

AMENDED IN ASSEMBLY APRIL 10, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1840**

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**Introduced by Assembly Member Alejo**  
(Principal coauthor: Senator Cannella)

February 22, 2012

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An act to add Section 52055.741 to the Education Code, relating to education funding.

LEGISLATIVE COUNSEL'S DIGEST

AB 1840, as amended, Alejo. Quality Education Investment Act of 2006: class size requirements: King City Union School District.

Existing law, the Quality Education Investment Act of 2006, authorizes school districts and other local educational agencies to apply to the Superintendent of Public Instruction to receive funding to allocate to elementary and secondary schools and charter schools that are ranked in either decile 1 or 2 on the 2005 Academic Performance Index for use in performing various specified measures to improve academic instruction and pupil academic achievement. The act imposes certain program requirements on each funded school, including class size requirements, as specified.

This bill would deem the King City Union School District to have met those class size requirements for the 2009–10 and 2010–11 fiscal years.

This bill would make legislative findings and declarations as to the necessity of a special statute for the King City Union School District.

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

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

1     *SECTION 1. The Legislature finds and declares all of the*  
2 *following:*

3     *(a) The King City Union School District was placed in a unique*  
4 *fiscal and administrative position before the 2009–10 and 2010–11*  
5 *fiscal years and responded by making budget reductions that were*  
6 *necessary to avoid insolvency.*

7     *(b) The King City Union School District received a negative*  
8 *certification for its second interim report of the 2007–08 fiscal*  
9 *year and for its first and second interim reports of the 2008–09*  
10 *fiscal year. A negative certification is assigned when a school*  
11 *district will be unable to meet its financial obligations for the*  
12 *remainder of the current fiscal year or for the subsequent fiscal*  
13 *year.*

14     *(c) On May 5, 2008, the Monterey County Office of Education*  
15 *declared the King City Union School District a “lack of going*  
16 *concern” to indicate that the school district’s fiscal health was*  
17 *suspect or was deemed to have a risk of insolvency and the county*  
18 *office of education placed a fiscal advisor and a fiscal expert on*  
19 *the school district’s site to assist with a fiscal recovery plan.*

20     *(d) In the fiscal review of the King City Union School District*  
21 *completed on August 13, 2008, the County Office Fiscal Crisis*  
22 *and Management Assistance Team (FCMAT) recommended that*  
23 *the school district consider a reduction in force for management,*  
24 *certificated, and classified employees in the 2008–09 and 2009–10*  
25 *fiscal years because of a continued decline in pupil enrollment*  
26 *and reduction in state revenues.*

27     *(e) Facing insolvency, the King City Union School District*  
28 *implemented budget cuts that were consistent with the*  
29 *recommendations made by the Monterey County Office of*  
30 *Education fiscal advisor and the FCMAT, including a reduction*  
31 *in force beginning in 2009 that resulted in increased class sizes.*

32     *(f) In July 2009, the King City Union School District severed*  
33 *its joint administration agreement with the King City Joint Union*  
34 *High School District and made budget cuts in order to avoid*  
35 *insolvency and the costs related to insolvency that would be*  
36 *imposed on the state and on the school district’s pupils.*

1 (g) Also in July 2009, the King City Joint Union High School  
2 District itself moved closer to insolvency and entered into state  
3 trusteeship after receiving an emergency loan from the state.

4 (h) As a result of its budget reductions, the King City Union  
5 School District was able to move out of negative certification by  
6 its first interim report of the 2009–10 fiscal year and has not since  
7 received a negative certification.

8 (i) During the time that the King City Union School District  
9 successfully warded off fiscal insolvency, the school district  
10 continued to provide quality instruction to its pupils and to meet  
11 all conditions placed on the district and its schools under the  
12 Quality Education Investment Act of 2006 (Article 3.7 (commencing  
13 with Section 52055.700) of Chapter 6.1 of Part 28 of Division 4  
14 of Title 2 of the Education Code).

15 ~~SECTION 1.~~

16 *SEC. 2.* Section 52055.741 is added to the Education Code, to  
17 read:

18 52055.741. For the 2009–10 and 2010–11 fiscal years, the  
19 King City Union School District is deemed to have met the  
20 requirements for class size set forth in paragraph (1) of subdivision  
21 (a) of Section 52055.740.

22 ~~SEC. 2.~~

23 *SEC. 3.* The Legislature finds and declares that a special law  
24 is necessary and that a general law cannot be made applicable  
25 within the meaning of Section 16 of Article IV of the California  
26 Constitution because of the unique circumstances faced by the  
27 King City Union School District, including the separation in the  
28 administrative relationship with the South Monterey County High  
29 School District (*formerly known as the King City Joint Union High*  
30 *School District*) and the enhanced impact of the decrease in Quality  
31 Education Investment Act of 2006 (Article 3.7 (commencing with  
32 Section 52055.700) of Chapter 6.1 of Part 28 of Division 4 of Title  
33 2 of the Education Code) funds due to the high percentage of the  
34 King City Union School District’s schools and pupils covered by  
35 the act.