California's school-age population—4.3 million students—is the largest in the nation and comprises more than 10% of the national K-12 enrollment. California's enrollment growth, now at 100,000 per year, is also increasing faster than any other state except Utah. In addition, California has the most diverse population: of K-12 students, 48% are ethnic or racial minorities; 16.6% are immigrants; 25% have first languages other than English (approximately one-half of those are "limited-English proficient"); and the number of students from poverty backgrounds is increasing. (The study does not provide statistics on numbers of handicapped or gifted children who also have special needs.) This diversity, plus large class size, limits California's ability "to meet the educational needs of the state's fast growing and diverse student population." and thus, a "significant number of children...are educationally 'at risk.'"

The average class size for all California public school classrooms is 28.1 students. If special education, vocational education, and other special teaching classes are excluded, however, the average class size for regular classes is 29.3. Under this measure, junior high and intermediate schools are more crowded than the lower or higher grades, as are certain selected subjects (e.g., mathematics, science, social sciences, and foreign language) in junior high and high school.

Education Code sections 41376 and 41378 currently cap class size at 33 students for kindergarten and 32 students for grades 1-3. California's limits exceed both the "mandated" and "recommended" maximums of other states. School districts with higher-than-statutorily-allowed enrollments must pay a penalty, and in 1986-87, 86 California school districts were so penalized. "Reportedly, some districts choose to pay a penalty rather than remedy their class size excesses by paying for additional teachers, classrooms, etc." A school district may apply for a waiver from the State Board of Education to exempt themselves from class size penalties. Approximately 50 school districts have done so.

The SOR Issue Brief summarizes the major research on class size. Among the findings are the following:

- As class size decreases, student achievement increases (for all school subjects, IQ levels, demographic differences); and smaller classes are especially important for ethnic minority and economically disadvantaged students at all levels and for "achievement in reading and math in the early primary grades."
- The correlative effect decreases as grade level increases.
- Teachers feel better and perform better in small classes.
- Class size has a greater effect on teacher satisfaction, pupil attitudes, and instructional environments and processes than on achievement.
- "Optimum" class size varies with grade level, subject, and personal and academic development.

More specifically, smaller class size—especially below 20 students—brings about greater achievement because:

- Students receive more individual attention.
- Students are more attentive to their work, learn the basic skills better, and master more subject matter.
- Students engage in more creative and divergent thinking processes.
- Students develop better human relations with and have greater interpersonal regard for other students and teachers, and learn how to function more effectively as members and leaders of groups.
- Teacher attitude and morale is more positive (thus, student attitudes and perceptions are more positive).
- Changes in curriculum occur in the form of more enrichment activities and greater depth of lesson development.
- Classroom management is both easier and more effective because less time is spent on discipline and less time is lost to absences.

The studies warn, however, that "[c]lass size alone does not influence learning, rather it is one of several important factors that influences teaching and learning in the classroom."

Therefore, to gain the optimal effect on student achievement, reductions in class size must be accompanied by changes in instructional methods.

SOR's specific recommendations for improvement include:

- "[T]he most important policy goal for California schools is to introduce one-to-one or small group instruction to more students more of the time."
- "[T]he Legislature should create a new state fund to finance local projects designed to reduce the number of students in the teacher's classroom."
- "Class sizes should be limited to a maximum of 22 children, and each group should be supervised by a credentialed teacher and a trained aide."
- Teachers should provide quick and direct feedback on student work, including homework.
- Teachers should ask questions which
require students to apply, analyze, and evaluate information (as opposed to lecture).

-Daily teaching loads for the upper grades should be reduced to a maximum of four regular lecture classes and one seminar or "mentor situation."

-Parents should be involved in the learning process.

The SOR report also discusses other-state activities designed to reduce class size. Major findings include the fact that most class-size reduction efforts focus on the early primary grades to provide a good foundation in learning skills. Where higher grades were targeted for class size reduction, the focus fell on junior high or high school English or writing classes. Some states have reduced teaching loads in addition to or instead of reducing class size. None of the states provided additional funds for new facilities, however, preferring instead to leave such decisions to the local districts. As a result, state-level efforts were manifested in the utilization of additional classroom aides, even though this solution "was never considered an optimal choice."

SOR found that teachers and parents view class size as a strong indicator of educational quality. Most educational professional organizations support smaller class size and want the state to leave the implementation to local districts, but not all such organizations rank reductions as a top priority because of the associated costs. Seventy percent of those polled from the general public supported reduced class size but "the majority of respondents were not willing to support a tax increase to finance class size reductions."

In a final section of the report, SOR compared the Japanese system to this country's, although cultural differences make this undertaking difficult. Of note, however, is that even Japan is considering the question of class reduction.

Ensuring Universal Access to Health Care: Recent Lessons from Massachusetts (June 1988). In April 1988, Massachusetts enacted the "Health Security Act of 1988," which ensured access to health care for all of its citizens. Massachusetts is the first state to enact such a law; its provisions:

-address the needs of the "working uninsured" (full-time workers and dependents who receive no fringe benefit health insurance and who do not qualify for Medicaid or Medicare because of their income and/or age) by requiring employers that provide no employee health insurance to contribute to a state insurance pool;

-recognize "the growing burden of uncompensated care costs" on all health care providers and on employers that do provide health insurance (they pay their own premiums and suffer premium increases to cover uncompensated care costs) by capping "the private sector burden for uncompensated care, which [cap] declines as universal health insurance coverage is phased in";

-recognize the special needs of specific groups (e.g., children and pregnant women) and ensure access to preventive care for these groups. As a result, the state has capitalized on the savings attendant with prevention (e.g., one dollar spent on prenatal care saves three dollars in intensive neonatal care costs—in 1987, California spent $104 million of the public's money on hospitalization costs for sick and premature babies); and

-recognize that "the loss of health care benefits is one of the primary factors perpetuating welfare dependency."

