debt
(Unfunded Liabilities for Plans Covering Teachers)

$12 Billion

$721 Billion

Most States Need Help; Only A Few Pensions are Stable
Required Pension Cost as % of K-12, 2001
Required Pension Cost as % of K-12, 2018
Certificated salaries as a proportion of the district budget are shrinking.
Survey respondents both already have and plan to make cuts in the future because of pension costs.

- Deferred maintenance: 55% plan to make cuts in next 5 years, 55% made cuts in past 5 years
- Larger class sizes: 45% plan to make cuts in next 5 years, 35% made cuts in past 5 years
- Increased debt: 37% plan to make cuts in next 5 years, 27% made cuts in past 5 years
- Fewer enrichment activities: 37% plan to make cuts in next 5 years, 33% made cuts in past 5 years
- Delays in purchasing: 29% plan to make cuts in next 5 years, 27% made cuts in past 5 years
- Fewer afterschool activities: 24% plan to make cuts in next 5 years, 21% made cuts in past 5 years
- Reduced counseling and health: 22% plan to make cuts in next 5 years, 19% made cuts in past 5 years
- Reduced access to technology: 16% plan to make cuts in next 5 years, 9% made cuts in past 5 years
- Fewer English learner supports: 12% plan to make cuts in next 5 years, 9% made cuts in past 5 years

% of Survey Respondents Reporting
In order to pay for pensions, districts are tapping into sources intended to serve students targeted by LCFF.

- 63% of survey respondents report that increased pension and benefit costs have impacted their ability to provide supplementary supports and services to unduplicated students.

- In 2017-18, 44% of sample districts spent more on CalSTRS and CalPERS than they received in supplemental and concentration grants.
  - In total, these districts received $3.2 billion in supplemental and concentration grants.
  - The same year, they collectively budgeted $2.1 billion in CalSTRS and CalPERS costs.
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