

From the Desk of
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TITLE: Computers for Graduates

PROBLEM(s):

Depending on which set of statistics are used, California's high school dropout rate is slowly improving, is holding steady or worse, growing. Anyway you look at it, the rate is way too high and it's causing economic and social problems that are expected to compound in the future.

EXAMPLE:

According to State Superintendent Torlakson, in 2017 - 82.7% of the students who started high school as ninth graders, graduated on time. Over all the number of graduates increased from 2016 by over 900 for a total of 408,124 students. In addition, the number of students who dropped out in 2017 decreased by over 2,200 compared to 2016 (DOE release - #18-50).

PROPOSED SOLUTION:

Provide California students with additional incentives to graduate. Specifically, California should reward graduates with economic incentives that can only be used towards the purchase or rental of hi-tech electronic equipment.

- High School = \$1,000
- 2 year degree = \$2,000
- 4 year degree = \$4,000
- Advanced Degree = \$6,000

SPECIFIC(S):

To accomplish this, California should reward those who graduate from various levels of school, including high school, with a tax credit towards the purchase of a computer, software or use of on-line computer services. Outlined above, this program will include 2 and 4 year degree programs, as well as those who achieve graduate degrees.

POSSIBLE SUPPORT:

- Colleges and Schools
- Economists
- Computer and Software Companies
- Students and Voters
- On-line Providers

POSSIBLE OPPOSITION:

- Franchise Tax Board

ARGUMENTS IN SUPPORT:

- 1) Good incentive and reward for California's entire student population;
- 2) This program pays for itself and rewards both students and tech companies;
- 3) Good way to positively stimulate jobs and the economy;
- 4) This is an investment in our future;
- 5) Only available to those who are minimally employed, have a social security number, file their taxes and purchase the equipment;

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- 6) Will help teach the principles of taxation and credits to those who normally won't pay taxes or don't understand what it means to pay taxes;
- 7) Short term costs outweigh long term expenses students without high school diplomas pose to our society;

ARGUMENTS IN OPPOSITION:

- 1) This program is too expensive to operate – There is not enough money;
- 2) This will become a paperwork nightmare;

PUBLICITY:

- This has two sets of publicity. First, the opportunity to network with corporations to promote technology. Second, international and national publications;

HISTORY:

- I do not know if this proposal has ever been introduced before;

FISCAL EFFECT:

- Unknown impact on the state budget. It is not known how many people will use this and how much it might cost;
- Balance: In the long run, this is a two-fold balancing act. First, those who graduate and use the write off, will have to both graduate and spend the money, not to mention earn enough to write it off. Second, the costs to society of those who don't graduate are incalculable, while those who graduate, is;

SECTION AFFECTED: As Per Legislative Council

LANGUAGE ATTACHED: Specific Language: No. Structural Language: Yes. This act should be designed using the following concepts:

- 1) If you graduate from high school and file/pay taxes in that calendar year, you may purchase \$1,000 (in any combination) worth of computer equipment, software or on-line services, and write it off as a tax deduction;
- 2) If you graduate from an accredited college with an Associates of Arts Degree or other 2 year degree, you are eligible for a \$2,000 tax credit to be used to purchase computer equipment, software or the use of an on-line service and write it off as a tax deduction;
- 3) If you graduate from an accredited 4 year college, you will receive a \$4,000 tax credit, to be used to purchase computer equipment, software or the use of an on-line service and write it off as a tax deduction;
- 4) If you graduate from a California accredited graduate degree program, you are eligible for a \$6,000 tax credit to be used to purchase computer equipment, software or the use of an on-line service and write it off as a tax deduction;
- 5) To be eligible for the deduction, you must be a Californian, have graduated from a recognized institution, have a Social Security Number and have a taxable income;
- 6) Earned credits are not transferable to another individual, although they may be used by the head of the household if the student is claimed by said head of house in/on their tax documents;