ASSEMBLY BILL No. 60

Introduced by Assembly Member Coto

December 9, 2008

An act to add and repeal Section 41055 of the Education Code, relating to education finance.

LEGISLATIVE COUNSEL'S DIGEST

AB 60, as introduced, Coto. Education finance: study relating to weighted pupil funding formulas.

Existing law requires a county superintendent of schools to calculate a revenue limit for each school district in the county pursuant to specified formulas, including the calculation of the average daily attendance of the district. Categorical programs exist to fund specific educational programs. Economic impact aid is provided to school districts based, in part, on the concentration of economically disadvantaged pupils and English language learners.

This bill would express legislative intent to simplify and make transparent the process through which funding is provided for each public school pupil, to equalize the funding for pupils within significant parameters, and to focus per-pupil funding on enabling all California pupils to reach high state academic standards.

The bill would require the Superintendent of Public Instruction, no later than March 1, 2010, to select a nonprofit entity or institution of higher education to complete a study related to weighted pupil funding formulas. The bill would specify topics to be included in the study. The bill would require the study to be submitted to the Superintendent for distribution to the Legislature no later than December 31, 2010. The

bill would limit the amount that would be paid to the entity or institution performing the study to no more than $150,000.

This bill would make these provisions inoperative on July 1, 2011, and would repeal these provisions as of January 1, 2012.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 41055 is added to the Education Code, to read:

41055. (a) The Legislature finds and declares all of the following:

(1) The National Assessment of Education Progress in 2005 ranked California the seventh lowest in mathematics in grade 8 and the third lowest in reading in grade 8 among all 50 states and the District of Columbia. The results for science in 2005 stated that the performance of pupils in California was the second lowest among the 44 states that participated in that survey.

(2) The Governor's Advisory Committee on Education Excellence, former Secretary for Education Alan Bersin, the President pro Tempore of the Senate, the Speaker of the Assembly, and the Superintendent of Public Instruction requested that the Getting Down to Facts Project be conducted to aid in the reform of public education in kindergarten and grades 1 to 12, inclusive, in California.

(3) The Getting Down to Facts Project, using grants provided by the Bill & Melinda Gates Foundation, the William and Flora Hewlett Foundation, the James Irvine Foundation, and the Stuart Foundation, brought together an array of scholars from 32 institutions with diverse expertise and policy orientations to synthesize what is known about the school governance and finance systems in California as a basis for convening the necessary public conversations to determine what should be done to improve public education in kindergarten and grades 1 to 12, inclusive, in California.

(4) On March 14 and 15, 2007, the findings of the more than 20 studies included in the Getting Down to Facts Project were released.

(5) It is necessary to replace the outmoded, arcane, and little understood formula used for funding kindergarten and grades 1 to 12, inclusive, education in California public schools.

(b) Therefore, it is the intent of the Legislature to do all of the following:

(1) Simplify and make transparent the process through which funding is provided for each public school pupil.

(2) Equalize the funding for pupils within significant parameters, including the varying costs of living throughout the state, the differences in the costs to educate pupils based on grade level, and the varying costs to educate pupils based on their individual needs.

(3) Focus per-pupil funding on enabling all California pupils to reach the high academic performance standards of the state.

(c) The Superintendent shall enter into an agreement for the completion of a comprehensive study of key factors to be considered in the creation of weights within the concept of a weighted formula for funding pupil learning, with the basic assumption that more resources are needed to educate some pupils than to educate other pupils. The study shall include a set of recommendations for a weighted pupil formula based on differing pupil needs and objective and thorough research.

(d) The study shall be completed by an entity selected through a request for proposal process extended to nonprofit entities and institutions of higher education with extensive experience working in California education. The request for proposal shall include, but not necessarily be limited to, priorities, parameters, criteria, and a clear definition of the work expected.

(e) The Superintendent shall select the entity or institution to perform the study no later than March 1, 2010, and the completed study shall be submitted to the Superintendent for distribution to the Legislature no later than December 31, 2010.

(f) The study shall include, but not necessarily be limited to, an examination of all of the following:

(1) Weighted pupil formulas used in other states and nations.

(2) Pertinent scholarly literature.

(3) Data relating to current funding levels and their relationship to pupil success.

(4) The ready availability of data for use in instituting new formulae.

(g) The study shall include, but not necessarily be limited to, discussion of all of the following:

(1) Current weighted funding levels in this state, considered in terms of categorical allowances and other supplemental programs serving specific pupil populations.

(2) Appropriate funding weighting factors deemed to meet the needs of special needs pupil populations, including English language learners, special education pupils, and pupils from low-income households.

(3) Appropriate funding, as defined to meet the educational needs of all pupils, with added weighted factors taking special needs into account.

(4) Recommendations for demonstrating and ensuring accountability for all pupil achievement performance on the part of local educational agencies to a new funding process that eliminates many existing categorical programs and their compliance requirements.

(5) Subsuming all previous mandate obligations without subsuming existing prioryear mandate debts owed to local educational agencies.

(6) Base recommendations on a rollout timeline that ensures that local educational agencies will not experience year-over-year reductions in funding when the new formula becomes effective.

(h) The study shall include a proposal for the best course of action, based upon and supported by an extensive body of research, to achieve a weighted pupil funding formula.

(i) The amount paid to the entity or institution performing the study under this section shall not exceed one hundred fifty thousand dollars ($150,000).

(j) This section shall become inoperative on July 1, 2011, and, as of January 1, 2012, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2012, deletes or extends the dates on which it becomes inoperative and is repealed.

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