
LESSONS LEARNED: AVOIDING INEQUITABLE TEACHER LAYOFFS

Actions for State and District Leaders

The [economic recession](#) brought on by the COVID-19 pandemic has left states with unprecedented revenue shortfalls and [billions](#) in additional technical, logistical, safety, and support costs to help students continue to learn in a variety of settings and safely resume and operate schools in person. In response, the federal government is providing an additional \$123 billion to states and school districts through the [American Rescue Plan Act \(ARPA\)](#), which will allow many state leaders to continue to [avoid making the immediate funding cuts](#) that we saw during the last recession.

But we could still see dire budget shortfalls in some states. And all state leaders will have to make difficult decisions about K-12 school funding. If cuts are inevitable in some states, despite the infusion of federal aid, [layoffs of core classroom teachers may be unavoidable](#), given that staff salaries and benefits make up the majority of district spending. That would be especially concerning for high-poverty districts, which are [more reliant on state funding](#). It would also harm schools serving students of color and students from low-income backgrounds, which are [disproportionately staffed by novice teachers](#), who are the first to lose their jobs in districtwide, seniority-based layoffs (also known as “last in, first out” or “LIFO”). Teachers of color are also more likely to be laid off under seniority-based layoff policies, since they are [more likely to be novice educators](#) than their White counterparts. Those layoffs would create instability and exacerbate longstanding and persistent opportunity gaps for students of color and students from low-income backgrounds.

For this reason, Congress wisely included [maintenance of equity provisions](#) in the American Rescue Plan Act, which ensure not only that states minimize cuts to education broadly, but that any cuts [do not disproportionately harm](#) low-income communities and communities of color. Specifically, the maintenance of equity provisions require states that accept these federal funds to: (1) protect their high-poverty districts from funding cuts that are greater than average, (2) protect their highest-poverty districts from any cuts, and (3) ensure that funding or staffing cuts in the highest-poverty schools within each district are lower than average.

[State](#) and [district leaders](#) have been making, and will continue to make, decisions that will have lasting consequences for districts and schools and the students they serve. Unfortunately, some state and district leaders, and their representatives in Washington, DC, are beginning to balk at how difficult it will be to attend to equity in their budget decisions — as federal law now requires. The Great Recession of 2008 and its consequences for K-12 education provide lessons about how state and district leaders might avoid unnecessary and inequitable layoffs in response to the economic fallout from the pandemic and limit the harm done to students.

ACKNOWLEDGEMENTS: This brief is the result of a collaborative effort between The Education Trust, including Allison Rose Socol, Ph.D., assistant director of P12 policy (Ed Trust) and Ivy Smith Morgan, associate director for P12 analytics (Ed Trust), and Matthew Kraft, Ph.D., associate professor of education and economics at Brown University.

LESSONS FROM THE GREAT RECESSION

During and following the Great Recession, state leaders made significant and painful cuts to K-12 funding. These cuts substantially harmed student achievement. For every \$1,000 decrease in per-pupil spending, students [lost more than a month of learning](#) in most grades, and college attendance rates declined by 5%. The negative effects of spending cuts were larger in school districts serving [more students of color and students from low-income backgrounds](#).

There is strong evidence that teacher layoffs — and the inequitable ways in which they were implemented — contributed to the negative impacts that the Great Recession had on schools and students. Between 2008 and 2012, the K-12 public education system [lost nearly 300,000 jobs](#), the [largest reduction in our nation's history](#). Of these, [over 120,000](#) belonged to elementary and secondary teachers.

Layoff processes in public schools are shaped by state statutes and collective bargaining agreements between districts and local teachers' unions. During the Great Recession, schools serving students of color and students from low-income families [bore the brunt of the layoffs](#), especially in districts where narrow seniority-based layoffs occurred — either by choice or by law. Seniority-based layoffs also resulted in [substantial teacher turnover](#), which, as research shows, is [detrimental to student learning](#).