SOR's Issue Brief responds to some of the major policy questions raised by the enactment of the law, including the following:

-The law is not preempted by the federal Employee Retirement Income Security Act (ERISA) because no mandate to provide insurance is imposed on employers; instead, contributions toward state-sponsored care are required from those that provide no coverage; and

-The impact on small businesses is minimized by exemptions for certain start-up businesses and employers with less than five employees; and by providing tax credits, a phase-in period, and small-business health insurance pool, and "technical assistance grants to groups brokering health insurance plans to small businesses."

Although Massachusetts' law will be a model for consideration by many states, SOR identified certain differences between California and Massachusetts which would affect the implementation of a similar plan here. For example, California has 8.6% more nonelderly residents who have no health coverage. Ten years ago, the majority of the uninsured— who may have qualified for Medicaid or Medicare— were aged, disabled, unemployed, or very poor. Today, the majority (50-75% nationwide, 75% in California) of the uninsured—who qualify for neither Medicaid or Medicare—are the working uninsured and their dependents. In addition, Massachusetts already had an uncompensated care pool which was financed by premium surcharges from private-sector employers.

The Gas Tax: A Long-term Solution to Freeway Congestion? (June 1988). Anyone who drives our streets and highways knows that California has a severe transportation problem. In advising us that the situation will only get worse, this SOR report blames the problem on a greater demand for highways resulting from increased population and numbers of drivers and vehicles; changing traffic patterns resulting from the movement of businesses into suburbs and commuters into more-distant suburbs, with the traffic from both onto low-capacity local roads; a decline of approximately 20% in real transportation dollars compared to 1975; and an increase of approximately 95% in the cost of road maintenance and construction between 1975 and 1986.

If the problem is to be solved and "[t]o ensure Californians in the next 20 years will be mobile," SOR estimates that "an additional $14.7 billion to $19.4 billion is needed to fund the changes necessary to accommodate new growth."

Presently, the primary source of state highway construction revenues is the retail sales tax collected on the sales of gasoline, now set at nine cents per gallon. The state could raise approximately $11 billion—still shy of the needed estimate—by fiscal 1994-95, if the gas tax were raised to twenty cents per gallon. Because the revenue garnered from this tax is now placed in the General Fund, such a raise would, in 1989-90, run afool of the state's constitutionally-established appropriation limit (requiring either refund to the taxpayers or redirection to local governments that have not met their own limit). Such excess revenues could be exempted by a determination that they are "user fees."

Indeed, the "users" of the state's transportation system "bear the primary burden of road construction" under this pay-as-you-go revenue system. The gas tax is discriminatory and regressive, however, because it burdens less those who burden the system more and taxes low-income users at a higher percentage of their income. That is, cost-per-gallon is the same, but peak-time users pay less than off-time users for their share of roadway construction and maintenance even though they burden the system more. At the same time, a set-amount tax, such as the gas tax, consumes a greater percentage of a poor family's income than it does of a wealthier family.

SOR identified other options which would allow transportation revenues to
increase as transportation costs increase, including the institution of a value-based tax, or indexing the gas tax to costs for fuel, construction, and labor.

Facts About Parental Leave (undated). This fact brief "provide[s] short answers to questions the general public might ask about parental leave."

The brief notes that California employers are required "to restore a female employee to a comparable job if she returns to work after her childbirth disability period" if the period is not longer than four months. In this state, the average leave is 10-11 weeks; approximately 128,000 women per year take maternity-disability leave. Most women receive a weekly average of $138 from temporary disability insurance (TDI) during that time.

If unpaid parental leave of up to 18 weeks were available to new parents (birth and adoptive), SOR estimates that an annual maximum of 140,000 California families would be affected. However, because this leave is unpaid, far fewer—"perhaps up to half"—would take advantage of the opportunity.

SOR's brief lists the following as benefits occurring from parental leave:

- Infants who have had full-time parental contact for several months exhibit fewer eating and sleeping problems and "autonomy conflicts" in their first and second years, respectively;
- Parents gain competence and confidence as parents from extended time with their infants, while maintaining their career options;
- Since quality infant care is especially scarce, parental leave reduces the pressures on the already overloaded child care system, at least for the first few months;
- Scarce and dubious-quality subsidized infant care, averaging $5,000-6,000 per year, costs more than parental leave;
- Employers that provide such leaves are better able to retain talented workers; and
- "Sane and supportive work/family policies make for a healthier society by balancing support for families with support for the economy."

Interagency Coordination and Planning (undated). This fact brief was based on an October 1987 study by the Commission on California State Government Organization and Economy entitled "The Children's Services Delivery System in California." (For more information on that study, its recommendations, and resultant legislative proposals, see CRLR Vol. 8, No. 3 (Summer 1988) p. 39 and Vol. 8, No. 1 (Winter 1988) pp. 37-38.)

The main purpose of SOR's brief is to identify who or what agency serves children and youth. "Responsibility for various programs falls to agencies administered by three separate Constitutional officers." The Governor has responsibility for budgeting for the Department of Finance; programming for the Social Services, Health Services, Mental Health, Developmental Services, and Youth Authority; overseeing programs in the Health and Welfare and Corrections Agencies; and planning special grants and pilot programs in the Office of Criminal Justice Planning.

The Attorney General has responsibility for maintaining the Child Abuse Central Index; conducting criminal record clearances for all child care personnel and holders of teachers' credentials; and serving as chief state liaison to local police departments with regard to child abuse investigations.

The Superintendent of Public Instruction has responsibility for administering subsidized child care; and administering funds for drug use prevention and education.