A PATH FORWARD

School systems must do a better job of recruiting, retaining, and supporting educators of color and educators in schools that serve high concentrations of students of color and students from low-income backgrounds, so that — regardless of the policies that govern layoffs — these students have strong and diverse teachers. In the short term, we need to avoid layoffs when we can and implement more equitable layoff policies.

We can learn from the profound and lasting consequences that budget cuts and layoffs during the Great Recession had on student learning, especially for students of color and students from low-income backgrounds. Here are actions that state and district leaders can take to protect the most underserved students and educators of color from layoffs and prevent history from repeating itself — or worse.

Equity Actions for State Leaders

- As required under the maintenance of effort and maintenance of equity provisions in the ARPA, **protect education budgets from cuts** and, if state funding for education must be reduced, **minimize harm to the highest poverty, lowest wealth districts**, which [lost more funding](#) during the last recession and are [more reliant on state funds](#).
- Require all districts to **collect and publicly report data on any personnel reductions due to the pandemic**, including the racial and ethnic demographics of those who were laid off and the racial, ethnic, and socioeconomic backgrounds of the students in the schools they served.

Ed Trust's tool, [Protecting High-Poverty Districts From State Funding Cuts](#), shows that not all funding cuts are the same, and that how and where they are made can have vastly different effects on districts, schools, and students. Use it to urge your state leaders to select an approach that protects students with the greatest needs.

- **Implement [more holistic layoff policies](#) that require or encourage districts to consider multiple criteria**, including teacher seniority, performance, and licensure status, as well as school-specific needs.
- **Expand [efforts to increase the diversity of the teacher workforce](#)** by investing in strategies to recruit and retain teachers of color.

Explore Ed Trust's [50-State Educator Diversity Data and Policy Scan](#) to see whether your state is prioritizing teacher equity and diversity and in which areas you can push your state leaders to do more to recruit, retain, and support teachers of color.

Equity Actions for District Leaders

The American Rescue Plan Act requires districts to shield high-poverty schools from disproportionate layoffs and hiring freezes. Faced with difficult decisions about cuts, district leaders have many options to protect the most vulnerable and systematically underserved students and the teachers who serve them.

- Reduce teacher anxiety and stress about the [threat of layoffs](#) by **engaging in early and transparent communication with teachers** and **notifying only those teachers whose jobs are actually at risk**.
- **Explore alternatives to layoffs**. Providing early-retirement incentives or engaging in collective bargaining to negotiate a wage freeze, temporary pay reductions, or furloughs for all employees, including the district leadership, are cost-cutting strategies that should be considered if core classroom teaching positions — especially those in schools serving the highest concentrations of students who are underserved and disproportionately impacted by COVID-19 — are at risk.
- **Take a more holistic approach to layoffs**.
 - Districts without seniority-based layoff requirements should take advantage of existing flexibilities to **avoid concentrating layoffs in schools that predominantly serve students of color and students from low-income backgrounds**.
 - Districts with seniority-based layoff requirements can work with unions to negotiate a policy that **exempts the most vulnerable schools from districtwide seniority-based layoffs**.

As a result of budget cuts, [thousands of teachers](#) in the Los Angeles Unified School District (LAUSD) in California received pink slips during the 2008-2009 school year. While some schools in LAUSD lost no teachers, the teachers who were laid off were disproportionately concentrated in struggling schools.

In 2011, following [the Reed settlement](#), the district agreed to exempt schools that were making achievement gains and had been hardest hit by layoffs in prior years as a result of the districtwide seniority-based layoff process.

- **Consider permanent changes to district layoff policies**, such as the following:
 - **Implement [school-based](#), rather than districtwide, layoffs** that distribute layoffs more equitably across schools and minimize teacher churn and involuntary transfers.
 - Work with unions to **curtail policies that exacerbate the inequitable distribution of novice teachers across schools**, such as seniority transfer policies that require schools to hire tenured teachers who apply to transfer to vacant positions or allow tenured teachers to “bump” non-tenured teachers from their positions.
 - **Implement [more holistic layoff processes](#) that consider multiple criteria**, including teacher seniority, performance, and licensure status, as well as school-specific needs.

